

YOUNG & FRANKLIN / TACTAIR FLUID CONTROLS INC.

PURCHASE ORDER TERMS AND CONDITIONS

Rev: H, Date: January 17, 2023

THIS ORDER IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. ACCEPTANCE

These Terms and Conditions in conjunction with the Purchase Order and a Non-Disclosure Agreement (NDA) constitute an offer by BUYER which is accepted by SELLER solely in accordance with the terms set forth herein and on the face of the Purchase Order upon the earlier of SELLER's

- (i) signing and returning the acknowledgment copy hereof, or
- (ii) commencement of effort, or delivery in whole or in part of Work or the furnishing of services required herein, or
- (iii) failure to take exception to the terms herein and on the face of the Purchase Order in writing within 21 days of the Purchase Order date.

Acknowledgement of the Purchase Order constitutes acceptance of these Terms and Conditions and the restrictions and requirements covered in the NDA. The Purchase Order, these Terms and Conditions, and the NDA together form a complete and exclusive statement of terms and supersede all prior agreements.

2. NON-DISCLOSURE AGREEMENT (NDA)

The Generic Supplier NDA can be found at either www.tactair.com/support/supplier, or at www.yf.com/supplier-support. The NDA does not require signatures. The NDA shall become binding upon both BUYER and the SELLER when the Purchase Order is accepted by SELLER in accordance with Article 1 above.

3. ADDENDA

All supplemental or acknowledged sheets, schedules, exhibits, specifications, drawings, data or riders which may be annexed hereto or referenced herein are made part of the Purchase Order. SELLER acknowledges that it has available to it all specifications, drawings and data incorporated in this Purchase Order and that they are adequate to enable SELLER to perform the Work called for herein in accordance with the delivery schedule.

4. DEFINITIONS

The following terms shall have the meanings set forth below:

- a) "Contract" means the instrument of Contracting, such as "Purchase Order", "PO", "Subcontract", or other such type designation, including these General Provisions, all referenced documents, exhibits, and attachments.

- b) "BUYER" means YOUNG & FRANKLIN INC. or TACTAIR FLUID CONTROLS INC. or both as the context requires.
- c) "BUYER's Procurement Representative" means a person authorized by BUYER's procurement organization to administer and/or execute this Contract.
- d) "Proprietary Information" includes, but is not limited to documentation, data, inventions, know how, processes, designs, samples, models, drawings, including but not limited to source controlled drawings, prints, specifications, materials, bills of material, equipment including, but not limited to, special tools or test equipment, reports, hardware, software, and technology.
- e) "SELLER" which includes Supplier, means the party identified on the face of this Contract with whom BUYER is contracting.
- f) "WORK" means all required labor, articles, materials, supplies, goods, and services constituting the subject matter of this Contract.

5. NOTIFICATION OF NON-COMPLIANCES / ESCAPES / LOSS OF ACCREDITATION

SELLER shall immediately notify BUYER in the event that

- a) non-conforming Work or services have been supplied to BUYER;
- b) a quality escape has occurred;
- c) SELLER receives a GIDEP alert or other such industry/supplier/customer notification affecting the Work or services provided to BUYER; or
- d) SELLER has been notified that any of its accreditations from any nationally or internationally recognized certification bodies is in jeopardy of being withdrawn or has been withdrawn, including, but not limited to NADACP, ISO9000, or AS9100.

6. INDEPENDENT CONTRACTOR RELATIONSHIP

SELLER's relationship to BUYER in the performance of the Purchase Order is that of an Independent Contractor. Neither the SELLER nor any of the persons furnishing materials or performing Work or services which are required by the Purchase Order are employees of BUYER within the meaning of or the application of any Federal or State Unemployment Insurance Law or other Social Security Law or any Workmen's Compensation Industrial Accident Law or other Industrial or Labor Law. The SELLER shall, at its own expense, comply with such laws and assume all liabilities or obligations imposed by any one or more of such laws and regulations there under with respect to the Purchase Order.

7. ASSIGNMENT AND SUBCONTRACTING

The Purchase Order or any interest hereunder shall not be assigned or transferred by SELLER without the prior written consent of BUYER. Any assignment of SELLER's Contract rights or delegation of SELLER's duties shall be void, unless prior written consent is given by BUYER. SELLER shall not subcontract or purchase the furnishing of any of the complete or substantially complete WORK required by the Purchase Order, without the prior written approval of the BUYER.

8. ORDER OF PRECEDENCE

In the event of an inconsistency between the clauses of the Purchase Order, the inconsistency shall be resolved by giving precedence in the following order:

- a) provisions on the face of the Purchase Order;
- b) Terms and Conditions;
- c) other provisions of the Purchase Order, whether attached or incorporated by reference; and
- d) the Specifications.

9. ELECTRONIC CONTRACTING

The parties agree that if this Purchase Order is transmitted electronically neither party shall contest the validity of this Purchase Order, or any acknowledgement thereof, on the basis that this Purchase Order or acknowledgement contains an electronic signature.

10. CONTRACT DIRECTION

- a) The Purchase Order contains all the agreements and conditions of sale and no course of dealing or usage of the trade shall be applicable unless expressly incorporated in the Purchase Order. The terms and conditions contained in the Purchase Order may not be added to, modified, superseded or otherwise altered except by a written modification signed by an authorized representative of the BUYER's Purchasing Department and delivered by BUYER to SELLER.
- b) Each shipment received by BUYER from SELLER shall be deemed to be only upon the terms and conditions combined in the Purchase Order notwithstanding any terms and conditions that may be contained in any acknowledgment, invoice or other form of SELLER, and notwithstanding BUYER's act of accepting or paying for any shipment or similar act of BUYER.
- c) Except as otherwise provided herein, all notices to be furnished by the SELLER shall be in writing and sent to the BUYER's Procurement Representative.

11. CHANGES

- a) BUYER may at any time by a written order make changes within the general scope of the Purchase Order in any one or more of the following:
 - (i) drawings, designs, or specifications;
 - (ii) method of shipping or packing;
 - (iii) place or time of delivery; and
 - (iv) quantity.
- b) SELLER shall proceed immediately to perform the Purchase Order as changed.
- c) If any such changes cause an increase or decrease in the cost of or the time required for the performance of the Purchase Order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the Purchase Order shall be modified in writing accordingly. Any claim for adjustment under this provision must be submitted in writing within fifteen (15) days from the date the change is ordered together with cost or pricing data sufficient to permit evaluation of such claim. Where the cost of property made obsolete or excess as a result of a change is included in the SELLER's claim for adjustment (and supported by inventory schedules to be submitted within three (3) months from the date of change), the BUYER shall have the right to prescribe the manner of disposition of such property. Failure of the parties to agree upon any adjustment to be made under this clause shall not excuse SELLER from proceeding with the Purchase Order as changed, or directed by an authorized representative of BUYER's Purchasing Department.
- d) This issuance of information, advice, approvals or instructions by BUYER's technical personnel or other representatives shall not affect BUYER's and SELLER's rights and obligations hereunder. No change or modification shall be binding upon BUYER unless the same is in writing signed by an authorized representative of BUYER's Purchasing Department.

12. TIMELY PERFORMANCE

- a) SELLER's timely performance is a critical element of this Contract.
- b) If SELLER becomes aware of difficulty or delays in performing the WORK, SELLER shall timely notify BUYER, in writing, giving pertinent details. This notification shall not change any delivery schedule obligations.

13. PRICES

Unless otherwise specified, all prices are firm-fixed and shall include all applicable federal, state and local taxes, duties, tariffs, and similar fees imposed by any government. The price includes all charges for boxing, packing, crating, storage, and dunnage. SELLER warrants that prices charged for Items are not higher than those charged to any other customer, including the Government, for WORK of like grade and quality in similar or lesser quantities.

14. INVOICING AND PAYMENT

- a) A separate invoice shall be issued to BUYER for each shipment made by SELLER, unless otherwise provided. Terms of payment shall be net thirty (30) days from the latest of the following:
- (i) BUYER's receipt of the SELLER's proper invoice;
 - (ii) scheduled delivery date of the WORK;
 - (iii) actual delivery of the WORK; or
 - (iv) acceptance of the WORK.

Notwithstanding, the above, payment will not be made prior to acceptance of the WORK. Payment shall be deemed to have been made as of the date of mailing BUYER's payment or electronic funds transfer.

- b) Payments to the SELLER or any authorized assignee of any claim under the Purchase Order shall be subject to reduction or set-off for any present or future claim or claims which BUYER may have against SELLER under this Purchase Order or any other Purchase Order between the parties. SELLER shall promptly notify BUYER of any such overpayments and remit the amount of the overpayment except as otherwise directed by BUYER.

15. DRAWINGS, SPECIFICATIONS AND TECHNICAL INFORMATION

Drawings, data, designs, inventions and other technical information supplied by BUYER in connection herewith (hereinafter called "Data"), shall remain BUYER's property and shall be proprietary and held in confidence by SELLER. SELLER agrees to comply with the terms of any Non-Disclosure Agreement with BUYER and to comply with all Proprietary Information markings and restrictive legends applied by BUYER to anything provided hereunder to SELLER. Such Data shall not be reproduced, used or disclosed to others by SELLER without BUYER's prior written consent. Upon completion of Work by SELLER under the Purchase Order, SELLER shall promptly return, unless otherwise directed, all Data to BUYER together with all copies or reprints thereof then in SELLER's possession or control, and SELLER shall thereafter make no further use, either directly or indirectly, of any such Data or any information derived therefrom without BUYER's prior written consent. Any information which SELLER may disclose to BUYER with respect to the design, manufacture, sale or use of the WORK covered by the Purchase Order shall be deemed to have been disclosed as part of the consideration for the Purchase Order, and SELLER shall not assert any claim (other than a claim for patent infringement) against BUYER by reason of BUYER's use thereof.

16. FROZEN PLANNING/PROCESSES

- a) Some of the parts in our products have critical characteristics, which, if adversely affected by manufacturing process parameters, have the potential to fail, which could ultimately cause loss of life or product. Parts with such characteristics have been designated as Special Designated Parts (i.e., Flight Safety, Primary, Critical, Fatigue Controlled, and Frozen Process) and because of their criticality; BUYER has established additional controls for change over their design, manufacturing process and inspection. These controls are intended to eliminate all potential variations in the Special Designated Parts characteristics, which could impact Special Designated Parts integrity or performance.
- b) BUYER realizes that our supplier base has developed and proven out processes, which will produce the desired characteristics during manufacture. Any unknown or undefined variations from these proven processes could

create risk in product performance. Compliance with Frozen Process requirements is an extra barrier against these process deviations. Full supplier support of this program is essential in meeting our goal of achieving the highest possible level of product safety.

- c) Frozen Planning: Is the solidification of manufacturing plans and process (e.g. materials, manufacturing operations and sequences, sources of supply, required inspections and testing, etc.). Planning is considered frozen upon approval of first article inspection, test, production tests, or upon passing customer approval or acceptance if required. The objective is to ensure that manufacturing practices that have demonstrated acceptability will continue to be used by the supplier. Changes to frozen planning require written approval from BUYER (YF/TFC Planning Review Board – PRB) and may require YF/TFC customer approval. All sub tier suppliers must also be under the same Frozen Planning requirements as described above.
- d) Once the special designated part/process or sub-tiered performed process has been submitted and accepted for First Article Inspection, all planning documentation such as manufacturing plans, processing plans, inspection check sheets, shop travelers, routers, flow process diagrams, operations sheets, operation sketches, CNC programs, outside process procedures, and any other documents necessary to manufacture the part/process must be frozen. A detailed listing of the documentation and its frozen revision level shall be submitted to the applicable BUYER at YF/TFC for Planning Review Board (PRB) approval. Only then, after BUYER approval (YF/TFC PRB), will the supplier be authorized to ship first shipment of production parts/process through a PO amendment.

17. NEW MATERIALS

Unless otherwise authorized, the WORK to be delivered hereunder shall consist of new materials, not used, repurposed or reconditioned, remanufactured, or of such age as to impair its usefulness or safety.

18. QUALITY ASSURANCE SYSTEM AND INSPECTION

- a) All Work shall be subject to inspection and test at all times and places, including the period of manufacture, by BUYER and its customers. If any inspection or test is made on SELLER's premises, SELLER, without additional charge shall:
 - (i) provide all reasonable facilities and assistance for the safety and convenience of BUYER and its customer inspectors;
 - (ii) make available to the inspectors copies of all drawings, specifications, and processes applicable to the Work ordered; and
 - (iii) promptly furnish BUYER with any and all resulting inspection certificates.

All Work is subject to final inspection and acceptance at BUYER's plant notwithstanding any payment or other prior inspections.

- b) BUYER may reject and hold at SELLER's expense, subject to SELLER's disposal, all Work not conforming to applicable specifications, drawings, samples, or descriptions. Without limiting any other rights or remedies it may have as provided herein or at law or equity, BUYER, at its option, may,
 - (i) require SELLER to repair or replace at SELLER's expense any item or Work ordered which fails to meet the requirements of the Purchase Order;
 - (ii) require SELLER to refund the price of any such item;
 - (iii) elect to retain and repair any such WORK with an appropriate reduction from the price otherwise due SELLER to offset BUYER's costs of effecting necessary correction; or
 - (iv) recover by offset or otherwise any and all damages and expenses incurred by BUYER as a result of such rejection.
- c) **Neither final inspection, payment, nor any limitations contained in the warranty clause shall relieve SELLER from responsibility for the correction or replacement of defective Work arising due to fraud, gross negligence, or for latent defects.** No such inspection shall relieve SELLER of its obligations to furnish and warrant all Work in accordance with the requirements of this Purchase Order. BUYER's final inspection and acceptance shall be at destination. SELLER shall maintain an inspection system suitable to BUYER and, unless otherwise specified, meeting

the requirements of ISO 9000 or AS9100, and which complies with any other specific quality requirements identified in this Purchase Order.

- d) Records of all quality control inspection Work by SELLER shall be kept complete, maintained for a period of not less than ten (10) years after delivery of Work, and available to BUYER and its customers upon request.

19. COUNTERFEIT PARTS PREVENTION

- a) "Counterfeit Work" means Work that is or contains WORK misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
- b) SELLER shall only purchase products to be delivered or incorporated as Work to BUYER directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM) or through the SELLER's approved distributor chain. SELLER is responsible to maintain their list of approved sub-tiers and to verify full traceability paperwork for their distribution chain.
- c) SELLER shall immediately notify BUYER with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit Work. When requested by BUYER, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected WORK to the applicable OCM/OEM.
- d) In the event that Work delivered under this Purchase Order constitutes or includes Counterfeit Work, SELLER shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this Purchase Order. Notwithstanding any other provision in this Purchase Order, SELLER shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation BUYER's costs of removing Counterfeit Work, of installing replacement WORK and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies BUYER may have at law, equity or under other provisions of this Purchase Order.

20. BUYER OWNED OR FURNISHED MATERIAL / TOOLING / EQUIPMENT

- a) If any BUYER owned or furnished property, including material, tooling, dies, jigs, fixtures, gauges and equipment (hereinafter referred to as "BUYER Owned Property") is identified in the Purchase Order either
 - (i) to be furnished to SELLER by BUYER solely for performance of the Purchase Order, or
 - (ii) to be acquired by SELLER for performance of the Purchase Order, title to such property shall remain with, or shall vest in, upon payment, to the BUYER or its customer.BUYER Owned Property used by SELLER under the terms of this or other of BUYER's Purchase Orders shall not be altered or modified without BUYER's written consent. SELLER agrees that the purchase price stated in the purchase order includes the cost of any such property that is manufactured or acquired in pursuance of the purchase order. Title to BUYER Owned Property shall not be affected by incorporation or attachment to other property. Use of BUYER Owned Property, other than in performance of the Purchase Order, must be authorized in writing by BUYER. With the exception of reasonable wear and tear, SELLER shall bear the risk of loss, destruction of and damage to BUYER Owned Property. SELLER shall clearly mark (if not so marked) all BUYER Owned Property to show its ownership. When instructed by BUYER, SELLER shall deliver the BUYER Owned Property to BUYER, F.O.B. BUYER's plant, at the completion or termination of the Purchase Order.
- b) At no additional cost to BUYER: SELLER shall
 - (i) follow standard industry practices in the identity, maintenance, preservation, and segregation of BUYER Owned Property;
 - (ii) establish and maintain property control records available for inspection by BUYER or its customer at all reasonable times; and
 - (iii) if title to such BUYER Owned Property vests in the U.S. Government, will maintain and control such Government owned property in accordance with FAR Part 45 in effect as of the date hereof, which is incorporated herein by reference.

- c) When the Purchase Order indicates that the Government is to acquire title to Special Tooling, as such term is defined in FAR 2.101 then title to such Special Tooling shall immediately vest in the United States Government upon SELLER's acquisition or manufacture thereof provided the full cost thereof is charged to the Purchase Order. When the Purchase Order indicates that the United States Government is to acquire title to Special Test Equipment, as such term is defined in FAR 2.101, but does not specify the WORK to be acquired then, title to any Special Test Equipment shall immediately vest in the United States Government upon SELLER's manufacture or acquisition thereof. SELLER shall give BUYER forty (40) days advance written notice of its intention to acquire any Special Test Equipment or components thereof having an item acquisition cost of \$1,000.00 or more. BUYER may then elect to furnish any such Special Test Equipment or any component thereof to SELLER within said forty (40) day period. In the event SELLER has not received such notice within the aforementioned period, SELLER may proceed to acquire such Special Test Equipment or components. If BUYER furnishes any such Special Test equipment or components as a result of the above, the Purchase Order shall be equitably adjusted in accordance with the "Changes" Clause to reflect an appropriate reduction in price resulting from BUYER's furnishing SELLER any such Special Test Equipment or components thereof.
- d) Upon delivery to it, or manufacture or acquisition by it, of any Special Tooling or Special Test Equipment, title to which is in BUYER or its customer, SELLER assumes the risk and shall be responsible for any loss thereof or damage thereto while in its possession. Unless otherwise directed by BUYER, upon completion or termination of the Purchase Order, SELLER shall hold and preserve such Special Tooling or Special Test Equipment. SELLER shall promptly furnish in suitable form, a list thereof, with a request for disposition instructions. Pending receipt of disposition instructions, SELLER shall store all Special Tooling, and Special Test Equipment free of charge. All Special Tooling, or Special Test Equipment furnished to SELLER by BUYER shall be returned to BUYER in the same condition as it was received with an allowance for normal wear and tear.

21. SUPPLIER OWNED SPECIAL TOOLING / SPECIAL TEST EQUIPMENT

To preserve BUYER's ability to fulfill current and follow-on orders from its customers, Seller shall not destroy, dispose, sell, modify, or in any way render Special Tooling or Special Test Equipment used to produce Work or perform services for BUYER without first notifying BUYER in writing thirty (30) days prior to making any such disposition. In such cases, BUYER shall have the right, at its sole discretion, to purchase the Special Tooling and/or Special Test Equipment at mutually agreeable price and terms.

22. INTELLECTUAL PROPERTY

Paragraph (a) is NOT applicable for any item or supply that is a commercial item sold in substantial quantities in the commercial marketplace, and offered to the Government without modification (Commercial Off-The-Shelf).

- a) SELLER agrees that BUYER shall be the owner of all inventions, technology, designs, works of authorship, mask works, technical information, computer software, business information and other information conceived, developed or otherwise generated in the performance of this Contract by or on behalf of SELLER or any of its employees. SELLER hereby assigns and agrees to assign all right, title, and interest in the foregoing to BUYER, including without limitation all copyrights, patent rights and other intellectual property rights therein and further agrees to execute, at BUYER's request and expense, all documentation necessary to perfect title therein in BUYER. SELLER agrees that it will maintain and disclose to BUYER written records of, and otherwise provide BUYER with full access to, the subject matter covered by this clause and that all such subject matter will be deemed information of BUYER. SELLER agrees to assist BUYER, at BUYER's request and expense, in every reasonable way, in obtaining, maintaining, and enforcing patent and other intellectual property protection on the subject matter covered by this clause.
- b) SELLER warrants that the WORK performed or delivered under this Purchase Order will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. SELLER agrees to defend, indemnify, and hold harmless BUYER and its customers from and against any claims, damages, losses, costs, and expenses, including reasonable attorneys' fees, arising out of any action by a third party that is based

upon a claim that the WORK performed or delivered under this Purchase Order infringes or otherwise violates the intellectual property rights of any person or entity.

- c) To the extent that any pre-existing inventions, technology, designs, works of authorship, mask works, technical information, computer software, and other information or materials are used, included, or contained in the WORK and not owned by BUYER pursuant to this or a previous agreement with SELLER, SELLER grants to BUYER an irrevocable, nonexclusive, world-wide, royalty-free license to: (i) make, have made, sell, offer for sale, use, execute, reproduce, display, perform, distribute (internally or externally) copies of, and prepare derivative works based upon, such pre-existing inventions, technology, designs, works of authorship, mask works, technical information, computer software, and other information or materials and derivative works thereof; and (ii) authorize others to do any, some or all of the foregoing.
- d) All reports, memoranda or other materials in written form, including machine readable form, prepared by SELLER pursuant to this Purchase Order and furnished to BUYER by SELLER hereunder shall become the sole property of BUYER.

23. BUYER'S RIGHTS IN SELLER'S DATA AND PATENTS

If at any time during the performances of the Purchase Order

- (i) SELLER suspends business operations or becomes bankrupt or insolvent,
- (ii) the Purchase Order is terminated for default of SELLER or
- (iii) if at any time SELLER, for any reason, discontinues acceptance of follow-on orders of like or similar WORK to those ordered hereunder, BUYER shall have a royalty-free nonexclusive license to use and license third parties to use SELLER's patents, designs, processes, know how, drawings, and technical data relating to the Work and services as defined in the Purchase Order for purposes of producing and selling items required to be supplied by BUYER's existing or follow-on Purchase Orders with its customers. In order to accomplish an orderly transition to BUYER's new source, SELLER further agrees to provide BUYER with necessary technical aid and assistance at reasonable prices.

SELLER shall be responsible for the direct costs associated with the transfer to a third party supplier.

24. DELIVERY

BUYER reserves the right to refuse shipments made in advance of the schedule set forth in the Purchase Order, to return advance shipments at SELLER's expense, and/or to hold any pre-dated Work and pay invoices on such shipments on normal maturity after schedule date. Over shipment allowances, if authorized, will be applied to the entire Purchase Order.

In the event SELLER for any reason anticipates difficulty in complying with the required delivery date, or in meeting any of the other requirements of this Purchase Order, SELLER shall promptly notify BUYER in writing. If SELLER does not comply with BUYER's delivery schedule, BUYER may require delivery by the most expeditious means available and charges resulting from the premium transportation shall be fully prepaid and absorbed by the SELLER. SELLER expressly agrees to bear any liquidated damages which BUYER may be subjected to by virtue of SELLER's late delivery to BUYER. The rights and remedies of the BUYER provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Purchase Order.

Acceptance of late deliveries shall not be deemed a waiver of BUYER's right to hold the SELLER liable for any loss or damage resulting therefrom, nor shall it act as a modification of the SELLER's obligation to make future deliveries in accordance with the delivery schedule set forth in the Purchase Order.

25. TITLE AND RISK OF LOSS

Title to and all risk of loss of or damage to Work to be delivered hereunder shall remain on SELLER until such Work is delivered to BUYER and accepted by BUYER at the destination specified on the face of the Purchase Order. SELLER shall bear all risk of loss or damage to Work rejected by BUYER, after notice of rejection until such Work is returned to SELLER, except for loss, destruction or other damage to such rejected Work resulting from the gross negligence of officers, agents, or employees of BUYER acting within the scope of their employment. Passing of title upon delivery shall not constitute acceptance of the WORK by BUYER. All WORK to be delivered hereunder and all property to be returned to BUYER shall be free and clear of any and all liens and encumbrances whatsoever.

26. PACKING, MARKING AND SHIPPING

SELLER shall comply with the latest version of BUYER's Supplemental Packaging Requirements, which can be found at either www.tactair.com/support/supplier, or at www.yf.com/support.cfm.

27. WARRANTY

SELLER warrants that its Work shall conform to BUYER's specifications and to any drawings, samples, performance requirements or other descriptions furnished by BUYER, and, if ordered to SELLER's design or descriptive literature, will be fit and sufficient for the purpose intended. In any event, all Work will be new, merchantable, free from defects in material and workmanship, free from liens or encumbrances on title and with regard to WORK designed by SELLER, free from defects in design and if the WORK contains, hardware, software and firmware products, be able to accurately process date/time data (including, but not limited to, calculating, comparing, and sequencing all times and dates), and are free of viruses and other sources of network corruption. Such warranties, together with SELLER's service warranties and guarantees, if any, shall survive inspection, test, acceptance of, and payment for the Work and shall run to BUYER, its successors, assigns and customers. BUYER may, at its option, either return for credit or require prompt correction or replacement of the defective or nonconforming WORK or part thereof. Return to SELLER of such WORK and delivery to BUYER of any corrected or replaced WORK shall be at SELLER's expense. Except for latent defects, fraud or such gross mistakes as amount to fraud, WORK required to be corrected or replaced shall be subject to the provisions of this clause and the inspection clause in a manner and to the same extent as WORK originally delivered under the Purchase Order. Except for design defects where there is no time limitation on the warranty, SELLER's obligations under this clause shall apply to such defects and nonconformance as occur within five (5) years from date of final acceptance, of the Work to BUYER or to BUYER's customer, whichever is later. All warranties, express and implied, shall be construed as conditions as well as promises, and shall not be deemed to be exclusive.

28. EXPORT COMPLIANCE

- a) Items, including any associated drawings or technical data, sent to the SELLER or to be delivered under this Purchase Order could be subject to U.S. Export Control laws and / or controlled by the US International Traffic in Arms Regulations (ITAR) 22 CFR Part 120-130. Items not specifically classified by BUYER on this Purchase Order as military items subject to ITAR control are assumed to be commercial items. Where SELLER maintains the design authority, SELLER agrees to notify BUYER if any deliverable under this Purchase Order is a Defense Article within the meaning of the International Traffic in Arms Regulations, 22 CFR 120-130 (ITAR).
- b) SELLER agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C.2751- 2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 C.F.R. 730-774; including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, SELLER agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under Contract to SELLER or SELLER's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception.

- c) SELLER agrees to notify BUYER if any deliverable under this Purchase Order is restricted by export control laws or regulations. Unless otherwise specified by SELLER, SELLER warrants that no deliverable supplied under the Purchase Order is a Defense Article as defined by CFR 120.6
- d) SELLER shall immediately notify the BUYER Procurement Representative if SELLER is, or becomes, listed in any Denied Parties List or if SELLER's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.
- e) If SELLER is engaged in the business of either exporting or manufacturing (whether exporting or not) Defense Articles or furnishing defense services, SELLER represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.
- f) Where SELLER is a signatory under a BUYER export license or export agreement (e.g., TAA, MLA), SELLER shall provide prompt notification to the BUYER Procurement Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the ITAR, and the initiation or existence of a U.S. Government investigation, that could affect the SELLER's performance under this Purchase Order.
- g) SELLER shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

29. CONFLICT MINERALS

Upon execution of this Agreement, SELLER represents and warrants that the Product(s) supplied to BUYER does not contain any Conflict Minerals that originate from the Democratic Republic of the Congo (DRC), or any adjoining country, as per applicable United States regulation. SELLER further represents and warrants that it has received the same representation herein from its Subcontractors, as appropriate. SELLER must promptly notify BUYER in writing if at any stage of manufacturing or production it becomes aware that any Conflict Minerals from the DRC or any adjoining country are incorporated into the Product(s) delivered to BUYER. In such case, SELLER must immediately provide to BUYER a full report in the form requested by BUYER of the referred Conflict Minerals(s) and origin. Conflict Minerals are defined as cassiterite, columbite-tantalite, gold and wolframite, as well as their derivatives and other minerals that the US Secretary of State may designate in the future.

30. FORCE MAJEURE AND DELAY

- a) Whenever any event, including an actual or potential labor dispute, is delaying or threatens to delay the timely performance of the Purchase Order, SELLER shall immediately give notice thereof, including all relevant information with respect thereto, to BUYER. SELLER shall insert the substances of this clause, including this sentence, in any Purchase Order hereunder.
- b) Neither party shall be responsible for any failure or delay in the performance of this Agreement or any Purchase Order resulting from causes beyond its reasonable control and occurring without its fault or negligence, including, but not limited to, unforeseeable events such as acts of God, acts of Government, war, court order, riots, natural disasters, labor strikes, and lockouts. The delayed party shall give timely notice to the other of any such event and shall use all reasonable efforts to avoid or remove the cause and resume performance with minimum delay. The parties shall jointly prepare a contingency plan to address the potential impact of any such event.

31. STOP WORK

- a) SELLER shall stop WORK for up to ninety (90) days in accordance with any written notice received from BUYER, or for such longer period of time as the parties may agree and shall take all reasonable steps to minimize the incurrence of costs allocable to the WORK during the period of WORK stoppage.
- b) Within such period, BUYER shall either terminate in accordance with the provisions of this Purchase Order or continue the WORK by written notice to SELLER. In the event of a continuation, an equitable adjustment in accordance with the principles of the "Changes" clause shall be made to the price, delivery schedule, or other provision(s) affected by the WORK stoppage, if applicable, provided that the claim for equitable adjustment is made within thirty (30) days after date of notice to continue.

32. TERMINATION FOR CONVENIENCE

- a) BUYER may terminate the Purchase Order for its convenience specifying the extent of termination and the effective date. In the event of such termination, SELLER shall immediately stop all Work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. BUYER shall reimburse SELLER only for direct and substantiated costs associated with an early termination for components or products that cannot be resold or repurposed. In the event of a termination for convenience, no claim will be allowed for any manufacture or procurement in advance of SELLER's normal lead time unless there has been prior written consent by BUYER. SELLER shall continue all WORK not terminated.
- b) For U.S. Government Purchase Orders, such termination shall be in accordance with FAR 52.249- 1 or FAR 52.249-2 as in effect on the date of the Order. The terms "Government" and "Contracting Officer" mean BUYER and the term "Contractor" means SELLER, except if the Purchase Order is terminated as a result of a termination for convenience issued by the Government, the term "Government" does not change in FAR 52.249-2 paragraphs b(4), (6), (8) and (m). If the Purchase Order is terminated for convenience solely by BUYER, audits and examination of records, as required by BUYER shall be performed by BUYER and/or a mutually acceptable independent audit agency, the expense of which shall be shared equally by BUYER and SELLER. In FAR 52.249-2 paragraph (e), delete "1 year" and substitute "3 months" therefore.
- c) BUYER shall not be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits, unabsorbed overhead, and opportunity costs) nor shall BUYER be liable for any claim or demand against SELLER by any Third Party in connection with such termination for convenience. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in Purchase Order, statute, tort (including, without limitation, negligence), or otherwise.

33. TERMINATION FOR DEFAULT

- a) Time is of the essence of this Purchase order. BUYER may by written notice of default to SELLER terminate the whole or part of this contract in any one of the following circumstances:
 - (i) if SELLER fails to perform within the time specified herein or any extension thereof, except in instances of delay which are due to causes beyond the reasonable control and without the fault or negligence of SELLER and all of its suppliers, direct or indirect at every subcontract level;
 - (ii) if SELLER fails to perform any of the other agreed provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms,
 - (iii) if SELLER, in BUYER's sole judgment, violates any provision of Article 38 Business Conduct and Ethics;
 - (iv) files or has filed against it a petition in bankruptcy; or
 - (v) becomes insolvent or suffers a material adverse change in financial condition.
- b) If the termination results from circumstances (i) and (ii) above, and SELLER does not cure such failure within a period of ten (10) days or such longer period as BUYER may authorize in writing after receipt of notice from BUYER specifying such failure, BUYER may procure, upon such terms as it shall deem appropriate, Work and services similar to those so terminated, in which case SELLER shall continue performance of this Purchase Order to the extent not terminated and shall be liable to BUYER for any excess costs for such similar suppliers or services. As an alternate remedy, and in lieu of termination for default, BUYER, at its sole discretion, may elect:

- (i) to extend the contract delivery schedule and/or
- (ii) to waive other deficiencies in SELLER's performance, in which case an equitable reduction in the Purchase Order price shall be negotiated.
- c) Following a termination for default of this Purchase Order, SELLER shall be compensated only for WORK actually delivered and accepted. BUYER may require SELLER to deliver to BUYER any Work and materials, manufacturing materials, and manufacturing drawings that SELLER has specifically produced or acquired for the terminated portion of this Purchase Order. BUYER and SELLER shall agree on the amount of payment for these other deliverables.
- d) Upon the occurrence and during the continuation of a default, BUYER may exercise any and all rights and remedies available to it under applicable law and equity, including without limitation, cancellation of this Purchase Order. If after termination for default under this Purchase Order, it is determined that SELLER was not in default, such termination shall be deemed a termination for convenience.

34. FALSE CLAIMS AND INDEMNITY

The SELLER shall indemnify the BUYER for any costs or damages incurred and any payments made by BUYER resulting from false claims submitted by the SELLER under the Purchase Order or as a result of a SELLER's misrepresentation of fact or fraud relating to any claim or dispute arising under or related to the Purchase Order.

35. INDEMNIFICATION AND INSURANCE

- a) SELLER shall be responsible for and hold harmless BUYER and its customers from and against all losses, costs, claims, causes of action, damages, liabilities, and expenses, including reasonable attorneys' fees, all expenses of litigation and/or settlement, and court costs, arising from any act or omission of SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this Contract.
- b) If, in the course of the performance of the Purchase Order, SELLER, its agents, employees, or sub-tier suppliers enter upon premises occupied by or under control of BUYER or any of its customers or suppliers, SELLER shall take all necessary precautions to prevent occurrences of any injury, including death, to any person or any damage to any property arising out of any act or omissions of SELLER, its agents, employees, or sub-tier suppliers. SELLER shall indemnify, defend and hold BUYER harmless from and against, any liability, losses, damages, claims and expenses arising out of or connected with any act or omission of the SELLER, its agents, employees, or sub-tier suppliers except for injury or damage due solely to BUYER's gross negligence or willful misconduct.
- c) SELLER shall maintain general liability, property damage, Workers' Compensation, and automobile liability insurance as will protect BUYER from any such risks. The minimum required amounts are as set forth below, unless otherwise agreed in writing between the parties:
 - Workers' Compensation covering all SELLER Personnel in accordance with applicable Statutory requirements and Employer's Liability Insurance in an amount of not less than \$1,000,000 per accident for bodily injury by accident, \$1,000,000 policy limit by disease and \$1,000,000 per employee for bodily injury by disease.
 - Automobile liability, including owned or rented automobiles, with minimum limits of \$1,000,000 per occurrence and \$1,000,000 annual aggregate.
 - Commercial General Liability Insurance written on an occurrence form including coverage for bodily injury, property damage, products and completed operations, personal injury, advertising injury and contractual liabilities arising out of any and all services provided by Agency under this Agreement with minimum limits of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
 - Umbrella/Excess Liability with policy limits of not less than \$3,000,000 per occurrence and annual aggregate, as excess over general liability, automobile liability and employer's liability. In addition to including the general policy provisions required below, the terms and conditions of the policy must be at least as broad as the underlying general liability, automobile liability and employers' liability policies required herein.
 - Upon BUYER's request, SELLER shall provide a certificate of insurance

36. LIMITATIONS OF LIABILITY

Notwithstanding any other provision of the Purchase Order, BUYER's maximum liability to SELLER shall not exceed the purchase price of the Purchase Order. Any action against BUYER under the Purchase Order or related to its subject matter must be brought within one year after the cause of action accrues. If BUYER breaches or otherwise fails to perform any obligations under the Purchase Order, BUYER shall not be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs) nor shall BUYER be liable for any claim or demand against SELLER by any Third Party. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in Purchase Order, statute, tort (including, without limitation, negligence), or otherwise.

37. ADVERTISING / RELEASE OF INFORMATION

Unless the prior written consent of BUYER is obtained, SELLER shall not in any manner advertise or publish or release for publication any statement mentioning BUYER or the fact that SELLER has furnished WORK and/or services to BUYER required by the Purchase Order, or quote the opinion of any employees of BUYER. SELLER shall not disclose any information relating to the Purchase Order, except to the extent necessary for performance. BUYER shall be solely responsible for all liaison and coordination with the BUYER's customer, including the U. S. Government, as it affects the Purchase Order.

38. APPLICABLE LAW AND DISPUTES

- a) SELLER, in the performance of this Contract, agrees to comply with all applicable local, state, and federal laws, orders, rules, regulations, and ordinances. SELLER shall procure all licenses/permits, pay all fees, and other required charges and shall comply with all applicable guidelines and directives of any local, state, and/or federal governmental authority. SELLER shall indemnify, defend and hold BUYER harmless from, and reimburse it for any and all costs, damages and expenses (including reasonable attorneys' fees) suffered or occasioned to it through any failure of SELLER to comply with any laws, orders, rules, regulations or ordinances.
- b) The laws of the State of New York, (without regards to its conflicts of laws provisions) shall govern any dispute arising under or related to the Purchase Order. However, if the Purchase Order is placed under a U.S. Government prime or higher tier Purchase Order, the Federal Law of Government Contracts as enumerated and applied by the Federal courts and the Agency Boards of Contract Appeals shall apply. Pending the resolution of any disputes, SELLER shall proceed as directed by BUYER. If the dispute arises out of a difference in interpretation between the parties as to the performance requirements of this Order, then SELLER shall continue performance as determined by the BUYER.

39. BUSINESS CONDUCT AND ETHICS

- a) BUYER expects all of its suppliers to maintain the highest standards of professionalism and integrity in the performance of all business dealings. All Work must be performed in an ethical manner and in accordance with Purchase Order requirements and specifications, and all applicable government laws and regulations.
- b) BUYER's goal is to cultivate mutually beneficial and professional relationships with our suppliers. In doing so, it is imperative that BUYER and SELLER maintain an honest, objective and efficient procurement process. BUYER and SELLER must avoid actual and perceived improper conduct in all business dealings. Any situation that could impair objectivity, impartiality or the ability to make sound, ethical business decisions is a conflict of interest. Avoiding the appearance of a conflict of interest is as important as avoiding an actual conflict because others tend to judge a situation by what they perceive.
- c) BUYER may, by written notice to SELLER, terminate this Purchase Order for default if BUYER has reasonable cause to believe that SELLER has engaged in improper or unethical conduct such as, but not limited to, the offering or providing of gratuities or kickbacks by SELLER, or any agent or representative of SELLER, to any officer, employee or representative of BUYER with a view toward securing business or securing favorable treatment with respect to awarding, amending or the making of any determination with respect to the performance of this Purchase Order.

- d) SELLER shall not recruit, or induce, BUYER's permanent employees whose area of direct responsibility is related to this Order to become employees of SELLER during the term of this Order or for a period of twelve (12) months thereafter.

40. NOTIFICATION OF DEBARMENT / SUSPENSION / LOSS OF ACCREDITATION STATUS

SELLER shall provide immediate notice to BUYER in the event of being suspended, debarred or declared ineligible by any Department or other Federal Agency, or upon receipt of a notice of proposed debarment from any Department or other Federal Agency, or loss of a third party accreditation, during the performance of this Purchase Order.

41. CODE OF BASIC WORKING CONDITIONS AND HUMAN RIGHTS

BUYER is committed to providing a safe and secure working environment and the protection and advancement of basic human rights in its worldwide operations. In furtherance of this commitment, BUYER requires SELLER to conduct its operations in a manner that is fully compliant with all applicable laws and regulations pertaining to fair wages and treatment, freedom of association, personal privacy, collective bargaining, workplace safety and environmental protection. Further, any material violation of law by SELLER relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, of the country or countries in which SELLER is performing work under this Contract may be considered a material breach of this Contract for which BUYER may elect to cancel any open orders between BUYER and the SELLER, for cause, in accordance with the provision of this order entitled "TERMINATION FOR DEFAULT" or exercise any other right of BUYER for an Event of Default under this Contract.

42. ANTI-TRAFFICKING

SELLER, all of its employees, agents and affiliates shall at minimum be compliant with US regulation FAR52.222-50 combatting trafficking in persons (If local laws are more stringent, these regulations should control the level of compliance required). SELLER shall make this requirement apply to its direct suppliers and sub-suppliers and require them to do the same with lower tiers of suppliers.

43. CHILD & COMPULSORY LABOR

SELLER, all of its employees, agents and affiliates shall use no child labor, i.e. under 15 years old and direct its suppliers and sub-suppliers to enact similar policies. SELLER shall also ensure that none of its employees are forced to perform work without adequate payments for their work.

44. EQUAL EMPLOYMENT OPPORTUNITY / AFFIRMATIVE ACTION COMPLIANCE:

SELLER, its suppliers and sub-suppliers shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin, or for inquiring about, discussing, or disclosing information about compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

45. NATIONAL LABOR RELATIONS ACT (if applicable)

SELLER and its suppliers and sub-suppliers that are not exempt from the National Labor Relations Act and have contracts, subcontracts or purchase orders subject to Executive Order 13496 must satisfy the requirements of that order and its implementing regulations at 29 CFR Part 471, Appendix A to Subpart A to be in compliance with the Law.

46. ENVIRONMENTAL

SELLER agrees to comply with all local, state and federal statutes, ordinances, rules and regulations governing the environment and the handling, storage, spillage, reporting remediation, cleanup, disposal and transportation of hazardous, toxic, polluting or contaminating substances at all times during the entire term of this order. SELLER also agrees to obtain at SELLER's expense, all licenses or permits necessary for its operations and performance of its obligations under this order in compliance with environmental laws. SELLER agrees to making these requirements apply to its direct suppliers and sub-suppliers and requiring them to do the same with lower tiers of suppliers

SELLER and all individuals that SELLER assigns or sub-contractors with to perform work or services at BUYER's facilities shall comply with BUYER's safety regulations and all occupational health and safety and environmental legislation and all industry standards

47. SAFETY

SELLER agrees to maintain a safety management system that meets local standards and regulations. SELLER shall notify BUYER in advance of any hazardous chemical that supplier plans to bring onto BUYER's premises by providing a Material Safety Data Sheet

48. ANTI-BRIBERY

SELLER (which for purposes of this section shall include all of its employees, agents and affiliates) agrees that it will not bribe, attempt to bribe or accept bribes from, any government officials or employee, public international organizations, politicians, political parties or private individuals or entities. SELLER acknowledges and agrees that it is familiar with and will abide by the anti-bribery laws in the countries in which it does business. SELLER attest that it is taking similar actions with its supply base to ensure compliance with Anti-Bribery laws.

49. WAIVERS, APPROVALS, AND REMEDIES

- a) Failure by either party to enforce any of the provisions of this Purchase Order or applicable law shall not constitute a waiver of the requirements of such provisions or law, or as a waiver of the right of a party thereafter to enforce such provision or law.
- b) BUYER's approval of documents shall not relieve SELLER of its obligation to comply with the requirements of this Purchase Order.
- c) The rights and remedies of either party in this Purchase Order are cumulative and in addition to any other rights and remedies provided by law or in equity.

50. SEVERABILITY

If any harm or provision of the Purchase Order is determined to be invalid or unenforceable, such determination shall not affect the validity of the remaining terms and conditions, and these terms and conditions shall be modified only to the extent necessary to amend the non-conforming or invalid provision.

51. SURVIVABILITY

If this Purchase Order expires, is completed, or is terminated, SELLER shall not be relieved of those obligations contained in the following clauses:

- Applicable Law and Disputes
- Counterfeit Parts Prevention
- Electronic Contracting
- Export Compliance
- Independent Contractor Relationship
- Drawings, Specifications and Technical Information
- Indemnification and Insurance
- Intellectual Property
- Advertising / Release of Information
- Warranty

52. ENTIRE AGREEMENT

This Order, including attachments hereto, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations and understandings, whether oral or written. However, nothing herein will be construed as a limitation or exclusion of any right or remedy available to BUYER by law.

53. CONDITIONS APPLICABLE TO ORDERS PLACED UNDER UNITED STATES GOVERNMENT CONTRACTS (Applicable to Tactair Orders Only)

- a) SELLER agrees that upon BUYER's request, it will from time to time enter into amendments of this Purchase Order to incorporate additional provisions herein or to change the provisions hereof, as BUYER may reasonably deem necessary in order to comply with the provisions of any United States Government prime Purchase Order(s) or with the provisions of amendments to the prime Purchase Order(s) under which this Purchase Order is issued. If any such amendment to this Purchase Order causes an increase or decrease in the cost of this Purchase Order, or the time required for performance of this Purchase Order, an equitable adjustment shall be made in the price or delivery schedule, or both, in accordance with the provisions of the "Changes" clause of this Purchase Order.
- b) If the Purchase Order is placed under a United States Government contract, or a subcontract under any United States Government contract, the Following clauses of the Federal Acquisition Regulation (FAR) and of the Department of Defense FAR Supplement (DFARS), as applicable, are hereby incorporated by reference. However, whenever any clause includes a requirement for the settlement of disputes between the parties in accordance with the "Disputes" clause, the dispute shall be disposed of in accordance with Article 34, entitled "Applicable Law and Disputes". Clauses referenced below shall be those in effect on the effective date of the Purchase Order. If there is a conflict or addition to a clause in effect on the effective date of the Purchase Order and a clause of the Prime Contract, the Prime Contract clause shall govern. Wherever necessary to make the context of the clauses set forth below applicable to the Purchase Order, the term "Contractor" shall mean SELLER, the term "Contract" shall mean the Purchase Order, and the terms "Government," "Contracting Officer" and equivalent phrases shall mean BUYER, except the terms "Government" and "Contracting Officer" do not change:
 - (i) In the phrases "Government Property," "Government Owned Property," "Government Equipment" and "Government Owned Equipment,"

- (ii) When a rights act, authorization, or obligation can be granted or performed only by the Government or the prime Purchase Order Contracting Officer or his duly authorized representative,
- (iii) When the title to property is to be transferred directly to the Government.

A. Federal Acquisition Regulations (FAR)

FAR Clause No.	Title	* Added this Rev
9.405-2	Restrictions on Subcontracting	
52.202-1	Definitions	
52.203-2	Certificate of Independent Price Determination	
52.203-3	Gratuities	
52.203-5	Covenant against Contingent Fees	
52.203-6	Restrictions on Subcontractor Sales to Government	
52.203-7	Anti-Kickback Procedures	
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	
52-203-12	<i>Limitation on Payments to Influence Certain Federal Transactions</i>	*
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	
52.204-2	Security Requirements	
52.204-7	System for Award Management	
52.204-8	Annual Representations and Certifications	
52.204-9	Personal Identity Verification of Contractor Personnel	
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	
52.204-13	System for Award Management Maintenance	
52-204-14	<i>Service Contract Report Requirements</i>	*
52-204-15	<i>Service Contract Reporting Requirements for Indefinite-Delivery Contracts</i>	*
52.204-16	Commercial and Government Entity Code Reporting	
52.204-18	Commercial and Government Entity Code Maintenance	
52.204-19	Incorporation by Reference of Representations and Certifications	
52-204-20	<i>Predecessor of Offeror</i>	*
52.204-21	Basic Safeguarding of Covered Contractor Information Systems	
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by KASPERSKY LAB and Other Covered Entities	
52.204-24	Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment	
52.204-25	Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment	
52.204-26	Covered Telecommunications Equipment or Services Representation	
52-208-9	<i>Contractor use of Mandatory Sources of Supply or Services</i>	*
52-209-10	<i>Prohibition on Contracting with Inverted Domestic Corporations</i>	*
52.209-1	Qualification Requirements	
52.209-6	Protecting the Governments Interest when Subcontracting with Contractors Debarred, Suspended or Proposed for Suspension	
52.209-10	Prohibition on Contracting with Inverted Domestic Corporations	

52.211-5	Material Requirements	
52-211-8	<i>Option to Extend Services</i>	*
52.211-14	Notice of Priority Rating for National Defense, Emergency Preparedness, and Energy Program Use (Apr 2008)	
52.211-15	Defense Priority and Allocation Requirements	
52-211-16	<i>Variation in Quantity</i>	*
52.211-17	Delivery of Excess Quantities	
52.212-3	Offeror Representations and Certifications- Commercial Items	
52.213-4	Terms and Conditions-Simplified Acquisitions (Other than Commercial Items)	
52.215-1	Instructions to Offerors – Competitive Acquisition.	
52.215-2	Audit and Records – Negotiation	
52.215-8	Order of Precedence - Uniform Contract Format	
52.215-10	Price Reduction for Defective Certified Cost or Pricing Data	
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data – Modifications	
52.215-12	Subcontractor Certified Cost or Pricing Data	
52.215-13	Subcontractor Certified Cost or Pricing Data - Modifications	
52.215-14	Integrity of Unit Prices	
52.215-16	Facilities Capital Cost of Money	
52.215-19	Notification of Ownership Changes	
52.215-22	Limitations on Pass – Through Charges – Identification of Subcontract Effort.	
52-219-1	<i>Small Business Program Representations</i>	*
52.219-8	Utilization of Small Business Concerns	
52.219-9	Small Business Subcontracting Plan	
52.219-28	Post-Award Small Business Program Rerepresentation	
52.222-1	Notice to Government of Labor Disputes	
52.222-3	Convict Labor (E.O.11755).	
52.222-4	Contract Work Hours and Safety Standard Act - Overtime Compensation	
52.222-19	Child Labor - Cooperation with Authorities and Remedies (Deviation 2020-Q0019)	
52.222-20	Contracts for Materials, Supplies, Articles, and Equipment	
52.222-21	Prohibition of Segregated Facilities	
52.222-26	Equal Opportunity	
52.222-29	Notification of Visa Denial	
52.222-35	Equal Opportunity for Veterans	
52.222-36	Affirmative Action for Workers with Disabilities	
52.222-37	Employment Reports on Veterans	
52.222-38	Compliance with Veterans’ Employment Reporting Requirements	
52.222-41	Service Contract Labor Standards	
52.222-50	Combating Trafficking in Persons	
52.222-55	Minimum Wages Under Executive Order 13658	
52.222-62	Paid Sick Leave Under Executive Order 13706 (E.O. 13706)	
52.223-3	Hazardous Material Identification and Material Safety Data	

52.223-10	Waste Reduction Program	
52.223-11	Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons	
52.223-18	Encouraging Contractor Policies to Ban Text Messaging while Driving	
52.223-20	Aerosols	
52.223-21	Foams	
52.223-22	Public Disclosure of Greenhouse Gas Emissions and Reduction Goals-Representation	
52-223-6	<i>Drug Free Workplace</i>	*
52-223-7	<i>Notice of Radioactive Materials</i>	*
52.224-2	Privacy Act	
52.224-3	Privacy Training	
52.225-1	Buy American Act -Supplies	
52.225-13	Restrictions on Certain Foreign Purchases	
52.225-18	Place of Manufacture	
52.227-1	Authorization and Consent	
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	
52.227-3	Patent Indemnity	
52.227-11	Patent Rights – Ownership by the Contractor	
52.229-4	Federal, State, and Local Taxes (State and Local Adjustments)	
52.230-3	Disclosure and Consistency of Cost Accounting Practices	
52.232-1	Payments	
52.232-11	Extras	
52.232-23	Assignment of Claims	
52.232-25	Prompt Payment	
52-232-33	<i>Payment by electronic Funds Transfer-System for Award Management</i>	*
52.232-39	Unenforceability of Unauthorized Obligations	
52.232-40	Providing Accelerated Payments to Small Business Subcontractors	
52-232-8	<i>Discounts for Prompt Payment</i>	*
52.233-1	Disputes	
52-233-3	<i>Protest after Award</i>	*
52-233-4	<i>Breach of Contract Claim</i>	*
52.242-17	Government Delay of Work	
52.243-1	Changes – Fixed-Price	
52.244-6	Subcontracts for Commercial Items	
52.245-1	Government Property	
52.245-2	Government Property Installation Operation Services	
52.246-1	Contractor Inspection of Supplies	
52.246-2	Inspection of Supplies Fixed Price	
52.246-4	Inspection of Services – Fixed-Price	
52.246-11	Higher-Level Contract Quality Requirement	
52.246-16	Responsibility for Supplies	
52.246-23	Limitation on Liability	
52.246-24	Limitation on Liability -- High-Value Items	

52.246-26	Reporting Nonconforming Items	
52.247-1	Commercial Bill of Lading Notations	
52-247-52	<i>Clearance and Documentation Requirements-Shipments to DoD Air or Water Terminal Transshipment Points</i>	*
52.247-63	Preference U.S.-Flag Air Carriers	
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	
52.249-1	Termination for Convenience of the Government (Fixed-Price) (Short Form)	
52-249-8	<i>Default (Fixed-Price Supply and Service)</i>	*
52.252-2	Clauses Incorporated by Reference	
52.253-1	Computer Generated Forms	

B. Defense Federal Acquisition Regulations Supplement (DFARS)

Applicable to all orders of any tier under prime Purchase Orders with the Department of Defense. Any inconsistency between DFARS provisions and FAR provisions shall be resolved in favor of the DFARS provisions.

DFAR Clause No.	Title	* Added this Rev
252.203-7000	Requirements Relating To Compensation of Former DOD Officials	
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	
252.203-7005	Representation Relating to Compensation of Former DOD Officials	
252.204-7000	Disclosure of Information	
252.204-7003	Control of Government Personnel Work Product	
252.204-7004	Level 1 Antiterrorism Awareness Training for Contractors	
252.204-7007	Alternate A, Annual Representations and Certifications	
252.204-7008	Export-Controlled Items	
252.204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information	
252.204-7012	Safeguarding of Unclassified Controlled Technical Information	
252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support	
252.204-7016	Covered Defense Telecommunications Equipment or Services Representation	
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services	
252-204-7019	<i>Notice of NISTP 800-171 DoD Assessment Requirements</i>	*
252-204-7020	<i>NIST SP 800-171 DoD Assessment</i>	*
252-204-7022	<i>Expediting Contract Closeout</i>	*
252.209-7001	Disclosure of Ownership or Control by the Government of a Terrorist Country	
252.209-7002	Disclosure of Ownership or Control by a Foreign Government	
252.209-7004	Subcontracting with Firms that are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism	
252.209-7010	Critical Safety Items	
252.211.7003	Item Unique Identification and Valuation	
252.211-7005	Substitution for Military or Federal Specifications and Standards	

252.211-7006	Passive Radio Frequency Identification	
252.215-7013	Supplies and Services Provided by Nontraditional Defense Contractors	
252.215-7014	Exception from Certified Cost or Pricing Data Requirements for Foreign Military Sales Indirect Offsets	
252.219-7003	Waiver of United Kingdom Levies	
252-223-7001	<i>Hazard Warning Lables</i>	*
252.223-7006	Prohibition on Storage, Treatment and Disposal of Toxic or Hazardous Materials	
252.223-7007	Safeguarding sensitive conventional arms,ammunition and explosives	
252.223-7008	Prohibition of Hexavalent Chromium	
252-225-7000	<i>Buy American-Balance of Payments Program</i>	*
252.225-7001	Buy American Act and Balance of Payments Program	
252.225-7002	Qualifying Country Sources as Subcontractors	
252.225-7006	Quarterly Reporting of Actual Contract Performance Outside the United States	
252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	
252.225-7008	Restriction on Acquisition of Specialty Metals	
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	
252.225-7012	Preference for Certain Domestic Commodities	
252.225-7013	Duty-Free Entry	
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	
252.225-7021	Trade Agreements	
252.225-7027	Restriction on Contingent Fees for Foreign Military Sales	
252.225-7028	Exclusionary Policies and Practices of Foreign Governments	
252.225-7033	Waiver of United Kingdom Levies	
252.225-7036	Buy American—Free Trade Agreements—Balance of Payments Program	
252.225-7048	Export Controlled Items	
252.225-7051	Prohibition on Acquisition of Certain Foreign Commercial Satellite Services	
252.225-7052	Restriction on the Acquisition of Certain Magnets, Tantalum, and Tungsten (Deviation 2020-00006)	
252-225-7055	<i>Agency or instrumentality of the government of Venezuela, business operations, government of Venezuela, and person have the meaning given in the clause 252.225-7056, Prohibition Regarding Business Operations with the Maduro Regime, of this solicitation</i>	*
252-225-7056	<i>Prohibition Regarding Business Operations with the Maduro Regime</i>	*
252-225-7972	<i>Prohibition on the Procurement of Foreign-Madeunmanned Aircraft Systems-Representation</i>	*
252-225-7973	<i>Prohibition on the Procurement of Foreign-Made Unmanned Aircraft Systems-Representation</i>	*
252-225-7974	<i>Representation Regarding Business Operations with the Maduro Regime</i>	*
252-225-7975	<i>Contractor Personnel Performing in the United States Central Command Area of Responsibility. (DEVIATION 2017-00004)</i>	*
252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	
252.227-7013	Rights in Technical Data—Noncommercial Items	

252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	
252.227-7015	Technical Data – Commercial Items	
252.227-7016	Rights in Bid and Proposal Information	
252.227-7030	Technical Data - Withholding of Payment	
252.227-7033	Rights in Shop Drawings	
252.232-7003	Electronic Submission of Payment Requests and Receiving Reports	
252-232-7004	<i>DoD Progress Payment Rates</i>	*
252-232-7006	<i>Wide Area WorkFlow Payment Instructions</i>	*
252-232-7010	<i>Levies on Contract Payments</i>	*
252-232-7012	<i>Preference for Certain Domestic Commodities</i>	*
252.239-7016	Telecommunications Security Equipment, Devices, Techniques and Services	
252.232-7017	<i>Accelerating Payments to Small Business Subcontractors -Prohibition on Fees and Considerations</i>	*
252-239-7098	<i>Prohibits contractors from establishing or maintaining a computer network for DoD unless that network is specifically configured to prohibit access to pornography websites</i>	*
252.243-7001	Pricing of Contract Modifications	
252.244-7000	Subcontracts for Commercial Items	
252-243-7999	Section 3610 Reimbursement (DEVIATION 2020-00021) is to be used when modifying contracts, task orders, or delivery orders, including those using part 12 procedures for the acquisition of commercial items, to provide for the reimbursement of paid leave to an "affected contractor" pursuant to Class Deviation 2020-00021.	*
252.246-7000	Material Inspection and Receiving Report	
252.246-7003	Notification of Potential Safety Issues	
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System	
252.246-7008	Sources of Electronic Parts	
252.247-7023	Transportation of Supplies by Sea	
252-247-7028	<i>Over and Above Work. Basic (Dec 1991) (Current) As prescribed in 217.7702, use the clause at 252.217-7028, Over and Above Work, in solicitations and contracts containing requirements for over and above work, except as provided for in Subpart 217.71.</i>	*
252.251-7000	Ordering from Government Supply Sources	
5352.223-9000	Elimination of Use of Class 1 Ozone Depleting Substances (ODS)	

ADDITIONAL CLAUSES INCORPORATED BY FULL TEXT

5252.204-9501 NATIONAL STOCK NUMBERS (NAVAIR) (MAR 2007)

- a) This clause applies to supplies that are stock numbered under Federal Catalog System procedures.
- b) Unless otherwise authorized by the Contracting Officer, in writing, the Contractor shall not deliver any supplies until the supplies have been marked with a National Stock Number. All available National Stock Numbers will be furnished by the Government. If National Stock Numbers are not furnished by the Government in time to meet the delivery schedule for the supplies, the Contractor may present the supplies that are scheduled for delivery to the Contracting Officer for acceptance. The Contracting Officer may accept such supplies without National Stock Numbers and the Government will pay the Contractor, provided that title to the supplies is vested in the Government.

- c) The term “Federal Stock Number” (FSN), which may be referred to in the specifications of this Purchase Order or elsewhere in this Purchase Order, shall mean “National Stock Number” (NSN), and the term “Federal Item Identification Number”, wherever it appears, shall mean “National Item Identification Number”. (As used in the foregoing clause, the term “Contracting Officer” shall mean the “Administrative Contracting Officer” (ACO) with respect to provisioned items and other supplies ordered by the ACO.)

5252.247-9503 MARKING OF WARRANTED ITEMS (NAVAIR) (OCT 2005)

- a) Each item covered by a warranty shall be stamped or marked in accordance with MIL-STD-129, Marking for Shipment and Storage, and MIL-STD-130, Identification Marking of U.S. Military Property, current at the date of award. Where this is impracticable, written notice shall be attached to or furnished with the warranted item.
- b) Each item covered by a warranty shall have a written notice attached to or furnished with the warranted item, and marked with the following:
- (i) National stock number or manufacturer’s part number.
 - (ii) Serial number or other item identifier (if the warranty applies to uniquely identified items).
 - (iii) Contract number.
 - (iv) Indication that a warranty applies.
 - (v) Manufacturer or entity (if other than the contractor) providing the warranty.
 - (vi) Date or time when the warranty expires.
 - (vii) Indication of whether or not attempted on-site repair by Government personnel will void the warranty.

5252.247-9508 PROHIBITED PACKING MATERIALS (NAVAIR) (JUN 1998)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hydroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

DOCUMENT REVISIONS

Revision	Date	Description of Change	Revised by	Approved by
Rev G	11/10/2020	Renumbering throughout. Addition of clause 42 (Anti-Trafficking), 43 (Child & Compulsory Labor), 44 (EEOC & Affirmative Action), 45 (National Labors Relation Act), 46 (Environmental), 47 (Safety), and 48 (Anti-Bribery). Addition of FAR & DFAR clauses (new clauses marked in <i>Italic</i> and indicated with *)	Adolfo Gonzalez G. VP Operations	Brian Babin President
Rev H	1/17/2023	Clause 44 is now bolded. Addition of FAR & DFAR clauses (new clauses marked in <i>Italic</i> and indicated with *)	Austin Lallier, Supply Chain MGR	Neal Kieffer, VP Finance Matthew Devendorf, VP Sales & Marketing Richard Gehman, VP Operations Kenneth LaGasse, MGR Contracts