

General Purchase Order Terms and Conditions

Definition;

As used in the order the term "DFARS" means Defense Federal Acquisition Regulations Supplement and the term "FAR" means Federal Acquisition Regulations.

1. ACCEPTANCE OF THE PURCHASE ORDER – This order is Buyer's offer to Seller for the materials specified or the work performed hereunder, and, together with any attachments specifically incorporated herein by reference, contains the entire agreement between Buyer and Seller with respect to such materials or work; and supersedes any other agreements or understanding made to the date hereof. This offer shall become a Contract on the terms and conditions stated herein when it is accepted by Seller either by acknowledgement or performance. No change, modification or revision of this order shall be valid unless in writing by the Buyer.
2. PACKING AND SHIPPING – No charges will be paid by Buyer for packing, crating or cartage unless stated in the order.
3. DELIVERY – Deliveries shall be strictly in accordance with the schedule set out or referred to in the order and in exact quantities. If Seller's deliveries will not meet such schedule, Buyer may request Seller to ship via routing necessary to meet schedule. Time is of the essence and failure by Seller to complete delivery within the time specified in the contract shall, in addition to Buyer's other rights and remedies, relieve Buyer of any obligation to accept and pay for any such material or work. If at any time it appears Seller may not meet required schedule, Seller shall immediately notify Buyer of the reasons for and estimated duration of the delay and, if requested by Buyer, make every effort to avoid or minimize the delay to the extent possible including the expenditure of premium time. Any additional costs caused by these delays in delivery shall be borne by the Seller.
4. INVOICES AND PAYMENT – Unless otherwise provided in this order, no invoices shall be issued nor payments made prior to delivery. Individual invoices must be issued for each shipment under this order. Unless freight and other charges are itemized, any discount will be taken on full amount of invoice. All payments are subject to adjustment for shortage or rejection.
5. WARRANTIES – Seller warrants: (a) all items delivered under this order will be free from defects in material and workmanship, will conform to applicable specifications and drawing and, to the extent such items are not manufactured pursuant to detailed designs furnished by Buyer, will be free from defects in design and suitable for intended purposes; (b) unless otherwise stated on the face of this order, all items delivered under this order are new, have not been previously used and are not former Government surplus property. These warranties are in addition to and shall not be construed as restricting or limiting any warranties of Seller, expressed or implied. The warranties of Seller, together with its service warranties and guarantees, if any, shall transfer to Buyer and its customers.
6. INSPECTION – All items are subject to final inspection and acceptance by Buyer at destination, notwithstanding any prior payment or inspection at source and such inspection shall be made within a reasonable time after delivery. Acceptance of any items by Buyer shall not be deemed to alter or affect the obligations of Seller or the rights of Buyer and its customers under the Warranties clause.
7. REJECTION – Buyer shall notify Seller if any items, delivered hereunder are rejected and at Buyer's election and Seller's risk and expense, such items shall be held by Buyer or returned to Seller. No replacement of defective items shall be made by Seller unless agreed to in writing by Buyer.
8. CHANGES – Buyer may at any time by written notice make changes within the general scope of this order to drawings and specifications, shipping instructions, quantities and delivery schedule. Should any such change increase or decrease the cost of, or the time required for performance of the order, an equitable adjustment in the price and/or delivery schedule will be made. Any claims for adjustment by Seller must be made within thirty (30) days from the date the change is ordered or within such additional period of time as may be agreed upon.
9. TITLE AND RISK OF LOSS – (a) Unless otherwise provided in this order, Seller shall have title and bear the risk of any loss of or damage to the items purchased hereunder until they are delivered in conformity with this order at the f.o.b. point specified on the face hereof, and upon such delivery, title shall pass from Seller to Buyer and Seller's responsibility for loss or damage shall cease except for loss or damage resulting from Seller's negligence or failure to comply with this order. Passing of title upon such delivery shall not constitute acceptance of the items by Buyer.
10. STOP WORK ORDER – The rights and obligations specified in the "Stop Work Order" clause contained in FAR Section 52.242-15 are hereby made applicable to this order by reference.
11. TERMINATION AND DEFAULTS – The rights and/or obligations specified in FAR Section 52.249-2 and 52.249-8 is hereby made applicable to this order and any resulting contract and said sections are hereby incorporated in this by reference except that the terms "Contracting Officer" and "Government" used therein shall mean "Buyer", "Contractor" shall mean "Seller", "Contract" shall mean "this order".
12. USE DESIGNS, DATA, ETC. – Seller agrees that it will keep confidential the features of any equipment, tools, gauges, patterns, designs, drawings, engineering data or other technical data or other technical or proprietary information furnished by Buyer and use such items only in the production of items under this order or other order from Buyer. Upon completion or termination of this order, Seller shall return all such items to Buyer or make other disposition as may directed by buyer.
13. INDEMNIFICATION AGAINST INFRINGEMENT – Seller agrees to indemnify Buyer, its successors, customers and agents from any and all costs, expenses and damages on account of any claim that any of the material covered by this Contract (except material made to Buyer's detailed designs) infringes any United States Letters Patent, copyright or trademark, or that the same is a violation of any trade secret. Seller shall be notified promptly of each such claim and, to the extent of Buyer's right to do so, shall be offered control of the defense and settlement of any such claim.
14. NOTICE OF LABOR DISPUTE – Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order; Seller shall immediately give notice thereof, including all relevant information with respect thereof, to Buyer. Seller shall require any subcontractor of any material or work hereunder the same or substantially the same obligation as that contained herein.
15. CLEARANCE OF MATERIAL INTENDED FOR PUBLIC RELEASE – No news release, advertisement, public announcement, denial or confirmation of same relating to any parts of the subject matter of this order or any phase of any program hereunder shall be made directly or indirectly without prior written approval of Buyer. If this purchase order is issued under a Government contract, the Government is excluded from the restrictions set out in this provision.
16. SUBCONTRACTING OR ASSIGNING – Neither this order nor the obligations of Seller hereunder shall be subcontracted, assigned or delegated by operation of law or otherwise without Buyer's prior written consent.
17. GOVERNING LAW – The Purchase Order incorporating these terms and conditions and the performance of the parties hereunder shall be construed in accordance with and governed by the law of the State of California.
18. ADDITIONAL TERMS AND CONDITIONS – If this purchase order is issued under a Government contract, as shown by a number in the P.O. line item entitled "Government Contract Number" on the face of this purchase order, and to the extent they are required by the contract under which this order is issued the following clauses are applicable.

U.S. Government Contract Provisions from the Federal Acquisition Regulation (FAR)

Applicable to all orders;

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| 1. Security Requirements | 52.204-2 |
| 2. Personal Identify Verification of Contractor Personnel | 52.204-9 |
| 3. Basic Safeguarding of Covered Contractor Information Systems | 52.204-21 |
| 4. Material Requirements | 52.211-5 |
| 5. Alternatives to Government –Unique Standards | 52.211-7 |
| 6. Defense Priority and Allocation Requirements | 52.211-15 |
| 7. Contract Terms and Conditions Required to Implement Statutes or Executive Orders –
Commercial Items (DEVIATION) (includes all Statutes or Orders issued) | 52.212-5 |
| 8. Terms and Conditions –Simplified Acquisitions (other than Commercial items) | 52.213-4 |
| 9. Small Business Program Representations | 52.219-1 |
| 10. Post –Award Small Business Program Representation (over \$3000) | 52.219-28 |

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11. Notice to the Government of Labor Disputes	52.222-1
12. Convict Labor	52.222-3
13. Child Labor –Cooperation with Authorities and Remedies.....	52.222-19
14. Service Contract Act of 1965, as Amended	52.222-41
15. Combating Trafficking in Persons	52.222-50
16. Employment Eligibility Verification.....	52.222-54
17. Hazardous Material Identification and Material Safety Data –“Government” means “Government and Buyer”.....	52.223-3
18. Notice of Radioactive Materials.....	52.223-7
19. Ozone Depleting Substances	52.223-11
20. Energy Efficiency in Energy-Consuming Products	52.223-15
21. IEEE 1680 Standard for the Environmental Assessment of personal Computer Products	52.223-16
22. Contractor Policy to Ban Text Messaging While Driving.....	52.223.18
23. Privacy Act	52.224-2
24. Buy American Act –Supplies	52.225-1
25. Buy American Act Certificate.....	52.225-2
26. Trade Agreement	52.225-5
27. Trade Agreements –Certificate	52.225-6
28. Duty-Free Entry	52.225-8
29. Restrictions on Certain Foreign Purchases	52.225-13
30. Place of Manufacturer (applicable to solicitations)	52.225-18
31. Authorization and Consent –Alternate 1	52.227-1
32. Royalty Information	52.227-6
33. Refund of Royalties	52.227-9
34. Filing of Patent Applications –Classified Subject Matter	52.227-10
35. Patent Rights –Ownership by the Contractor.....	52.227-11
36. Rights in Data –General	52.227-14
37. Commercial Computer Software License	52.227-19
38. Workers Compensation Insurance (Defense Base Act)	52.228-3
39. Workers Compensation and War-Hazard Insurance Overseas	52.228-4
40. Insurance –Work on a Government Installation	52.228-5
41. Progress Payments	52.232-16
42. Performance-based Payments	52.232-32
43. Protest After Award	52.233-3
44. Applicable Law for Breach of Contract Claim	52.233-4
45. Industrial Resources Developed Under Defense Production Act Title III.....	52.234-1
46. Accident Prevention	52.236-13
47. Protection of Government Buildings, Equipment, and Vegetation	52.237-2
48. Privacy or Security Safeguards	52.239-1
49. Stop Work Order	52.242-15
50. Government Delay of Work.....	52.242-17
51. Changes –Fixed Price Contracts	52.243-1
52. Competition in Subcontracting	52.244-5
53. Subcontracts for Commercial Items.....	52.244-6
54. Government Property	52.245-1
55. Government Property Installation Operation Services	52.245-2
56. Preference for U.S. –Flag Air Carriers	52.247-63
57. Preference for Privately Owned U.S. –Flag Commercial Vessels	52.247-64

Orders over \$10,000 also include the following:

1. Reporting Executive Compensation and First-Tier Subcontract Awards (Over \$25,000).....	52.204-10
2. Walsh-Healy Public Contracts Act	52.222-20
3. Prohibition of Segregated Facilities	52.222-21
4. Equal Opportunity	52.222-26(b)
5. Affirmative Action for Workers with Disabilities	52.222-36
6. Notification of Employee Rights under the National Labor Relations Act (para (f) only)	52.222-40
7. Buy American Act –North American Free Trade Agreement –Israeli Trade Act (over \$25,000).....	52.225-3
8. Buy American Act North American Free Trade Agreement –Israeli Trade Act Certificate (over \$25,000)	52.225-4

U.S. Government Contract Provisions from the Federal Acquisition Regulation (FAR)

Applicable to all orders;

1. Certificate of Independent Price Determination	52.203-2
2. Restrictions on Subcontractor Sales to the Government	52.203-6
3. Anti-Kickback Procedures (less paragraph (c) (1))	52.203-7
4. Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	52.203.8
5. Price or Fee Adjustment for Illegal or Improper Activities	52.203-10
6. Limitation on Payments to Influence Certain Federal Transactions	52.203-12
7. Preventing Personal Conflicts of Interest for Contractor Employees Performing Acquisition Functions.....	52.203-16
8. Women-Owned Business (Other than Small Business)	52.204-5
9. Audit and Records –Negotiation	52.215-2
10. Integrity of Units Prices	52.215-14
11. Utilization of Small Business Concerns	52.219-8
12. Contract Work Hours and Safety Standards Act –Overtime Compensation	52.222-4
13. Equal Opportunity for Veterans (\$100K).....	52.222-35

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14. Employment Reports Veterans (\$100K).....	52.222-37
15. Compliance with Veterans' Employment Reporting Requirements	52.222-38
16. Drug-Free Workplace	52.223-6
17. Estimate of Percentage of Recovered Material Content for EPA-Designated Products	52.223-9
18. Notice and Assistance Regarding Patent and Copyright Infringement	52.227-2
19. Federal, State, and Local Taxes	52.229-3
20. Bankruptcy	52.242-13
21. Change Order Accounting	52.243-6
22. Subcontracts (paragraphs (h) notice to HII and (i) only apply)	52.244-2
23. Inspection of Supplies, Fixed Price Contracts	52.246-2
24. Inspection of Services, Fixed Price Contracts	52.246-4
25. Responsibility for Supplies	52.246-16
26. Value Engineering	52.248-1
27. Termination for Convenience of the Government (Fixed-Price) --"Government: shall mean "Buyer".	52.249-1
In paragraph (c) the term "120 days" is changed to "60 days." The term "one year" in Paragraph (e) is changed to "six months." The term "90 days in paragraph (l) is changed to "forty-five days," per 49.502 (e)	52.249-2
28. Default (Fixed Price Supply and Service).....	52.249-8

Orders over \$550,000 also include the following:

1. Pension Adjustment and Asset Reversions (\$700,000).....	52.215-15
2. Reversion or Adjustment of Plans for Postretirement Benefits (PRB) other than Pensions 5	2.215-18
3. Notification of Ownership Changes	52.215-19
4. Small Business Subcontracting Plan (\$650,000) (Construction \$1.5M).....	52.219-9
5. Liquidated Damages --Subcontracting Plan	52.219-16
6. Code of Business Ethics and Conduct (over \$5 million).....	52.203-13
7. Display of Hotline Poster (over \$5 million)	52.203-14
8. Pre-award On-Site Equal Opportunity Compliance Evaluation (over \$10 million)	52.222-24

Certifications

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

1. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (over \$150,000)	52.203-11
2. Certification for Federal Funding Accountability and Transparency Act (FFATA).....	52.204-10
3. Certification Regarding Responsibility Matters.....	52.209-5
4. Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (over \$30,000)	52.209-6
5. Certification Regarding Knowledge of Child Labor for Listed End Products	52.222-18
6. Previous Contracts and Compliance Reports (over \$10,000and includes 52.222-26)	52.222-22
7. Affirmative Action Compliance	52.222-25
8. Affirmative Action for workers with Disabilities (over \$15K)	52.222-36
9. Bio-based Product Certification	52.223-1
10. Recovered Material Certification	52.223-4
11. Prohibition on Conducting Restricted Business Operations in Sudan Certification	52.225-20
12. Cost Accounting Standards Notices and Certifications	52.230-1

U.S. Government Contract Provisions from the Department of Defense Federal Acquisition Regulation Title of Clause DFARS

APPLICABLE TO ALL ORDERS:

1. Disclosure of Information.....	252.204-7000
2. Alternate A, Central Contractor Registration	252.204-7004
3. Alternate A, Annual Representations and Certifications	252.204-7007
4. Requirements for Contracts Involving Export-Controlled Items.....	252.204-7008
5. Safeguarding Covered Defense Information and Cyber Incident Reporting.....	252.204-7012
6. Intent to Furnish Precious Metals as Government-Furnished Material	252.208-7000
7. Disclosure of ownership of control by a foreign government	252.209-7002
8. Limitations on Contractors Acting as Lead System Integrators	252.209-7006
9. Prohibited Financial Interests for Lead System Integrators	252.209-7007
10. Item Identification and Valuation	252.211-7003
11. Radio Frequency Identification	252.211-7006
12. Reporting of Government Furnished Equipment in DoD Item Unique Identification (IUID) Registry	252.211-7007
13. Contract Terms and Conditions required implementing statutes or Executive Orders applicable to Defense acquisitions of commercial items (Class Deviation 2009-O0005 expires on April 30, 2014).	252.212-7001
14. Pricing Adjustments	252.215-7000
15. Cost Estimating System Requirements	252.215-7002
16. Award Fee Reduction or Denial for Jeopardizing the Health or Safety of Government Personnel (applicable to Award Fee Orders only).....	252.216-7004
17. Restrictions on Employment of Personnel	252.222-7000
18. Hazard Warning Labels (fill in State where this purchase order will be performed)	252.223-7001
19. Safety Precautions for Ammunition and Explosives	252.223-7002
20. Change in Place of Performance -Ammunition and Explosives	252.223-7003
21. Drug-Free Work Force	252.223-7004
22. Prohibition on Storage and Disposal of Toxic and Hazardous Materials	252.223-7006
23. Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	252.223-7007
24. Prohibition of Hexavalent Chromium.....	252.223-7008
25. Buy American Act --Balance of Payments Program Certificate	252.225-7000

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26. Buy American Act and Balance of Payments Program	252.225-7001
27. Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	252.225-7007
28. Duty Free Entry	252.225-7013
29. Restriction on Acquisition of Ball and Roller Bearings	252.225-7016
30. Restriction on Acquisition of Foreign Anchor and Mooring Chain	252.225-7019
31. Trade Agreements Certificate	252.225-7020
32. Trade Agreements	252.225-7021
33. Trade Agreements Certificate –Inclusion of Iraqi End Products.....	252.225-7022
34. Restriction on the Acquisition of Forgings	252.225-7025
35. Restriction on Contingent Fees for Foreign Military Sales (blank is filled in “zero”)	252.225-7027
36. Exclusionary Policies and Procedures of Foreign Governments	252.225-7028
37. Restriction on Acquisition of Carbon Alloy and Armor Steel Plate.....	252.225-7030
38. Secondary Arab Boycott of Israel	252.225-7031
39. Buy American Act –Free Trade Agreements –Balance of Payments Program Certificate	252.225-7035
40. Buy American Act –Free Trade Agreements –Balance of Payments Program	252.225-7036
41. Contractors Performing Private Security Functions (applicable in areas of Contingency Operations or As otherwise designated)	252.225-7039
42. Contractor personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States	252.225-7040
43. Antiterrorism / force Protection Policy for Defense Contractors Outside the United States	252.225-7043
44. Balance of Payments Program –Construction Material.....	252-225-7044
45. Balance of Payments Program –Construction Material Under Trade Agreements.....	252-225-7045
46. Rights in Technical Data -Noncommercial Items	252.227-7013
47. Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	252.227-7014
48. Technical Data -Commercial Items	252.227-7015
49. Rights in Bid or Proposal Information	252.227-7016
50. Identification and Assertion of Use, Release, or Disclosure Restrictions	252.227-7017
51. Rights in Noncommercial Technical Data and Computer Software –Small Business Innovation Research (SBIR) Program	252.227-7018
52. Validation of Asserted Restrictions - Computer Software	252.227-7019
53. Limitations on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	252.227-7025
54. Delivery of Technical Data or Computer Software	252.227-7026
55. Deferred Ordering of Technical Data or Computer Software	252.227-7027
56. Technical Data or Computer Software Previously Delivered to the Government	252.227-7028
57. Technical Data--Withholding of Payment	252.227-7030
58. Rights in Shop Drawings	252.227-7033
59. Validation of Restrictive Markings on Technical Data	252.227-7037
60. Patents –Reporting of Subject Inventions	252.227-7039
61. Ground and Flight Risk	252.228-7001
62. Reserved.....	252.228-7002
63. Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.228-7005
64. Reporting of Foreign Taxes –U.S. Assistance Programs	252.229-7011
65. Supplemental Cost Principles (first tier subcontractors only)	252.231-7000
66. Frequency Authorization	252.235-7003
67. Frequency Authorization (ALT I).....	252.235-7003
68. Protection of Human Subjects.....	252.235-7004
69. Requirement for Competition Opportunity for American Steel Producers, Fabricators.....	252.236-7013
70. Training for Contract personnel Interacting with Detainees	252.237-7019
71. Continuation of Essential Contractor Services	252.237-7023
72. Notice of Continuation of Essential Contractor Services	252.237-7024
73. Protection Against Compromising Emanations	252.239-7000
74. Information Assurance Contractor Training and Certification	252.239-7001
75. Telecommunications Security Equipment, Devices, Techniques, and Services	252.239-7016
76. Pricing of Contract Modifications	252.243-7001
77. Subcontracts for Commercial Items and Commercial Components (DOD contracts).....	252.244-7000
78. Tagging, Labeling, and Marking Government Furnished Property.....	252.245-7001
79. Reporting Loss of Government Property	252.245-7002
80. Material Inspection and Receiving Report	252.246-7000
81. Notification of Potential Safety Issues.....	252.246-7003
82. Safety of Facilities, Infrastructure, and Equipment for Military Operations.....	252.246-7004
83. Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer	252.247-7003

U.S. Government Contract Provisions from the Department of Defense Federal Acquisition Regulation Title of Clause DFARS, Applicable to all orders;

1. Prohibition on persons convicted of Fraud or other Defense –Contract-Related felonies	252.203-7001
2. Disclosure of ownership or control by the government of a Terrorist Count.....	252.209-7001
3. Restriction on Acquisition of Specialty Metals	252.225-7008
4. Restriction on Acquisition of Certain Articles Containing Specialty Metals (Excluding para (d))	252.225-7009
5. Commercial Derivative Military Article –Specialty Metals Compliance Certificate	252.225-7010
6. Preference for Certain Domestic Commodities	252.225-7012
7. Restriction on Acquisition of Hand or Measuring Tools	252.225-7015
8. Reporting of Commercially Available Off-the Shelf Items that Contain Specialty Metals and Are Incorporated into Non-commercial End Items.	252.225-7029
9. Requests for Equitable Adjustment	252.243-7002
10. Representation of Extent of Transportation by Sea	252.247-7022
11. Transportation of Supplies by Sea	252.247-7023
12. Notification of Transportation of Supplies by Sea	252.247-7024
13. Notification of Anticipated Contract Termination or Reduction	252.249-7002