



General Purchase Order Provisions

CONTRACT FORMATION

1. Acceptance – Entire Agreement – Modification

This order is for the purchase and sale of goods and services described on the face of this order (hereinafter “articles”). Acceptance of this order shall be limited to the terms and conditions contained herein and incorporated herein by reference. This order shall be deemed accepted upon the return of the acknowledgment copy of this order or the commencement of performance by Seller. Buyer rejects any additional or inconsistent terms and conditions offered by Seller at any time, whether or not such terms or conditions materially alter the order and irrespective of Buyer’s acceptance of or payment for Seller’s items or services. These terms and conditions constitute the entire agreement between the parties and no change to or modification of this order shall be binding upon Buyer unless in writing and signed by an authorized representative of Buyer’s procurement or purchasing office at Buyer’s place of business issuing this order.

CONTRACT PERFORMANCE

2. Material, Equipment, Tools and Facilities

Title to property furnished to Seller by Buyer or paid for by Buyer under this order, as well as any replacements thereof, (all hereinafter referred to as “Property”) shall be vested in Buyer with the right to demand possession at any time. Seller will use said Property only in the performance of work for Buyer. Seller shall bear the risk of loss of all Property while in Seller’s custody or control and while in the custody or control of Seller’s suppliers. All Property is subject to removal and return at Buyer’s written request, in which event Seller, at Buyer’s expense, will prepare such Property for shipment and deliver them to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted. Seller will maintain all Property in good condition and repair or replace them to the extent necessary for performance of this order. Seller shall establish and maintain a system to control, protect, preserve and maintain all buyer-owned property. Buyer shall have the right to enter Seller’s premises at all reasonable times to inspect its property and Seller’s records with respect thereto. Buyer does not warrant any aspect of the Property that it furnishes and all articles delivered by Seller must be in strict accordance with the requirements of this order. Upon completion or termination of this order, all Property will be retained by Seller at its expense until disposition directions are received from Buyer. Seller will pay personal property taxes on all articles in its possession.

Notwithstanding any other provision of this clause, such property may be used by Seller in the manufacture of articles for direct sale to the U.S. Government to the extent the U.S. Government has the right to authorize such use and discloses to Seller that it has such right; provided that such use will not interfere with Seller’s performance of this order and any other order with Buyer and provided further that Seller shall (i) give Buyer written notice of each such proposed use at least ten (10) days prior to acceptance of a contract for such articles from the U.S. Government and, in the event Buyer objects to such use, forward Buyer’s objection to the U.S. Government, (ii) to the extent practicable, prominently identify each article as being manufactured by Seller in performance of contracts for the U.S. Government, (iii) advise Buyer of the method of identification used, (iv) make no claim against Buyer that arises out of the use by Seller of such property, and (v) indemnify Buyer and hold Buyer harmless from and against any and all claims or liabilities resulting from performance of contracts for the U.S. Government. Where such property is furnished to Seller’s suppliers for use in performance of Buyer’s orders, Seller shall insert the substance of this provision in all such orders to Seller’s subcontractors. Nothing herein shall be construed as restricting the U.S. Government’s use of Government-owned Articles or Articles it is authorized to use.

3. Deliveries and Shipments

Delivery of the articles and related data and/or documentation and/or performance of required services in accordance with the schedule are a material requirement of this order. TIME IS OF THE ESSENCE. Seller shall not, without Buyer’s prior written consent, manufacture or procure materials in advance of Seller’s reasonable flow time. Seller will at its expense ship by express or air shipment or by the most expeditious way if the delivery schedule is endangered for any reason other than Buyer’s fault.

Buyer reserves the right to reject all or any part of any delivery that varies from the quantity authorized by Buyer for shipment. All articles shall be packaged in accordance with Buyer's instructions or, if none are specified, in accordance with good commercial practice in a manner sufficient to ensure arrival in an undamaged condition. Items shipped in advance of Buyer's delivery schedule may be returned at Seller's expense. Seller shall give notice of shipment to Buyer at the time of delivery of any shipment of articles to a carrier for transportation. Title and risk of loss to articles shall pass to Buyer at the f.o.b. point specified on the face of this order, unless earlier passed pursuant to other provisions of this order.

4. Performance Assurance Plan

At Buyer's direction, Seller will provide Buyer with a Performance Assurance Plan prepared in accordance with procedures established by Buyer showing Seller's work in process and yield factors for each major process step. This plan will be imposed by Buyer where, in Buyer's opinion, there is a significant risk in meeting performance or delivery requirements. The Performance Assurance Plan will demonstrate Seller's work in process and yield factors in Seller's format.

5. Inspection

Notwithstanding (i) payment, (ii) passage of title, or (iii) prior inspection or test, all articles are subject to final inspection and acceptance or rejection by Buyer at Buyer's facility. At all reasonable times including the period of manufacture, Buyer, its customers, and/or representatives of the Federal Aviation Administration, Food and Drug Administration, Department of Defense or other cognizant regulatory bodies may inspect and/or test the articles to be furnished hereunder at the places where the work is being performed, including those of the Seller's suppliers, and Seller shall provide, without additional charge, reasonable facilities and assistance for safe and convenient inspection and test. Buyer may inspect 100% or a sample of all articles or any lot of articles at Buyer's option, and Buyer shall have the right to reject all or any portion of the articles or lot of articles if any such inspection reveals them to be, in Buyer's sole opinion, defective or nonconforming. Seller shall provide and maintain a test and inspection system acceptable to the Buyer and its customers, if required. Records of all inspection work by Seller shall be kept complete and available to Buyer and its customers during the performance hereof and for four (4) years after final payment by Buyer or for such longer period as may be specified elsewhere herein.

6. Warranty

- A. Seller warrants to Buyer, its successors and customers that standard warranty period for products purchased under this Purchase Order will commence on the date of shipment to the end user, and that all articles furnished to Buyer will be free from defects in material and workmanship, will conform to applicable drawings, designs, specifications and samples, will meet all functional and performance requirements and, to the extent this order calls for services to be performed, that such services will be free from defects in workmanship, will meet all of the requirements of this order and will be performed to the highest standards of workmanship in the industry (all of which are hereinafter collectively called "conforming products and/or services").
- B. In the event conforming products and/or services are not furnished, within twenty (20) days after the nonconforming product is returned to Seller or notice to Seller of a nonconforming service is received, Seller shall repair or replace such nonconforming products and/or correct such nonconforming services. The failure of Seller to repair or replace and redeliver such nonconforming products and/or to correct such nonconforming services within such twenty (20) day period shall entitle Buyer at its election and in addition to any other rights or remedies it may have at law or in equity, to have such nonconforming products repaired or replaced or such nonconforming services corrected at Seller's expense. In addition to the costs of repairing or replacing such nonconforming products and/or correcting such nonconforming services, Seller shall be responsible for the costs of removal, disassembly, failure analysis, fault isolation, reinstallation, re-inspection and retrofit required to deliver conforming products and/or services.
- C. The warranty period shall be suspended upon notice that nonconforming products have been furnished until they have been repaired or replaced and redelivered to Buyer postage or freight prepaid, or in the case of nonconforming services, have been corrected. The unexpired portion of the warranty shall be applicable to the repaired, replaced or corrected conforming products and/or services.

CONTRACT PERFORMANCE REVISIONS

7. Changes

Buyer may at any time, by a written change order, without notice to any sureties, make changes in any one or more of the following: (i) drawings, designs, specifications, where the articles to be furnished are to be specially manufactured for the Buyer in accordance therewith; (ii) method of shipment or packing; (iii) place or time of inspection, delivery, or acceptance; (iv) The quantity and/or type of services ordered, (v) the work or service schedules and (vi) the amount of any Buyer furnished property. If any such change causes an increase or decrease in the cost of or time required for performance of this order, whether or not changed by the order, an equitable adjustment shall be made in the price or delivery schedule or both and this order shall be modified accordingly. No claim by Seller for adjustment hereunder shall be allowed unless made in writing for a specified amount within twenty (20) days from the date notice of any such change is received by Seller. If Seller considers that the conduct, statement or direction of any of Buyer's employees constitutes a change hereunder, Seller shall notify Buyer's Subcontract Administrator and take no action on the perceived change pending written approval of Buyer's Subcontract Administrator. Only Buyer's Subcontract Administrator has authority to approve a change. Any change made by Seller without such written approval shall be deemed voluntary by Seller and not compensable in the cost or of time required for performance. Nothing in this clause shall excuse Seller from proceeding with performance of this order as changed. Notwithstanding the above or any other provision of this order, the Seller hereby agrees that no changes to the articles that may be required in order to meet the specified performance requirements of this order shall entitle the Seller to any adjustment in either price or delivery.

8. Design Changes

During performance of this order, Seller shall not make any changes in the design of articles to be furnished by Seller under this order without advance written notification to and written approval of the Buyer. The above requirement applies whether or not there is a cost impact associated with the change and regardless of the type of change involved, including product improvements.

9. Stop Work Orders

Buyer may at any time by written order require Seller to stop all or any part of the work under this order for a period of up to ninety (90) days after delivery of such stop work order, and for any further period as the parties may agree. Immediately upon receipt of such stop work order, Seller shall comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work stoppage. At any time during such period, Buyer may, in whole or in part, either cancel the stop work order or terminate the work in accordance with subparagraph A or B of the "Termination" clause of this order. To the extent the stop work order is canceled or expires, Seller shall resume work. If a stop work order is the sole and exclusive cause of a material change in cost or delivery, an adjustment shall be made in the price (excluding profit) or the delivery schedule, or both and this purchase order modified accordingly; provided, however, that no adjustment in price or delivery shall be made under this provision if (i) the work would have been otherwise interrupted or delayed or (ii) such adjustment is available or expressly excluded under any other provision of this order. No claim for adjustment shall be allowed unless submitted to Buyer in writing in a specified amount within twenty (20) days after the work is terminated or the stop work order expires or is canceled, whichever first occurs.

10. Termination

- A. Buyer may terminate this order in whole or in part at any time by written or telegraphic notice stating the extent and effective date of such termination. In such event, the rights of the parties shall be governed by the provisions of the clause set forth in Subsection 52.249-2 of the Federal Acquisition Regulations ("FAR") as in effect on the date of this order, which clause is incorporated herein by reference; provided, however, that (i) all references to "1 year" in Paragraph (d) of such clause shall be revised to read "6 months", (ii) Paragraph (i) of such clause shall be deemed to require all disputes to be resolved under Article 20 of these General Purchase Order Provisions, (iii) the "90 days" time period in Paragraph (k) of such clause shall be revised to read "45 days", and (iv) all references therein to the Government or the Contracting Officer shall mean Buyer or its designees (including the Government or its representatives if so designated by Buyer). Buyer shall have the right to audit all elements of any termination claim and Seller shall make available to Buyer or Buyer's representative on request all books, records, and papers relating thereto.
- B. Buyer reserves the right to terminate this order in whole or, from time to time, in part for Seller's default (i) if Seller fails or refuses to perform in accordance with any of the requirements of this order or to make progress so as to endanger performance hereunder or (ii) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller under any state or federal law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors. Any such termination will be without liability to Buyer except for completed articles delivered and accepted by Buyer, payment for which can be set off against damages

to Buyer. Buyer may require Seller to transfer title and deliver to Buyer any or all property produced or procured by Seller for performance of the work terminated and Seller shall be credited with the reasonable value thereof not to exceed Seller's cost or the contract price, whichever is less. Seller will be liable for damages caused by or resulting from its default including but not limited to excess costs of re-procurement. If, after a default termination, it is determined that Seller was not in default, the termination shall be considered to have been made pursuant to subparagraph A of this clause. Buyer or its designee shall have the right to audit all elements of any termination claim and Seller shall make available to Buyer or Buyer's designee on request all books, records, and papers relating thereto. Termination of the Order for default shall be without prejudice to any other rights and remedies of the Buyer under statute or common law.

C. To the extent this order is not terminated pursuant to subparagraphs A or B above, Seller shall continue performance.

11. Excusable Delays

Neither party shall be in default for any delay or failure to perform hereunder due to causes beyond its control and without its fault or negligence; provided, that any delay or failure to perform caused by the default of a supplier of the Seller at any lower tier shall be excused only if it is beyond the control of both Seller and such supplier and without the fault or negligence of either and the articles to be furnished are not obtainable from other sources in sufficient time to permit Seller to meet the delivery schedule; and provided further, that Seller furnishes prompt written notice to Buyer of the occurrence of any such cause that will or may delay Seller's performance. If delivery of any article is delayed by any excusable delay for more than three (3) months, Buyer may without any additional extension cancel all or part of any Order with respect to the delayed product, however, the Buyer shall not be entitled to monetary damages or specific performance where Seller's breach is the result of an Excusable Delay.

Payment Terms

12. Prices, Taxes, and New Material

Seller warrants that none of the articles furnished under this order are surplus, used, remanufactured or reconditioned or of such age or so deteriorated as to impair the usefulness or safety thereof, unless otherwise specifically stated on the face of this order. Unless otherwise provided on the face of this order, THE PRICES APPEARING HEREIN INCLUDE ALL PACKAGING, CRATING AND FEDERAL, STATE AND LOCAL TAXES, IF APPLICABLE, AND ARE FIRM FOR THE DELIVERY PERIOD SHOWN.

13. Payment Terms

Payment periods and cash discount periods will be computed from either the date of delivery or acceptance of the articles ordered or the date of receipt of correct and proper invoices prepared in accordance with the terms of the order, whichever is later. The payment date will be delayed on a day-for-day basis for any article that is delivered later than called for by the contract schedule.

14. Setoff

Buyer may setoff any amount due from Seller to Buyer, whether or not under this order, from any amounts due to Seller under this order.

Design, Ownership, Indemnity

15. Designs, Drawings and Data

- A. With respect to articles for which any technical information, written, oral or otherwise, (i) has been supplied to Seller by or on behalf of Buyer; or ii) Seller has designed at Buyer's expense; or iii) Seller has designed specifically to meet Buyer-furnished technical requirements (hereinafter designated "Information"). Seller, in consideration of Buyer's furnishing of such Information and/or design funding, agrees that it will not use, or assist others in using, such Information, design funding or tooling to develop or sell such articles (or similar interchangeable or substitute articles, or parts thereof) to anyone other than Buyer, either as production, spare or repaired articles, without Buyer's prior written consent, except as provided in Paragraph C, below. Seller shall not use or disclose such information except in the performance of orders for Buyer, and, upon Buyer's request, such information and all copies thereof shall be returned to Buyer. If Seller develops or sells the articles hereunder, or assists others in doing so, (or similar interchangeable or substitute articles, or parts thereof) to anyone other than Buyer, the burden shall be on Seller to establish that Buyer's Information, funding or tooling was not used.

- B. Information prepared by Seller specifically in connection with performance of this order, including original works of authorship created by Seller, are considered “works made for hire” under U.S. Copyright Law. Buyer shall be deemed the author of such works. If any such work is determined by a court of competent jurisdiction not to be a work made for hire, this agreement shall operate as an irrevocable assignment by the author of such work to Buyer, of the copyright in the work, including all right, title and interest throughout the world.
- C. Notwithstanding any other provision of this clause, such Information may be used by Seller in the manufacture of articles for direct sale to the U.S. Government to the extent that U.S. Government has the right to authorize such use and discloses to Seller that it has such right; provided that such use will not interfere with Seller’s performance of this order and any other order with Buyer and provided further that Seller shall (i) give Buyer written notice of each such proposed use at least ten (10) days prior to acceptance of a contract for such articles from the U.S. Government and, in the event Buyer objects to such use, forward Buyer’s objection to the U.S. Government, (ii) to the extent practicable, prominently identify each article as being manufactured by Seller in performance of contracts for the U.S. Government, (iii) advise Buyer of the method of identification used, (iv) make no claim against Buyer that arises out of the use by Seller of such Information, and (v), indemnify Buyer and hold Buyer harmless from and against any and all claims or liabilities resulting from performance of contracts for the U.S. Government. Nothing herein shall be construed as restricting the U.S. Government’s use of Information which the Government owns or is authorized to use.
- D. Where such Information is furnished to Seller’s suppliers for use in performance of Buyer’s orders, Seller shall insert the substance of this paragraph 4 in all such orders to Seller’s subcontractors.

16. Patent, Trademark, and Copyright Indemnity

Seller shall indemnify and hold harmless Buyer from any and all damages, costs, including legal fees, losses, and liabilities resulting from a suit or proceeding from infringement of any patent, trademark or copyright be reason of the sale or use of any product sold to Buyer hereunder, and from reasonable expenses incurred by Buyer in defense of such suit or proceeding if Seller does not undertake the defense thereof; provided, that Seller is promptly notified of any such suit and, except for suits against the U.S. Government, Buyer offers Seller full and exclusive control of the defense of such suit or proceeding when products of Seller only are involved therein or the right to participate in the defense of such suit or that, this indemnity shall not extend to infringement resulting solely from Seller’s compliance with Buyer’s specific designs, processes or formulas. In the event of an injunction or restraining order, Seller shall, at its own expense, either procure for Buyer the right to continue to sell and use the product, or replace or modify the product so that it becomes non-infringing. Seller shall also indemnify Buyer’s customers and agents for such infringement if and to the extent that Buyer has agreed so to indemnify them, but to no greater extent than Seller has indemnified Buyer herein and under the same conditions as set forth herein.

17. Indemnification and Insurance

Seller will indemnify and save harmless Buyer, its directors, officers, employees, agents and invitees from and against all liability, demands, claims, losses, costs, damages and expenses, including but not limited to attorney’s fees, by reason or on account of property damage, death and personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with the performance of this order that is occasioned by the actions or omissions of Seller or its subcontractors or suppliers of any tier. Seller will maintain and carry liability insurance which includes but is not limited to commercial general liability (including product liability and for services to be performed, completed operations liability) in a sum no less than \$5 million, automobile liability in a sum no less than \$5 million, workmen’s compensation in an amount no less than the applicable statutory minimum requirement and employer’s liability in an amount of no less than \$1 million, with insurance carriers acceptable to Buyer/Seller will, if requested by Buyer, furnish certificates of insurance from its carrier on the foregoing coverage’s, which shall provide that such coverage shall not be changed without thirty (30) days advance written notification to Buyer from the carrier.

Service Contract Provisions

18. Key Personnel

Seller's personnel listed or identified as Key Personnel in this Purchase Order may not be removed from the work contemplated herein, and their contribution may not be reduced from the amount contemplated herein, without the consent of PCI. Substitutes for Key Personnel must be acceptable to PCI, and the Seller must receive PCI approval prior to making the substitution.

19. Termination of Individuals

Upon determination by PCI at any time that the performance of the Seller, or any of his employees assigned to the work hereunder, does not meet PCI required standards, and upon notification to the Seller of such determination, such personnel shall be directed by Seller to quit said work immediately, and thereafter shall be denied access to said work by PCI.

20. Standards of Conduct

PCI conducts its business in strict compliance with applicable laws, rules and regulations with honesty and integrity and with a strong commitment to the highest standards of business ethics. Seller agrees that he will at all times adhere to PCI published policies as they pertain to standard of conduct of PCI employees, as well as any other customary standards of business conduct including conduct prescribed by law or regulation. Seller shall, at all times, carefully comply with all rules, laws and regulations pertaining to entertainment or providing gratuities.

21. Notice to PCI of Labor Disputes

Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Purchase Order, Seller shall immediately give notice thereof, including all relevant information with respect thereto, to PCI. Seller shall include this paragraph in each lower-tier Subcontract under this Purchase Order.

22. Seller's Status

It is understood and agreed that Seller and/or its employees engaged in the performance of this Purchase Order by the Seller, are not employees of PCI and are not entitled to PCI employee benefits or privileges or any payment from PCI (other than as expressly provided for in the Purchase Order) and the Seller shall pay the salaries or expenses, applicable taxes, including Social Security and unemployment of said employees. Seller shall also pay any expenses normally paid by an employer in connection with its employees assigned to PCI. The Seller is and shall be deemed to be an Independent Contractor at all times during its performance of the work specified in this Purchase Order.

23. Export Control

- A. 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, the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and 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,
- B. Seller shall immediately notify the PCI 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.
- C. 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.
- D. Where Seller is a Signatory under a PCI export license or export agreement (e.g., TAA, MLA), Seller shall provide prompt notification to the PCI 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 Seller's performance under this contract.
- E. Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including 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 clause.

24. Foreign Manufacture of U.S. Munitions List Articles

If Seller is other than a U.S. supplier and has received technical data or manufacturing drawings for articles on the U.S. Munitions List under a license from the U.S. Department of State, Office of Defense Trade Control, then the following shall apply:

- A. The technical data and manufacturing drawings supplied shall be used solely for the purpose of manufacture of such Munitions List articles covered by this order.
- B. Disclosure of the technical data or manufacturing drawings to any person other than subcontractors of the Seller and Seller's nationality within Seller's country that are qualified and approved by Buyer is prohibited.
- C. Any qualified and approved subcontractors within Seller's country shall adhere to all of the clauses included in this order including the requirement that Seller and Seller's subcontractors destroy or return all of the technical data or manufacturing drawings furnished by Buyer under this order upon completion of this order.
- D. The delivery of the Munitions List articles manufactured by Seller may be made only to Buyer, U.S. persons designated by Buyer, or agencies of the U.S. Government.
- E. Seller shall return to Buyer the executed acknowledgment copy of this order indicating its agreement to all of the terms and conditions hereof for delivery to the U.S. Department of State, Office of Munitions Control under the U.S. Department of State Export License indicated on the face of this order.

Compliance

25. Compliance with Laws

- A. Seller shall comply with all applicable federal, state and local laws, executive orders, rules and regulations during performance of this order, including but not limited to, the Occupational Safety and Health Act of 1970 as amended ("OSHA"); Toxic Substances Control Act as amended ("TSCA"); the Fair Labor Standards Act of 1938 as amended ("FLSA"); the Clean Air Act as amended; the International Traffic in Arms Regulations as amended; any U.S. embargoes that may be in force from time to time; and the Anti-Kickback Act of 1986 as amended.
- B. Seller agrees to furnish information, within seven (7) days of Buyer's request, regarding payment, offer, or agreement to pay "political contributions" or "fees or commissions" (as those terms are defined at 22 C.F.R. 130) with respect to any sale by the Buyer for which a license or approval is required from the Office of Defense Trade Controls, Department of State or any sale pursuant to a contract with the Department of Defense under Section 22 of the Arms Export Control Act (22 U.S.C. § 2762).
- C. Seller warrants that all representations and certifications furnished by Seller as required by law or regulation in connection with this order are accurate, current and complete as of the effective date of this order, and that to Seller's knowledge no person has been paid a kickback or illegal gratuity in connection with this order. Seller agrees to indemnify and hold Buyer and its customers harmless for any loss, damage or expenses sustained because any certification or representation herein or required by law or regulation made by Seller was inaccurate, noncurrent or incomplete or due to Seller's non-compliance with any applicable law or regulation.
- D. To the extent it is applicable to Seller's products, Seller shall at all times be in compliance with the Fastener Quality Act (Public Law 101-592 as amended by Public Law 105-234) as amended from time to time (the "Act"). Seller shall defend (with counsel of Buyer's choosing), indemnify and hold harmless Buyer from any and all claims, demands and causes of action brought by Buyer or by any third party against Buyer in any manner relating to Seller's failure to comply with the Act. Seller's indemnity shall include, but not be limited to, reimbursement of any costs associated with any return, recall or retrofit of parts sold under this Purchase Order which are not in compliance with the Act.
- E. **This contractor and subcontractor 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, or national origin. 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, national origin, protected veteran status or disability.**

Other Terms

26. Release of Information to Public

Seller shall not, without the prior written consent of Buyer, make any release of information concerning this order or any other information related to the Buyer (other than to Seller's employees and subcontractors that is required for the performance of their duties), including providing copies of this order or identifying the Articles sold by Seller to Buyer, nor use the name of Buyer in any advertising or publicity, except as may be necessary to comply with a subpoena or other proper mandatory legal demand.

27. Order of Precedence

In the event of any conflict among the provisions of this order, the following order of precedence shall apply in interpreting this order:

- A. The text of the Purchase Order.
- B. Any Special or Supplemental Terms and Conditions incorporated by reference in the Purchase Order.
- C. These General Purchase Order Provisions.

D. Other Contract Documents.

28. Disputes

Except as otherwise specifically provided in this order, any dispute concerning a question of fact and/or law arising under this order that is not disposed of by agreement of the parties shall be decided by arbitration under the rules and procedures of the American Arbitration Association. To the extent that the issue in dispute between Buyer and Seller is related to an issue in dispute between buyer and its customer, Seller agrees to a stay in arbitration proceedings until Buyer's dispute with its customer is finally resolved, either through settlement or judgment. Pending settlement or final decision of any such dispute, Seller shall proceed diligently with the performance of this order in accordance with the directions of the Buyer.

29. Choice of Law

The construction, interpretation and performance hereof and all transaction hereunder shall be governed by the law of the state of California excluding any such laws which may direct the application of the laws of another jurisdiction. Jurisdiction and venue shall be proper only in a state or federal district court of the State.

30. Rights and Remedies of Buyer

The rights and remedies of the Buyer set forth herein shall be in addition to any other rights and remedies provided in law or equity and the failure or delay by Buyer to exercise any rights or remedies under this order shall not operate as a general waiver thereof.

31. Non-waiver

No failure by Buyer to assert its rights under any provision of this order, or failure of Seller to perform any provision of this order, shall be effective as a waiver thereof unless consented to in writing by the Buyer; nor shall any such waiver constitute an advance waiver of any other provision or failure to perform.

32. Assignment and Subcontracting

Any assignment or subcontract for a majority of the materials and/or labor by Seller of or under this order shall be void unless consented to by Buyer in writing.

33. Headings

Headings and captions set forth in this order are for convenience of reference only and are not intended to, nor do they, alter the meaning, content or enforceability of any provision hereof. Note! In the event of a conflict between the Government Imposed regulations and the general terms and conditions, the Government imposed regulation shall take precedence when a government contract number is shown on the front of this order.

ADDITIONAL TERMS and CONDITIONS of this order, including any necessary Government regulations and requirements, will be defined in the body of this order as necessary.