



Standard Terms And Conditions For The Purchase Of Goods And Services (the “Terms”)

For the purposes hereof, the term “Buyer” shall mean Bren-Tronics Defense LLC, and the term “Supplier” shall refer to the party from whom Buyer is purchasing such goods or services on the applicable Purchase Order (the “PO”).

1. **Order of Precedence.** In the event of any inconsistency between any parts of these Terms, the inconsistency shall be resolved by giving precedence in the following order: (i) change order document; (ii) purchase order document; (iii) these Terms; (iv) any specifications, drawings or statement(s) of work, and (v) any other provisions set forth in other referenced documents.
2. **Acceptance of Goods.** Buyer's payment of the purchase price, or any part thereof, does not constitute acceptance of the goods or services. Goods and services are subject to inspection and rejection by Buyer within a reasonable time following receipt by Buyer. Risk of loss does not pass to Buyer until acceptance of the goods or services. To the extent practicable, defective or nonconforming goods will be returned to Supplier at Supplier's sole cost and expense, and the risk of loss with respect to such defective or nonconforming goods shall never pass to Buyer and shall remain with Supplier. Any additional terms proposed in Supplier's acceptance of Buyer's offer, which add to, vary from, or conflict with the terms herein are hereby objected to by Buyer. Any such proposed terms shall be void and the terms herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties and may hereafter be modified only by written instrument executed by the authorized representatives of both parties. Any of the following shall constitute Supplier's unqualified acceptance of the PO and these terms and conditions: (a) acknowledgment; (b) furnishing of any part of the goods, services or products; (c) acceptance of any payment for the goods, services or products; or (d) commencement of performance.
3. **Property.** All jigs, dies, molds, equipment or other items owned by Buyer and used by Supplier hereunder, shall remain the property of Buyer, shall be kept in safe custody, shall not be removed from Supplier's facility without written consent from Buyer and shall not be used for the manufacture of products for anyone other than Buyer. All deliverables created specifically for Buyer hereunder shall be owned by Buyer and shall be considered work made for hire by Supplier for Buyer. If any such deliverable is not considered a work made for hire, Supplier shall assign, or obtain an assignment to, as applicable, all of the rights, title and interest in and to such deliverables to Buyer.
4. **Cancellation.** Buyer may cancel or terminate any PO, or any portion thereof, at any time, for any reason, including for the convenience of Buyer without being liable for any termination fee or any other penalty or charge. Enumeration of certain rights does not exclude others given by law. In such event, Buyer shall have all rights and obligations accruing to it either at law or in equity, including Buyer's rights to title and possession of the goods and materials paid for. Buyer may take immediate possession of all work so performed upon notice of termination. Supplier shall immediately stop work and limit costs incurred on the terminated work. Upon termination for convenience, Buyer, after deducting any amount(s) previously paid, shall reimburse Supplier for the actual, reasonable, substantiated and allowable costs with the total amount to be paid by the Buyer being determined by negotiation and shall not exceed the value of the PO. Buyer shall not be obligated to pay Supplier any costs incurred by Supplier to the extent Supplier can use or incorporate the goods into other purchase orders of Buyer, or for purchase orders, or for the benefit, of any other customer of Supplier.
5. **Stop Work Order.** Buyer may, at any time, by written notice to Supplier, require Supplier to stop all or part of the work called for by the PO for a period of ninety (90) days after such notice is delivered to Supplier. Within ninety (90) days after such notice is delivered to Supplier, or within any extension of the period to which the parties have agreed, Buyer shall either: (a) withdraw the notice and direct Supplier to resume work, in which event Supplier may be entitled to receive an equitable adjustment of the PO price or schedule or both, provided a claim for such an adjustment shall be submitted by Supplier within thirty (30) days after the end of the period of work stoppage; or (b) terminate the work and the PO or part thereof.
6. **Changes.** Buyer may change the specifications, description of services, goods, or any aspect thereof or anything relating thereto prior to receiving goods from, or the completion of services to be performed by, Supplier. If such change changes the cost or time required for performance under any PO, Supplier shall promptly notify Buyer of such change and Buyer shall have fifteen (15) business days within which to withdraw its request for change or accept the new terms. If Buyer does not respond to Supplier's notice within twenty (20) business days, the request for changes shall be deemed withdrawn and Supplier shall perform such PO under its original terms.
7. **Intellectual Property.** “Intellectual Property” shall mean creations of the mind including: ideas, inventions, works of authorship, and symbols, names, images, and designs embodied in for example, technical data, designs, information, computer software, drawings, formulae, specifications, diagrams, processes, know-how, procedures and technology

and all legal rights in such creations of the mind. Each party shall retain and exclusively own all rights in its background Intellectual Property and in all foreground Intellectual Property that it creates. Intellectual Property jointly generated by employees of more than one party shall be jointly owned. Neither party shall have any obligation to account to the other party for income arising from use of the jointly owned foreground Intellectual Property. Supplier hereby grants to Buyer a non-exclusive, worldwide, right and license to copy, modify, use, sell, offer for sale and disclose any work or other deliverable delivered by Supplier under the PO for the performance of the PO and any higher tier contract. If the work or other deliverable contains third party intellectual property, Supplier agrees to obtain the rights from the third party that are sufficient for Supplier to grant Buyer the rights in the above license. Supplier warrants that it has the rights in the work or other deliverable sufficient to grant to Buyer the above license.

8. **Timing.** Time is of the essence in the performance of any PO. Supplier shall promptly reimburse Buyer for any loss or increased costs, including downtime or overtime costs, incurred by Buyer as a result of obtaining such substitute goods or services.
9. **Taxes.** Supplier is solely responsible for the payment of any sales, use or other tax or duty levied or based on the price of any goods, work or services provided pursuant to any PO. If Buyer pays any such tax or duty, Supplier shall promptly reimburse Buyer therefore.
10. **Price, Payment, Duties and Costs.** If no price is stated in any PO, Supplier shall charge the lowest prices previously quoted or charged Buyer for like goods or services in like quantities under similar conditions. Supplier warrants that the prices stated in any PO are the lowest net prices charged by Supplier to any other customer for like goods or services in like quantities under similar conditions. If such lower price is quoted within thirty (30) days after delivery to Buyer, Supplier shall promptly pay to Buyer a rebate in the amount of the difference of such amounts within ten (10) days of such lower quote. Buyer shall have a right to recoup or setoff, as the case may be, against payments due or at issue under the PO or any other contract between the parties. All costs included in the invoice must be computed in accordance with Section 31 of FAR and allowable in accordance with the principles specified herein. All valid and complete invoices shall be paid in accordance with the terms specified on the purchase order unless otherwise agreed to in writing.
11. **Disputes.** Any dispute arising under or in connection with the PO with respect to the rights, duties, or obligations of the parties shall be submitted in writing for resolution to ascending levels of management of the respective parties. Buyer may withhold the disputed invoice amounts while the parties try to resolve the dispute. If a dispute cannot be resolved to both parties' mutual satisfaction, after good faith negotiations, within ninety (90) days from the date the written claim is received by the other party, or such additional time as the parties agree upon in writing, either party may bring suit only in a state or federal court located in the State of New York. Pending any resolution, or final decision referred to in this clause, or the settlement of any dispute arising under the PO, both parties shall proceed diligently, with their respective obligations under the PO. Payment of any fees by Buyer shall not waive any rights, claims or remedies. To the maximum extent permitted by law, the parties waive any right to a jury trial. Buyer shall not be liable for penalties of any description. Any action resulting from any breach on the part of Buyer as to the products, goods and/or services delivered hereunder must be commenced within one year after the cause of action has accrued.
12. **Indemnification.** Supplier shall indemnify, defend and hold harmless Buyer, its shareholders, subsidiaries, affiliates, officers, directors, attorneys, employees, agents, successors and assigns from and against any and all losses, obligations, liabilities, claims, suits, judgments, damages (whether incidental, consequential, or otherwise), penalties, fines, costs and expenses (including, without limitation reasonable attorney's fees) arising out of, or in connection with (a) the violation or alleged violation of any law, ordinance, regulation, or rights of third parties by reason of performance or nonperformance by Supplier of any PO; (b) breach of any term, condition, covenant, agreement, representation or warranty by Supplier; (c) any infringement or alleged infringement of any patent, copyright, trademark, or other intellectual property relating to the use or design of any equipment, materials, goods or services furnished by Supplier under any PO or the processes or actions employed by or on behalf of Supplier in connection with any PO; (d) injury or death to persons or any real or personal property damage, arising from or relating to the goods or services provided by Supplier under any PO or acts or omissions of Supplier or its officers, directors, employees, agents, contractors or subcontractors; or (e) claims arising from or relating to injuries to or death of Supplier's employees, including but not limited to claims based upon allegations of negligence of Buyer. Supplier's obligations under this section shall not be limited to its insurance coverage.
13. **Insurance.** Supplier agrees to maintain commercially reasonable levels of insurance coverage, including: (1) Commercial General Liability and Errors and Omissions Insurance with a limit of not less than one million U.S. dollars (\$1,000,000) covering liability for property damage and bodily injury, including death to any person; (2) Automobile liability insurance with bodily injury and property damage limits of not less than one million U.S. dollars (\$1,000,000); and (3) "Umbrella" liability insurance in an amount not less than five million U.S. dollars (\$5,000,000) to cover claims in excess of the coverage limits provided above. If Supplier is performing any services for Buyer, Supplier agrees to also maintain: (1) Commercial Crime covering employee dishonesty in an amount of not less than one million U.S. dollars (\$1,000,000); (2) Workers' compensation insurance for Supplier's employees at the applicable statutory limit and in an amount of not less than five- hundred thousand U.S. dollars (\$500,000) per occurrence; and (3) Property

insurance covering "All Risk" of loss or damage to Supplier real and personal property. Buyer shall be named as an additional insured on the Commercial General Liability, Automobile Liability and Umbrella Liability policies, and Supplier shall provide Buyer with Certificates of Insurance. If applicable, all policies shall be underwritten through insurance companies licensed to do business in the jurisdiction and with an A.M. Best rating of A-(X) or higher.

- 14. Confidentiality.** Buyer, or third parties on Buyer's behalf, may disclose to Supplier, certain confidential or proprietary information ("Buyer Confidential Information"). For a period of five (5) years after termination or expiration of the PO, Supplier shall not disclose and shall, to the extent within its control, prevent the disclosure by others of the Buyer Confidential Information to any third party without the prior written consent of Buyer. Supplier agrees not to use, or make copies, of the Buyer Confidential Information except as required for the performance of its obligations under the PO, and agrees to limit access to the Buyer Confidential Information to its own employees, agents and consultants strictly on a "need to know" basis; provided, however, that such agents and consultants have executed an agreement with Supplier with confidentiality provisions at least as restrictive as those contained herein. Upon expiration or termination of the PO and if requested by Buyer, Supplier shall, to the extent possible, promptly return all of the Buyer Confidential Information. Each party acknowledges that the disclosure of confidential or proprietary information of the other may give rise to irreparable injury which may be inadequately compensable in damages. To the extent Supplier breaches, or Buyer could reasonably believe Supplier may breach, its confidentiality obligations stated herein, Supplier consents to Buyer obtaining injunctive relief to prevent, or otherwise limit the damages of, any such breach or threatened breach. Trade Secrets and proprietary information of Buyer (hereafter collectively referred to as "information") shall mean information disclosed to Supplier by Buyer in connection with this purchase order which is either identified to Supplier as being proprietary or which is information that a reasonable person would understand to be such information. This paragraph is not intended to conflict with FAR 52.203-6, "Restrictions on Subcontractor Sales to the government."
- 15. Subcontractors.** Supplier may subcontract any portion of a PO to another person furnishing labor or materials to Supplier for the performance of any PO (collectively the "Subcontractors"), but Supplier shall nevertheless remain primarily liable and fully responsible for the performance of the obligations under such PO. If Supplier is subcontracting a service, Supplier must first obtain Buyer's written consent to use Subcontractors prior to subcontracting or otherwise permitting Subcontractors to perform services. No subcontract shall increase the fees or the scope or amount of expenses passed through to Buyer. Supplier shall cause its Subcontractors to, and remains fully responsible if they do not, comply with these Terms.
- 16. Independent Contractor Status.** Supplier is, and shall remain, an independent contractor during the performance of the PO.
- 17. Liens.** If any PO calls for work or services to be performed upon Buyer's property, Supplier shall not file or cause to be filed, directly or indirectly, and shall keep such property and work free and clear of, any mechanics, construction or other similar liens (the "Liens"), and shall perform such other acts and provide such other assurances, including but not limited to obtaining payment and performance bonds and furnishing mechanics lien waivers, as Buyer may request from time to time or that is otherwise required to prevent or waive such Liens. Supplier shall give any Subcontractors notice of this provision and, prior to subcontracting any work or services to Subcontractors, shall require its Subcontractors to agree to waive any rights to Liens it may otherwise have with respect to Buyer.
- 18. Compliance with Law.** Supplier shall comply with all applicable laws, rules, regulations, standards and other governmental requirements in connection with the performance of its obligations under any PO including but not limited to, any provision: (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR); (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR; or (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the federal Government.
- A. Supplier, in the performance of the PO, shall comply with all applicable local, state, and federal laws, orders, rules, regulations, ordinances, guidelines, directives, FAA, DOT and other transportation regulations and Hazard Communication Standards promulgated pursuant to the Occupational Health and Safety Act, and shall procure all licenses/permits, pay all fees, and other required charges. Supplier further represents that each chemical substance constituting or contained in products sold or otherwise transferred to Buyer hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
- B. Supplier shall: (i) comply with the requirements of the Foreign Corrupt Practices Act, as amended, (FCPA) (15 U.S.C. §§78dd-1, et. seq.), regardless of whether Supplier is within the jurisdiction of the United States; (ii) neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or antibribery; and, (iii) Supplier hereby agrees not to interact with any government official, political party or public international organization on behalf of Buyer without the prior written permission of the Buyer.

- C. Performance of the PO may involve the use of or access to articles, Technical Data or software that is subject to export controls under 22 United States Code 2751 – 2799aa-2 (Arms Export Control Act) and 22 C.F.R. 120-130 (International Traffic in Arms Regulations or “ITAR”) or 50 United States Code 4601 – 4623 (Export Administration Act of 1979, as amended), 15 C.F.R. 730-774 (Export Administration Regulations), 50 United States Code 1701-1708, (International Emergency Economic Powers Act, as amended), and their successor and supplemental laws and regulations, or may implicate U.S. sanctions laws and regulations, including those administered by the U.S. Department of Treasury Office of Foreign Assets Control in 31 C.F.R. 500-599, and their successor and supplemental laws and regulations (collectively hereinafter referred to as the “Export and Sanctions Laws and Regulations”). Supplier shall comply with any and all Export and Sanctions Laws and Regulations, and any authorization(s) issued thereunder. Non-U.S. companies shall be registered as required under its local government export regulations.
- D. EEOC/OFCCP – Vendors and subcontractors are notified that they may be subject to the requirements of Executive Order 11246, as amended, the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 and Section 503 of the Rehabilitation Act of 1973, as amended, and their implementing regulations, all of which are specifically incorporated by reference in this Purchase Order. Where applicable, 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, sexual orientation, gender identity, national origin, protected veteran status or disability.
- E. In accordance with FAA regulations and to satisfy 14 Code of Federal Regulations (CFR) Part 21, Supplier hereby acknowledges and agrees that to the extent Supplier is supplying a part to an FAA Assembly, Supplier is subject to an inspection and audit by the FAA, which inspection and audit may occur at any time upon notice by the FAA or its representatives.
- 19. Conflict Minerals.** Suppliers are expected to ensure that parts and products supplied to Buyer do not contain “Conflict Minerals” (gold, tin, tantalum and tungsten) or their derivatives that are sourced from the Democratic Republic of Congo (“DRC”) or adjoining countries. Suppliers are expected to establish policies and perform due diligence consistent with the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*.
- 20. Cyber Security and Incident Reporting.** If DFARS 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting, is applicable to the PO issued by Buyer, Supplier shall be responsible to those requirements specified in the above DFARS clause and Supplier shall rapidly report any such cyber incidents. In the event of a data breach, Buyer shall be afforded unfettered access to certain technical information as necessary to satisfy Buyer’s customer information requests. In further support of this requirement, should Buyer elect to utilize Supplier checklists, representations or certifications of compliance, outside vendor verification, and/or onsite security audits, Supplier shall support as required to meet the continuing needs of Buyer’s customer.
- 21. Anti-Trafficking in Persons.** Buyer prohibits its employees, agents, Subcontractors, and contract labor from engaging in activities that support or promote trafficking in persons, including, but not limited to, any of the following: (i) trafficking in persons, including, but not limited to the following, sex trafficking, the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, debt bondage, or slavery; (ii) the procurement of a commercial sex act; (iii) the use of forced labor in the performance of company business; (iv) use of misleading or fraudulent recruitment activities; (v) charging employees recruitment fees; (vi) failing to pay for the return transportation at the end of employment for an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working; (vii) providing or arranging housing that fails to meet the host country housing and safety standards; or (viii) if required, failing to provide an employment contract, recruitment agreement, or similar work document in writing, in the individual’s native language and prior to the individual departing from his or her country of origin. Supplier represents and warrants that it shall abide by and comply with the requirements of this clause. Further, Supplier shall require its employees, agents, contract labor and Subcontractors to abide by and comply with the requirements of this clause. Buyer or its authorized representatives may, at any time, audit all pertinent books, records, work sites, offices, and documentation of Supplier in order to verify compliance with this clause.
- 22. Reciprocal Waiver of Claims – Qualified Anti-Terrorism Technology.** If the PO involves the manufacture, sale, use, or operation of a Qualified Anti-Terrorism Technology(ies) and Supplier is either Buyer’s: (i) contractor, (ii) subcontractor, (iii) supplier, or (iv) vendor of or for such technologies. Pursuant to 6 U.S.C. §443(b) of the SAFETY Act and 6 C.F.R. §25.5(e), the parties agree to a Reciprocal Waiver of Claims and each party shall be responsible for losses, including business interruption losses, that such party sustains (and for losses that its employees sustain) resulting from an activity resulting from an Act of Terrorism when the Qualified Anti-Terrorism Technology(ies) has

been deployed in defense against or response to or recovery from such Act of Terrorism. "Act of Terrorism," "Loss," "Qualified Anti-Terrorism Technology," and "Reciprocal Waiver of Claims," are defined in 6 U.S.C. §§443-444.

- 23. Customs-Trade Partnership Against Terrorism (C-TPAT) Program.** Supplier agrees to take such reasonable measures as may be required by Buyer to ensure the physical integrity and security of all shipments under the PO against the unauthorized introduction of harmful or dangerous materials, drugs, contraband, weapons or weapons of mass destruction or introduction of unauthorized personnel in transportation conveyances or containers. Such measures may include, but are not limited to, physical security of manufacturing, packing and shipping areas, restrictions on access of unauthorized personnel to such areas; personnel screening to the maximum limits of law or regulations in Supplier's or manufacturer's country; and development, implementation and maintenance of procedures to protect the security and integrity of all shipments. Supplier shall contact Buyer for assistance in identifying transportation companies that are validated under the C-TPAT program. Information about C-TPAT can be found at www.cbp.gov.
- 24. Audit Rights and Records.** Buyer reserves the right to audit Supplier's records to assure compliance with the terms of the PO. Supplier shall make available all data reasonably requested by Buyer and/or Buyer's representative. Supplier shall maintain inspection/test records for a minimum of 5 years and shall be readily available upon request
- 25. Advertising and Use of Name.** Supplier shall not, without first obtaining written consent of an authorized representative of Buyer, in any manner advertise or publish the fact that Supplier has furnished or contracted to furnish to Buyer the articles or services provided for in the PO. Supplier agrees that it shall not use the Buyer's name or logo, nor any adaptation or variation thereof, in any manner whatsoever (including, but not limited to, website(s), press releases, reference lists, or similar public announcements concerning the PO or projects contemplated by the PO), without the Buyer's prior written consent in each instance.
- 26. Assignment.** Supplier shall not assign any of its rights or obligations under any PO without the prior written consent of Buyer. Any merger, consolidation, reorganization, recapitalization, sale of a substantial portion of Supplier's business or assets or any other transaction by which there is a change in control of Supplier's, or any of Supplier's owners' or parents', business shall be deemed an assignment by Supplier. Buyer may assign the PO to any successor in interest. Supplier shall promptly notify Buyer in writing of any organizational changes made by Supplier, including name or ownership changes, mergers or acquisitions.
- 27. Jurisdiction and Venue.** Any suit, action or other proceeding seeking to enforce, or in any way relating to, any provision of a PO shall be brought only in the United States District Court for the Eastern District of New York or the Suffolk County District Court. Supplier irrevocably consents and submits to the jurisdiction and venue of such courts and irrevocably waives any objection which it may have to the laying of the venue of any suit, action or proceeding brought in such courts and any claim that such suit, action or proceeding brought in such courts has been brought in an inconvenient forum or that such courts lack jurisdiction.
- 28. Severability.** If any provision of any PO or these Terms, or any portion thereof, is held invalid or unenforceable by any court of competent jurisdiction, the other remaining provisions will remain in full force and effect. Any provision of any PO held invalid or unenforceable only in part will remain in full force and effect to the extent not held invalid or unenforceable.
- 29. Waiver.** Neither the failure nor any delay by Buyer in exercising any right, power or privilege under these Terms or any PO, will operate as a waiver of any such right, power or privilege, and no partial exercise of any such right, power or privilege will preclude further exercise of such right, power or privilege or the exercise of any other right, power or privilege.
- 30. Governing Law.** All POs and transactions contemplated thereby shall be governed by, and construed in accordance with, the domestic internal laws of the State of New York without regard to its principles pertaining to the conflict of laws.
- 31. Delivery and Marking.** Unless otherwise indicated, goods described in the PO shall be delivered F.O.B. Buyer's address. All packaging and labels must include Buyer's PO number, Buyer's part number and revision designator, quantity, lot number and date of shipment. Supplier shall be responsible for ensuring the proper packaging, packing, and marking of product(s) delivered hereunder in accordance with the PO. Packaging, packing, and marking will conform to the instructions specified or provided by Buyer. Supplier must assure package integrity throughout the shipping cycle. Damage resulting from improper product packaging will be charged to Supplier. Supplier must comply with all applicable carrier regulations. Products received without proper packaging, packing, marking as set forth herein may be rejected by Buyer and returned to Supplier at Supplier's expense.
- 32. Quality.** Supplier and its suppliers shall establish and maintain a quality management and counterfeit parts program consistent with current industry standards. Supplier shall not make any material changes or revisions to Buyer's designed parts without written approval from an authorized representative of Buyer. Subject to applicable national security regulations, Buyer and Buyer's customer shall have the right of access, on a non-interference basis, to any area of Supplier or Supplier's supply chain sub-tier premises where any part of the work is being performed. Supplier shall flow this requirement down to its sub tier supply chain suppliers as a condition of the PO. Supplier shall keep

and maintain inspection, test and related records, which shall be available to Buyer or Buyer's representative. Supplier shall allow copies to be made and shall furnish all information required by the Buyer or Buyer's customer. If Supplier delivers non-conforming goods or services, Buyer may, at its option and Supplier's expense: (i) return the goods for refund or credit; (ii) require Supplier to promptly correct or replace the goods or services; (iii) correct the nonconformance; or, (iv) obtain conforming goods or services from another source. Buyer shall specify the reason for any return or rejection of nonconforming goods or services and shall describe the action taken. Supplier shall be liable for any increase in costs, including procurement costs attributable to Buyer's rejection of the non-conforming goods or services. If Buyer determines or has reason to believe that goods provided contain suspect and/or counterfeit parts, Buyer shall provide Supplier the appropriate notice, and impound and report the suspect/counterfeit parts per industry standards.

- 33. Warranties.** Supplier warrants that all goods, work or services furnished pursuant to the PO shall, as appropriate: (a) be new and free from defects; (b) conform to all designs, plans, specifications, responses to RFPs, marketing brochures and letters, oral and written claims made by Supplier, samples and statements on containers, labels and advertisements; (c) be performed in a good, professional and workmanlike manner; (d) be merchantable, safe, fit and appropriate for Buyer's particular purpose and use; and (e) be delivered free and clear of any claims, liens or encumbrances whatsoever. Unless stated otherwise in the documents accompanying these terms and conditions, Supplier shall warrant all services against defects in performance for a period of one year following delivery. If this subcontract includes the provision of services, Supplier warrants that it has and will maintain sufficient trained personnel to promptly and efficiently execute the services contemplated under the PO. Supplier further warrants that the services shall be performed to high professional standards reasonably expected of similar service providers in Buyer's geographic region.
- 34. Product Safety.** Supplier shall inform Buyer immediately of identified conditions or risks that could cause unacceptable harm to persons or damage to property relative to the product and services required by the applicable purchase agreement.
- 35. Special Tooling, Special Testing, Facilities, and Control of Special Processes.** Unless specifically provided to the contrary in this purchase order, Supplier warrants that the price set forth in this purchase order does not include; (a) any amount of representing rent for the use of government-owned special tooling, special testing or facilities; or (b) as direct charge to this purchase order, the cost of any special tooling, special testing or facilities as the same are defined in part 45 of the Federal Acquisition Regulation. Any such special tooling, special testing or facilities to be charged to Buyer will be covered by a separate purchase order. The Supplier must have on file at their facility, or their supplier's facility, chemical and mechanical test data on raw material used on this order. Processes listed below, must satisfy the requirements of applicable drawings and specifications. Buyer reserves the right to perform surveillance or audit of the supplier and/or lower tier supplier's special processes and certification. Suppliers certified by NADCAP for the products supplied on this order do not require further surveillance or audits provided no nonconformances are detected. Buyer reserves the right to deny use of lower tier special process suppliers if they fail to meet the applicable requirements. Special processes include but are not limited to painting, plating, heat treating, welding, soldering, NDT.
- 36. Force Majeure.** The following events, and only the following events, shall constitute force majeure under the PO: (a) acts of God or of a public enemy; (b) acts of Government; (c) fires; (d) floods; (e) epidemics; (f) quarantine restrictions; (g) strikes; (h) freight embargoes; and, (i) unusually severe weather. In each case, the failure to perform must be entirely beyond the control and without the fault or negligence of the Supplier. Each party shall give the other immediate notice of any event that such party claims is a force majeure condition that would prevent the party from performing its obligations hereunder, and of the cessation of the condition. A party's notice shall include the party's good faith estimate of the likely duration of the force majeure condition.
- 37. Government Contract Requirements.** When a government contract is noted in the purchase order, government inspection, material certification and testing, price justification, cancellation for convenience and DPAS (Defense Priority and Allocations System) regulations are hereby incorporated as part of the purchase order. Any other specific requirements of the contract will be flowed down and noted or are otherwise available on our website.
- 38. Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, IN NO EVENT SHALL BUYER'S CUMULATIVE LIABILITY TO SUPPLIER FOR ALL CLAIMS, LIABILITIES, LOSSES, DAMAGES, COSTS AND EXPENSES RELATING TO A PO, OR THE GOODS OR SERVICES PROVIDED THEREUNDER, EXCEED THE AMOUNT OF THE PURCHASE PRICE FOR ANY SUCH GOODS OR SERVICES IN CONNECTION WITH THE APPLICABLE PO, LESS ANY AMOUNTS ALREADY PAID BY BUYER FOR SUCH GOODS OR SERVICES. BUYER SHALL NOT BE LIABLE TO SUPPLIER FOR ANY LOST PROFIT, LOSS OF BUSINESS, LOSS OF GOODWILL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES.