

**L3HARRIS TECHNOLOGIES, INC.  
GENERAL TERMS AND CONDITIONS AND FLOWDOWN CLAUSES FOR THE PURCHASE OF  
COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES UNDER A U.S. GOVERNMENT CONTRACT  
(APPLICABLE TO FIXED PRICE, COST TYPE, AND TIME AND MATERIAL PURCHASE ORDERS)**

**SECTION I - ARTICLES APPLICABLE TO ALL ORDERS**

**1. DEFINITIONS:**

- (a) “Buyer” means L3Harris Technologies, Inc., a corporation organized and existing under the laws of the state of Delaware, and all its subsidiaries and affiliates.
- (b) “Buyer’s Procurement Representative” means the agent of Buyer with the actual authority to make legally binding commitments on behalf of Buyer as designated on the Order.
- (c) “Cost or pricing data” means cost or pricing data as defined in FAR 2.101.
- (d) “DFARS” means the Defense Federal Acquisition Regulation Supplement.
- (e) “FAA AMS” means the Federal Aviation Administration’s Acquisition Management System.
- (f) “FAR” means the Federal Acquisition Regulation.
- (g) “Generative AI” means artificial intelligence or machine learning systems that can generate new content, such as text, images, or other forms of data. These systems are trained on vast datasets and can produce novel outputs by learning patterns and structures from the input data. Generative AI includes models such as GPT (Generative Pre-trained Transformer) that can perform tasks such as understanding and generating natural language.
- (h) “Government” means an agency of the federal government of the United States, unless otherwise specified.
- (i) “Government Contract” means Buyer’s contract with the Government or Buyer’s contract with a higher-tier contractor supporting a Government-funded contract, including foreign military sales awarded through Department of Defense contractors.
- (j) “Item” means goods, parts, components, articles, or supplies, including, without limitation, those part numbers, model numbers, and descriptions set forth on the face of the Order, and shall also include computer software or hardware (including any software, firmware, or other hardwired logic embedded within the hardware) delivered under the Order.
- (k) “NFS” means the National Aeronautics and Space Administration’s (NASA) FAR supplement.
- (l) “Order” means any purchase order subcontract, or other contractual vehicle issued hereunder, including written change notices, supplements, amendments, and other written modifications thereto, together with any referenced certifications, certificates, exhibits, attachments or other documents, and includes these General Terms and Conditions and the statement of work, if any.
- (m) “Party” or “Parties” means Buyer and Seller individually or collectively.
- (n) “Seller” means the legal entity performing work pursuant to an Order and, if the context requires, its employees, officers, agents, and others acting at its direction and control or under contract to it. The reference to parties “under contract” to Seller in this definition does not relieve Seller of its obligations under the Assignment and Subcontracting Article.
- (o) “Services” means any labor, performance of a duty, or effort supplied by Seller under an Order such as installation, manufacturing, design, engineering, repair, maintenance, technical, construction, consulting, professional, or other services, where the cost of such Services are separate from and not included in the price of the Item.

**2. PURCHASE OF ITEMS AND SERVICES AND ORDER OF PRECEDENCE:**

- (a) These General Terms and Conditions shall govern the delivery of Items or performance of Services provided by Seller under an Order. All documents provided for under an Order shall be in English. Any additional or different terms and conditions contained in Seller’s order document, any prior quotation, or any acknowledgment of an Order (including but not limited to any shrink-wrap or click-through terms) that are not negotiated by the Parties and identified on the Order are explicitly rejected by Buyer without further notice of rejection and shall be of no effect nor under any circumstances binding upon Buyer. Seller expressly represents that in accepting the Order it does not rely and has not relied upon any written or oral representation, warranty, or statement not set forth in the Order and that it will not have any right or remedy rising out of any representation, warranty, or other statement not expressly set out in the Order.
- (b) The headings and subheadings of Articles contained herein are used for convenience and ease of reference and do not limit the scope or intent of the Article. The terms and conditions of the Order shall be construed and interpreted as consistent whenever possible. Any conflicts in an Order shall be resolved by giving precedence in the following order: (i) the Order document; (ii) the master agreement entered into between the Parties, if any (which is incorporated by reference in any Order issued hereunder); (iii) these General Terms and Conditions (which are incorporated by reference in any Order issued hereunder); (iv) the statement of work; (v) any specifications, drawings, manuals, or other requirements attached hereto or incorporated herein by reference; and (vi) any supplemental terms, conditions, or provisions (such as an End User License Agreement) negotiated between the Parties and identified on the Order. In the event of a conflict in the Articles contained in Section I (Articles Applicable to All Orders) and applicable clauses contained in Section II (FAR, DFARS, and NFS Clauses), or Section III (FAA AMS Clauses), the applicable clauses in Section II (FAR, DFARS, and NFS Clauses) and Section III (FAA AMS Clauses) shall control to the extent necessary for Buyer to comply with Buyer’s Government Contract. No other document can be less restrictive than the mandatory FAR, DFARS, NFS, and FAA AMS clauses applicable to Buyer’s Government Contract.
- (c) Nothing in these General Terms and Conditions or any Order issued hereunder shall abrogate, limit, restrict, or waive Government rights except as expressly permitted by law, regulation or Buyer’s applicable Government Contract.

**3. ACCEPTANCE OF THE ORDER:** Except for rated Orders under the Defense Priorities and Allocation System (DPAS) (15 Code of Federal Regulations (CFR) § 700), any of the following acts by Seller shall constitute acceptance of the Order: (i) execution of the acknowledgement page of the Order and its return to Buyer within three (3) business days of receipt or within the time frame required by applicable law; (ii) initiation of any aspect of performance or notification to Buyer that Seller is commencing performance under the Order; (iii) shipment of any Items or performance of any Services under the Order; or (iv) acceptance of any form of payment, partial or complete, under the Order. For DPAS-rated Orders, Seller shall accept or reject the Order in writing within fifteen (15) working days for DO rated orders and ten (10) working days for DX rated orders.

#### **4. DELIVERY, TITLE, AND RISK OF LOSS:**

- (a) Time is of the essence in Seller's performance of the Order. Items and Services shall be delivered or performed in accordance with the schedule, shipping instructions, and delivery location set forth in the Order. For international shipments, Incoterms® 2020 shall govern all orders unless the Parties agree differently in writing. Unless otherwise set forth on the face of the purchase order, all international shipments under the Order shall use Incoterms® DDP, Buyer's Dock.
- (b) Buyer reserves the right to refuse shipments made in advance of the schedule set forth in the Order and may return early delivery shipments at Seller's expense. If Buyer chooses to retain the Items shipped in advance of the schedule date, Buyer may make payment in accordance with the original delivery schedule in the Order. Buyer shall not be responsible for any additional costs associated with early delivery. Buyer may also refuse deliveries made after the scheduled delivery date set forth in the Order, and in such case, will not be liable to Seller for any Items or Services not accepted. Acceptance of early or late deliveries shall not be deemed a modification of Seller's obligation to make future deliveries in accordance with the delivery schedule set forth in the Order.
- (c) When any delays in delivery occur or Seller anticipates difficulty in complying with the delivery date set forth on the Order, Seller shall immediately notify Buyer in writing. Such notice shall include a revised schedule and shall not constitute a waiver to Buyer's rights and remedies hereunder. Seller shall take all steps necessary to avoid or minimize delay. Except to the extent delay is caused by Buyer, all of the costs of delay and any additional effort shall be borne by Seller. Seller, at the request of Buyer, shall provide (i) a written explanation for the root cause of the delay, (ii) a corrective action plan to address the late deliveries, and (iii) assurances that Seller will make all future deliveries in accordance with the Order requirements and schedule. Such corrective action plan and assurances shall be satisfactory to Buyer as determined by Buyer in its sole discretion. If Buyer agrees to accept deliveries after the delivery date has passed, Buyer shall have the right to direct Seller to make shipments by the most expeditious means, and Seller shall bear the total cost of such expedited shipment and handling.
- (d) Seller shall comply with Buyer's routing and shipping instructions. If Buyer's routing and shipping instructions are not attached to the Order or have not been previously received by Seller, Seller shall immediately request such instructions from Buyer. Seller shall remain liable for any and all additional charges which accrue as a result of Seller's failure to comply with Buyer's routing and shipping instructions, including Buyer's specified carrier.
- (e) Unless otherwise specified in the Order, Seller shall be responsible for safe and adequate packing conforming to the requirements of carriers' tariffs or, in the absence of such requirements, conforming to the best commercial practices. All expendable packaging materials must be legally and economically disposable or recyclable. Wooden packaging from Seller must conform to International Standards for Phytosanitary Measures (ISPM 15) regarding the Regulation of Wood Packaging Material in International Trade (2019), as amended. Seller shall separately number all containers, packages, etc., showing the corresponding number on the invoice. An itemized packing slip bearing the Order number must be placed in each container. Unless set forth in the Order, Seller shall not charge extra for packaging or packing materials.
- (f) Unless prohibited by applicable law, Seller may be subjected to liquidated damages for delivery of any Items or performance of any Services after the delivery date set forth on the Order in the amount of one percent (1%) of the total value of the delayed Item or Service for each day delivery or performance is delayed beyond the delivery date set forth in the Order (up to a maximum amount of twenty-five percent (25%) of the total value of the delayed Item or Service). Seller shall pay any liquidated damages within sixty (60) calendar days of Buyer's acceptance of the Items or Services. Buyer's right to recover liquidated damages shall be in addition to all other rights and remedies that Buyer has under the Order. The total amount of liquidated damages shall be subtracted from the line item value. If the delivery delay was as a result of any action taken on the part of Buyer, Seller shall notify Buyer in writing at the time the delay occurs and request that Buyer waive liquidated damages provided herein. Failure to notify Buyer may result in liquidated damages.
- (g) Any overshipment allowances require prior Buyer authorization and will be applied to either the line item or entire Order, at Buyer's discretion. Unauthorized overshipments shall be returned to Seller at Seller's sole expense.
- (h) Unless otherwise specified in the Order, Seller shall bear the risk of loss and damage to all Items supplied hereunder until final acceptance by Buyer, Buyer's customer, or the Government. Buyer shall have equitable title to all Items for which interim, partial, or progress payments have been made to Seller.

#### **5. QUALITY CONTROL AND NON-CONFORMANCE:**

- (a) Seller and its suppliers and subcontractors shall establish and maintain a quality management, inspection, safety, and counterfeit parts program acceptable to Buyer and consistent with current industry standards (e.g., ISO9001, AS9100, AS9115, AS9120, AS5553, AS6496, AS6174, etc.). Unless otherwise specified in an Order, Seller shall comply with the requirements of the L3Harris Supplier Quality Manual (available at: <https://www.l3harris.com/supply-chain>). Seller shall permit Buyer to review procedures, practices, processes and related documents to determine such acceptability. Seller shall have a continuing obligation to promptly notify Buyer of any violation or deviation from Seller's approved inspection/quality control system and to advise Buyer of the quantity and specific identity of any Items or Services provided to Buyer during the period of any such violation or deviation. If Seller learns of any violations of its obligations under this Quality Control and Non-Conformance Article, Seller shall within forty-eight (48) hours so notify Buyer and within sixty (60) calendar days must rectify the non-compliance issues. If the violation is not corrected and certification has not taken place within this time frame, then Buyer at its sole discretion may terminate the Order. Seller will notify Buyer of any changes that affect quality within twenty-four (24) hours of that change. These changes include but are not limited to changes in key management or personnel, source(s) of supply of key materials, address, or site configuration.
- (b) Subject to applicable national security regulations, Seller shall provide Buyer and Buyer's customer the right of access, on a non-interference basis, to any area of Seller's or Seller's supply chain sub-tier premises where any part of the work is being performed. Seller shall flow this requirement down to its sub-tier suppliers and subcontractors as a condition of the Order. Seller shall, without additional costs to Buyer, provide all reasonable in-plant accommodations, facilities, and assistance for the safety and convenience of Buyer and Buyer's representatives in the performance of their duties.
- (c) An Order may include requirements for design, test, inspection, verification (including production process verification), use of statistical techniques for product acceptance, and related instructions for acceptance by Buyer, and as applicable, critical items including key characteristics and requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection, verification, investigation or auditing. Seller shall properly test and inspect its Items in accordance with the Order requirements and applicable law and regulation. Buyer and Buyer's customer shall have the right, but not the obligation, to inspect and test data, material, work in process, Services, Items, and supplies. Seller shall keep and maintain inspection, test, and related records, for a period of six (6) years following Order completion. Seller shall furnish all records required by Buyer or Buyer's customer and allow Buyer or Buyer's customer to make copies of the records.
- (d) Seller shall notify Buyer within forty-eight (48) hours upon Seller's discovery that any Item or Service is non-conforming. If Seller delivers a non-conforming Item or Service, Buyer may, at its option and Seller's expense: (i) return the Item for refund or credit; (ii) accept all or part of the Item or Service at a mutually agreed upon price reduction or other consideration; (iii) require Seller to promptly correct or replace the Item or Service; (iv) obtain a conforming Item or Service from another source; (v) terminate the Order for default, or (vi) exercise any other applicable rights or remedies. Buyer shall specify in writing the reason for any rejection of a non-conforming Item or Service. If Buyer elects to return the non-conforming Item or Service, Seller shall provide disposition instructions regarding the non-conforming Item or Service, and if applicable, the date the non-conforming Item or Service will be repaired or replaced and returned to Buyer. Seller shall bear all risk of loss for the non-conforming Item or Service and be liable for any increase in costs, including removal, re-procurement, repair, and reinstallation costs, attributable to Buyer's rejection and any costs associated with Buyer's root cause corrective analysis of the non-conforming Item or Service. In addition to the right to terminate, notwithstanding any provision of the

Order to the contrary, and without limiting any of Buyer's other rights or remedies, if Buyer processes a non-conformance report (NCR), the Parties acknowledge that the costs and expenses associated with the NCR process are not subject to exact calculation and that Buyer may assess a charge of \$1,000 as non-conformance costs solely for populating each NCR. The NCR charge shall be in addition to and shall not waive or otherwise limit Buyer's ability to pursue the other remedies enumerated within this Article or claims for other damage against Seller resulting from Seller's failure to perform in accordance with the Order. In the event of any costs incurred by Buyer related to a root cause corrective analysis, Seller shall reimburse Buyer any outstanding costs not covered by an equitable price reduction within thirty (30) calendar days. If Buyer rejects an Item or Service as non-conforming and Seller does not acknowledge Buyer's rejection and plan of disposition for the Item or Service within two (2) business days, Buyer will be entitled to dispose of the non-conforming Item or Service without liability to Seller. Additionally, Buyer may elect to return the non-conforming Item or Service back to Seller at Seller's risk of loss and expense.

(e) Buyer's payment for any non-conforming Item or Service will not constitute final acceptance by Buyer, limit or impair Buyer's right to exercise any rights or remedies or relieve Seller of responsibility for the non-conforming Item or Service. In the event Buyer decides for any reason to accept a non-conforming Item or Service, any costs incurred by Buyer for testing, evaluating, and manufacturing relating to the design changes to the Item or Service, shall be responsibility of Seller, and Seller may not pass along any costs in relation to the design changes.

(f) Final acceptance by Buyer of the Items or Services provided hereunder shall take place only after complete delivery of all Items or Services in accordance with the delivery schedule specified in the Order, or later as agreed upon by the Parties in writing, and after final inspection of those Items or Services by Buyer and Buyer's customer. Final acceptance shall be contingent upon agreement by Buyer and Buyer's customer that the Items or Services conform to the requirements of the Order. Final acceptance by Buyer is final, except for latent defects, negligent or intentional misrepresentations by Seller that a nonconformity or defect would be or has been cured or did not exist, acceptance induced by false or negligent assurances of Seller, or as otherwise provided in the Order or applicable law. Final acceptance by Buyer of the Items or Services delivered hereunder shall not limit, void, or affect in any way the warranty or indemnity granted by Seller hereunder. Payment alone shall not constitute final acceptance of the Items or Services rendered. The requirements and obligations in this Quality Control and Non-Conformance Article are material terms of the Order.

## **6. COUNTERFEIT PARTS:**

(a) For purpose of this Article, the following definitions apply:

(i) "Authorized Aftermarket Manufacturer" or "AAM" means an entity that fabricates a Part under a contract with, or with the express written authority of, the Original Manufacturer based on the Original Manufacturer's designs, formulas and/or specifications, usually due to the Original Manufacturer's decision to discontinue production.

(ii) "Authorized Distributor" or "AD" means a distributor authorized in writing by an Original Manufacturer to distribute product in accordance with the terms of a contract. The term Franchised Distributor is synonymous with AD.

(iii) "Authorized Reseller" means a reseller that purchases Parts either from the Original Manufacturer or its ADs under a contract and then sells the part to the end user. Some Parts an Authorized Reseller would handle include Commercially Available Off-The-Shelf (COTS) assemblies and commodities and information technology (IT) equipment, hardware, fasteners, and raw materials.

(iv) "Authorized Source" means an Original Manufacturer, AD, AAM, Authorized Reseller, or other supplier approved by Buyer in writing that obtains Parts exclusively from an Original Manufacturer, AD, or AAM.

(v) "Contract Manufacturer" means a company that produces goods under contract for another company under the label or brand name of that company.

(vi) "Counterfeit Part" means (1) an unauthorized copy, imitation, substitute, or modified part that is knowingly misrepresented as a specified genuine part of the Original Manufacturer, or (2) a previously used Electrical, Electronic, and Electromechanical Part that has been modified and is knowingly misrepresented as new without disclosure to Buyer that it has been previously used. Examples of a Counterfeit Part include, but are not limited to, the false identification of grade, serial number, date code, or performance characteristics. NOTE: This definition shall be read so as not to conflict with the definition for "counterfeit electronic part" cited in DFARS 252.246-7007 (Contractor Counterfeit Electronic Part Detection and Avoidance System), where that definition shall govern to the extent that clause applies.

(vii) "Electrical, Electronic, and Electromechanical Part" or "EEE Part" means a component designed and built to perform specific functions using electricity and that is not subject to disassembly without destruction or impairment of design use. Examples of an electrical part include but are not limited to resistors, capacitors, inductors, transformers, and connectors. Examples of an electronic part include but are not limited to active devices, such as monolithic microcircuits, hybrid microcircuits, diodes, and transistors. An electromechanical part is a device that has electrical inputs with mechanical outputs, mechanical inputs with electrical outputs, or some combination of each, including but not limited to motors, synchros, servos, and relays. Although some electromechanical parts may typically be referred to as assemblies, for the purpose of these terms, they are considered to be electromechanical parts.

(viii) "Independent Distributor" means a distributor that purchases parts (typically from excess inventories) from an Original Manufacturer, Contract Manufacturer, or other distributor (authorized or independent) with the intention to resell them back into the market to other Original Manufacturers, Contract Manufacturers, or other distributors. Independent Distributors do not have contracts with the Original Manufacturer.

(ix) "Original Component Manufacturer" or "OCM" means an entity that designs and/or engineers a Part and is entitled to any intellectual property rights to that Part. The Part and/or its packaging is typically identified with the OCM's trademark. OCMs may contract out manufacturing and/or distribution of their Part. Different OCMs may produce or supply Parts for the same application or to a common specification.

(x) "Original Equipment Manufacturer" or "OEM" means a company that manufactures and assembles Parts that it has designed from purchased materials/components and sells those Parts identified and labeled under the company's brand name.

(xi) "Original Manufacturer" means an OCM or OEM.

(xii) "Part" means broadly all parts, including EEE Parts, products, materials, chemicals, assemblies, subassemblies, hardware, and all other components or pieces of components that may go into an Item. A Part can also be an Item.

(b) Authorized Acquisitions.

(i) Seller shall purchase or acquire all Parts directly from Authorized Sources. SELLER SHALL NOT PURCHASE PARTS FROM OR USE INDEPENDENT DISTRIBUTORS TO SUPPLY PARTS WITHOUT BUYER'S PRIOR WRITTEN CONSENT.

(ii) Authorized Distributors shall only purchase EEE Parts directly from the Original Manufacturer. Buyer will not accept EEE Parts from other ADs or Independent Distributors without prior written authorization.

- (iii) Contract Manufacturers and Authorized Resellers (including any Contract Manufacturer or Authorized Reseller providing Maintenance Repair and Overhaul (MRO) services) shall only purchase Parts from the Original Manufacturer or its ADs.
- (c) Seller shall implement and control processes appropriate to Seller's organization and the Items to prevent Counterfeit Parts or suspect Counterfeit Parts being used or included in the Items. Seller's Counterfeit Parts prevention processes shall address the following: (i) training of appropriate persons in the awareness and prevention of Counterfeit Parts; (ii) application of a Parts obsolescence monitoring program; (iii) controls for acquiring externally provided Parts from Original Manufacturers or Authorized Sources; (iv) traceability requirements of Parts to the Original Manufacturer and Authorized Source; (v) verification and test methodologies to detect Counterfeit Parts; (vi) monitoring of Counterfeit Parts reporting from external sources; (vii) quarantine and reporting of suspect or detected Counterfeit Parts, including preventing reentry into the supply chain. If Seller provides EEE Parts, Seller shall implement a counterfeit electronic parts detection and avoidance system compliant with the requirements of SAE standard AS5553 or an equivalent generally accepted standard.
- (d) Seller shall (i) not furnish Counterfeit Parts or suspect Counterfeit Parts to Buyer under an Order; (ii) provide to Buyer or use in Items delivered to Buyer only new and authentic Parts, traceable to the Original Manufacturer; (iii) for all purchases, ensure the Part remains unchanged from the Part sold by or acquired from the Original Manufacturer and the certifications show the chain of custody from the Original Manufacturer; (iv) upon request, provide authenticity and traceability records to Buyer; and (v) immediately notify Buyer in writing if Seller cannot provide a Part traceable to the Original Manufacturer. Upon receiving such notification, Buyer reserves the right to terminate the Order at no cost to Buyer and/or to require Seller, at Seller's expense, to assist Buyer with material validation testing and inspection at an independent test facility of Buyer's choice.
- (e) If Seller becomes aware or suspects that it has furnished a Counterfeit Part to Buyer under the Order, Seller shall promptly notify Buyer of such no later than forty-eight (48) hours after discovery. Seller shall not invoice any Counterfeit Part or suspected Counterfeit Part. Any Counterfeit Part or suspected Counterfeit Part that has already been invoiced shall be deducted from the value of the Order. Buyer may, at Buyer's sole option, elect not to return the Counterfeit Part or suspected Counterfeit Part to Seller. If Buyer chooses to return the Item or Part to Seller for Seller to remove the Counterfeit Part or suspected Counterfeit Part, Seller shall provide a certification of destruction through an independent third party chosen by Buyer to prove Seller's destruction of the Counterfeit Part or suspected Counterfeit Part. Seller shall replace, at Seller's own expense, such Counterfeit Part with a Part from an Original Manufacturer or a Buyer-approved Part that conforms to the requirements of the Order. Seller shall be liable for all costs related to (i) the investigation and traceability of any Counterfeit Part or suspected Counterfeit Part; (ii) the replacement of any Counterfeit Part or suspected Counterfeit Part, including costs to return the Part, should Buyer choose to do so; and (iii) any testing or validation necessitated by the installation of authentic Items or components of Items after a Counterfeit Part has been replaced. Buyer's remedies shall not be limited by the Warranty Article in these General Terms and Conditions nor any warranty in the Order and are in addition to any remedies Buyer may have at law, equity, or otherwise under the Order. Seller shall include this Counterfeit Parts Article in all of its lower tier subcontracts.

## **7. INVOICING, PAYMENT, AND TAXES:**

- (a) Unless otherwise provided by Buyer on the face of the Order, terms of payment are net sixty (60) calendar days from the latest of the following: (i) Buyer's receipt of an accurate and approved invoice; (ii) the date the Items or Services are delivered and finally accepted; or (iii) the date provided in the Order for receipt of Items or completion of Services. For interim payments under a financing arrangement, except where Buyer or Buyer's customer requires an audit or other review of a specific payment request, payment terms are net sixty (60) from Buyer's receipt of an accurate and approved invoice. Seller shall notify Buyer in writing within thirty (30) calendar days of the occurrence of any alleged payment disputes. Buyer shall pay Seller the prices set forth on the Order for Items delivered and finally accepted or Services rendered and finally accepted, less any deductions provided in the Order. If Seller does not return the acknowledgement page of the Order and commences performance, Buyer shall only be responsible for payment for the work performed to the extent that the work was required by Buyer, not to exceed the amounts set forth in the Order, and if the Order is cost-reimbursable, only to the extent the costs are allowable under the FAR. All payments shall be made in U.S. Dollars with no adjustments for currency exchange rates. The Parties shall consider the invoices paid on the date the check is postmarked and mailed to Seller. For invoices subject to a prompt payment discount, the discount period will be computed from the date of receipt of a correct invoice to the date Buyer issues a check.
- (b) Seller shall issue a separate invoice in English for each shipment or each billing period. Seller shall not invoice Buyer more than ninety (90) calendar days after Seller is permitted to issue an invoice. Seller shall not backdate any invoices. Buyer is not obligated to pay any invoice Buyer receives after such ninety (90) day period, and Seller waives all rights and remedies related to late invoices and any claim thereto. Unless otherwise instructed by Buyer, each invoice shall include: (i) Buyer Order number and line number; (ii) Buyer line description (as referenced on the Order); (iii) the unit price and total price; (iv) Seller's invoice number and date; (v) the payment terms; and (vi) a description of the work performed. Upon Buyer's request, Seller shall provide a reconciliation of all invoices submitted to Buyer.
- (c) Each payment made shall be subject to a reduction for any amounts found by Buyer, Buyer's customer, or Seller not to have been properly payable, including any overpayments. Seller shall promptly notify Buyer of any overpayments and remit the overpayment amount to Buyer along with a description of the overpayment. To the extent permitted by applicable law, Buyer, and any affiliate or subsidiary of Buyer, may withhold, deduct, or setoff all money due, or which may become due, from Buyer arising out of Seller's performance under the Order or any other transaction Buyer and its affiliates or subsidiaries may have with Seller. Nothing contained herein shall be interpreted to mean that Buyer is required to pay any amount that Buyer disputes.
- (d) Unless otherwise approved by Buyer in writing, the prices for the Items and Services in the Order include and Seller shall be responsible for the payment of any applicable federal, state, and local taxes, duties, tariffs, or other similar fees (collectively "taxes") imposed by any government, unless Seller obtains an applicable exemption. Seller represents that the price does not include any taxes, impositions, charges, or exactions for which it is eligible to obtain or has obtained a valid exemption certificate or other evidence of exemption. Seller shall only include taxes on an invoice that Buyer has preapproved in the Order and shall itemize such taxes separately on Seller's invoice.
- (e) No subcontract placed under the Order by Seller shall provide for payment on a cost-plus-a-percentage-of-cost basis. Any fee payable under a cost-reimbursement subcontract shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).
- (f) If Seller, its subcontractor, or prospective subcontractor at any tier (i) claims an exception to a requirement to submit cost or pricing data and such exception is invalid, or (ii) violates any applicable laws, rules, regulations, ordinances, or the Order, and, as a result of that failure, (1) Buyer's customer reduces Buyer's contract price or fee, (2) Buyer's costs are determined to be unallowable, (3) any fines, penalties, withholdings, or interest are assessed on Buyer, or (4) Buyer incurs any other costs or damages, then Buyer may (A) make a reduction of the corresponding amounts (in whole or in part) plus any other costs incurred including attorneys' fees in either the price of the Order or any other contract with Seller, or (B) recover from Seller an amount equal to the reduction plus any other costs incurred including attorney's fees. Additionally, upon occurrence of any of the circumstances above, Seller shall be liable and shall pay Buyer at the time any overpayment is repaid: (I) simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to Seller to the date Buyer is repaid by Seller at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S. Code (U.S.C.) § 6621(a)(2); and (II) if Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current, a penalty equal to the amount of the overpayment.
- (g) **FOR FLEXIBLY PRICED / COST-TYPE ORDERS ONLY:** Buyer shall not be obligated to pay Seller for amounts in excess of the funded value of the Order as set forth on the face of the Order or any duly authorized modifications ("Funded Value"). If at any time Seller has reason to believe that the costs that will accrue in performing the Order in the next succeeding sixty (60) calendar days, if added to all other costs previously accrued, will exceed seventy-five percent (75%) of the Funded



Value, Seller shall immediately notify Buyer to that effect and shall provide a current estimate for completion. If the estimate for completion is greater than the Funded Value, then such notification also shall contain the costs to date, estimated costs to completion, and total costs, together with supporting reasons and documentation. Seller is not authorized to incur costs in excess of the Funded Value until Buyer notifies Seller in writing that the Funded Value has been increased. If, after Seller's notification, additional funds are not allotted to the Funded Value within sixty (60) calendar days, Buyer may terminate the Order in accordance with the Termination for Convenience Article.

## **8. CHANGES:**

(a) Buyer may, at any time and without notice to third parties, unilaterally direct changes in writing for: (i) drawings, designs, or specifications; (ii) method of shipment or packing; (iii) time or place of delivery, inspection, acceptance, or performance; (iv) the quantity of Items ordered or Services to be performed; (v) the statement of work; (vi) method or manner of performance; (vii) any property, facilities, equipment, or materials to be provided by Buyer under the Order; and (viii) the terms and conditions of the Order required to meet Buyer's obligations under the Buyer's customer contract.

(b) During performance of the Order, Seller shall not make any changes in the Services to be performed or in the design or manufacturing of Items to be furnished by Seller under the Order, including any changes to the process, manufacturing location, or use of suppliers and subcontractors, without advance notification to and written approval of the Buyer's Procurement Representative. Only the Buyer's Procurement Representative has authority on behalf of Buyer to make changes to the Order, which shall be in writing. Items or Services that change without prior notification and consent shall be deemed nonconforming Items or Services under the Order. The issuance of information, advice, approvals, or instructions by Buyer's technical personnel shall be deemed expressions of personal opinion only and shall not affect the Parties' rights and obligations hereunder, unless included in a written change order expressly stating that it constitutes an amendment to the Order and signed by the Buyer's Procurement Representative. If Seller considers that Buyer's conduct constitutes a change, Seller shall notify Buyer immediately in writing as to the nature of such conduct and its effect upon Seller's performance.

(c) If any written change causes an increase or decrease in the estimated costs or the time required for performance of the Order, Seller shall promptly notify the Buyer's Procurement Representative and assert its request for equitable adjustment (REA) in writing within thirty (30) calendar days after the written change is ordered or within such extension as Buyer may grant in writing. Buyer may, in its sole discretion, consider any REA regardless of when asserted, except that Buyer will not consider or grant any REA after final payment to Seller. Nothing in this Article shall be deemed to constitute acceptance by Buyer of the validity of an REA or any part thereof. If Buyer approves an REA, the Parties may modify the Order in writing to adjust the Order price, delivery schedule, and/or other terms as appropriate. Any equitable adjustment in price to which Seller may be entitled as a result of an increase in the quantity of Items or Services ordered shall not exceed the Funded Value (for flexibly priced) or unit price established for such Items or Services herein. If the Parties are unable to agree upon an equitable adjustment, the matter will be resolved in accordance with the Governing Law and Disputes Article. Nothing contained herein, including failure of the Parties to agree upon any equitable adjustment, shall excuse Seller from proceeding without delay with the Order as changed by Buyer's written direction. In no event shall Seller acquire any direct claim or cause of action against the Government.

## **9. WARRANTY:**

(a) Seller represents and warrants that the Items and Services provided hereunder: (i) shall conform to the requirements of the Order, the applicable specifications, and, to the extent not inconsistent therewith, Seller's documentation; (ii) shall be merchantable; (iii) shall be fit for the use intended by Buyer, whether expressed or reasonably implied, and/or which is stated on any packaging, labeling, or advertising; (iv) shall be free from security interests, liens, or encumbrances and of good title; (v) will not infringe or otherwise violate the intellectual property rights of any third party, and (vi) are and when delivered to Buyer shall be free from viruses, spyware, and other similar harmful and destructive code designed to damage, destroy, reveal, or alter any software, hardware, or data, permit unauthorized access to any software or hardware, or disable any program automatically. Seller represents and warrants that for a period of twelve (12) months after final acceptance the Items furnished hereunder shall be free from defects in material, workmanship, design, and fabrication. In the case of latent defects, Buyer's rights to corrective action by Seller shall commence upon Buyer's discovery of the latent defect and notification to Seller thereof.

(b) Seller represents and warrants that (i) its performance of the Order does not and will not violate or conflict with any agreement to which Seller is a party; (ii) there is no pending or threatened litigation that would have a material adverse impact on its performance under the Order; (iii) neither Seller nor any of its officers or directors are presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal agency; and (iv) Seller shall perform all Services and provide all deliverables related thereto in a professional and competent manner using properly qualified and trained personnel with the degree of skill and judgment normally exercised by recognized professionals delivering or performing the same or similar services.

(c) Without limiting Seller's other obligations under this Agreement, Seller hereby represents, warrants and covenants that Seller shall not (i) disclose or provide to any Generative AI accessible to any person other than Buyer and Seller, or use with any Generative AI accessible to any person other than Buyer and Seller, any Buyer Proprietary Information or any portion or derivative thereof; (ii) use or permit to be used any Buyer Proprietary Information or any portion or derivatives thereof, in any training or development of any Generative AI or any portion thereof or of any other datasets, systems, algorithms or methodologies, except as Buyer may agree in writing on a case-by-case basis; and (iii) disclose or provide to any Generative AI (including any Generative AI accessible only by Buyer and/or Seller) any Buyer Proprietary Information, or any portion or derivative thereof, if the Generative AI will maintain any persistent copy of such information, or any portion or derivative thereof.

(d) Remedies for breach of any of these warranties shall be at Buyer's election, including those specified in Article 5(d) (Quality Control and Non-Conformance) for non-conforming Items and Services. Seller shall follow the procedure set forth in Article 5(d) (Quality Control and Non-Conformance). Any Items or Services corrected or replaced pursuant to this Warranty Article shall be subject to all provisions of this Warranty Article to the same extent as Items and Services initially delivered.

(e) The warranties set forth herein shall survive inspection, test, final acceptance, and payment of Items and Services. Buyer's approval of Seller's design or material used or Buyer's inspection of the same shall not relieve Seller from any obligations under the warranties set forth in the Order. The warranties set forth in the Order shall run to Buyer, Buyer's customers, and any users of the Items or Services, and shall not be deemed to be the exclusive rights of Buyer but shall be in addition to other rights of Buyer under law, equity, or the terms of the Order.

## **10. END OF LIFE AND SUPPORT:**

(a) Seller shall notify Buyer in writing if any Items or any parts, subcomponents, components, assemblies, or subassemblies in the Items delivered hereunder, including those supplied by Seller's lower-tiered subcontractors, are or are expected to be going out of production or will no longer be commercially available. Such notice shall: (i) be provided to Buyer at least twelve (12) months prior to the anticipated date of discontinuance or unavailability, or if twelve (12) months' notice is not reasonable given the circumstances, as soon as practically possible; and (ii) specifically identify the name and address of the supplier and the part by name, part number, function, and the location in the Item delivered. In such case, Seller shall make available to Buyer and hereby grants Buyer a royalty free license to use all drawings, specifications, data, and know-how to enable Buyer or Buyer's customer to manufacture or procure the Item, component, subassembly, or spare part.

(b) Seller shall support the Items purchased hereunder during the operational life of the Items or for a period of ten (10) years from the date of final shipment under the Order and expiration of any warranty period. Support includes, but is not limited to, technical service for the Item. Additionally, Seller shall maintain an inventory of subassemblies and spare parts as may be required to support the operation of the Item.

**11. SUSPENSION OF WORK:** Buyer shall have the right to direct Seller in writing to suspend all or any part of the work for a period of time not to exceed one hundred twenty (120) calendar days, and for any further period as the Parties may agree or as extended by Buyer's customer. Upon receipt of the written stop work notice, Seller shall immediately comply with the terms of the notice and shall take all reasonable measures to mitigate the costs allocable to the suspended portion of the work. At the end of the suspension period, Buyer shall either (i) cancel the suspension, or (ii) terminate the work covered by the suspension as provided for in the Termination for Convenience Article of the Order; provided that a suspension may only be canceled or work terminated by written notice from the Buyer's Procurement Representative, regardless of the expiration of the suspension period. If Buyer cancels the suspension, Seller shall immediately commence performance, notwithstanding the fact that there is no agreement as to a revised schedule or the cost of completing the Order. If work is suspended, Seller may request an equitable adjustment in accordance with the provisions of Article 8(c) (Changes) for any change in the time and the cost of performing the Order necessarily caused by such suspension, exclusive of profit. For flexibly priced Orders, Seller shall request the equitable adjustment before incurring any costs in excess of the Funded Value. Nothing in the Article shall excuse Seller from diligently continuing with performance of work not suspended.

**12. FORCE MAJEURE:** If either Party cannot perform, in whole or in part, any of its obligations under the Order because of any act of God, act of any government, government delay, court order, public enemy, fire, flood, pandemic, epidemic, strike, freight embargo, industrial disturbance, or any other cause beyond the Party's reasonable control, and provided further that the Party could not have mitigated, avoided, or prevented the cause or delay through the exercise of reasonable care and precautions (a "Force Majeure Event"), then the non-performing Party will (i) promptly notify the other Party in writing, (ii) take commercially reasonable steps to resume performance as soon as possible, and (iii) not be considered in breach during the duration of and to the extent its performance is prevented by the Force Majeure Event. In the event a Force Majeure Event continues for a period of fifteen (15) calendar days or threatens Buyer's delivery commitments under its Government Contract, Buyer may terminate such part of the Order remaining to be performed by providing written notice to Seller with no further liability or obligation of Buyer to Seller.

**13. FURNISHED PROPERTY:**

(a) Buyer may provide drawings, tools, dies, fixtures, materials, and other property owned by Buyer or Buyer's customer (the "Furnished Property") solely for Seller to use in the performance of the Order. All rights, title, and interest in the Furnished Property shall remain with Buyer or Buyer's customer. Seller shall clearly mark, maintain an inventory, and keep segregated or identifiable all of the Furnished Property. Seller shall manage, maintain, and preserve the Furnished Property in accordance with good commercial practice, and upon Buyer's reasonable request, provide Buyer written records of Seller's management, maintenance, and preservation of the Furnished Property, including any inventory lists. The Furnished Property shall be promptly returned to Buyer on request or upon completion or termination of the Order. If Seller fails to return the Furnished Property upon Buyer's demand, Buyer shall have the right, upon reasonable notice, to enter Seller's premises and remove any such property at any time without being liable for trespasses or damages of any sort. Except for reasonable wear and tear, Seller assumes all risk of loss, destruction, or damage of Furnished Property while in Seller's possession, custody, or control. Upon request, Seller shall promptly provide Buyer with adequate proof of insurance against such risk of loss. Seller shall promptly notify Buyer of any loss or damage to the Furnished Property.

With respect to Government Furnished Property or property under the Order to which the Government may take title: (i) FAR 52.245-1 shall apply and is incorporated by reference; and (ii) Seller shall provide to Buyer immediate notice of any disapproval, withdrawal of approval, or nonacceptance by the Government of Seller's property control system. Seller shall include this Furnished Property Article in all of its lower tier subcontracts and notify Buyer and obtain approval prior to passing Furnished Property to any lower-tier subcontractor.

**14. SELLER OPERATING AT BUYER FACILITY:**

(a) Seller's employees, agents, and contractors (collectively, "personnel") may be granted access to Buyer facilities, subject to compliance with Buyer's standard administrative and security requirements and policies provided to Seller. Seller acknowledges and agrees Seller's personnel with access to Buyer's facilities can be removed and/or barred from entry at Buyer's sole discretion. Upon Buyer's direction, Seller shall remove such personnel and promptly provide a qualified replacement. In such case, Seller shall use its best efforts to ensure continuity of performance under the Order.

(b) Subject to applicable laws, if Seller's personnel are to be onsite at any of Buyer's facilities, Buyer shall have the right to require Seller's personnel to submit to Buyer's standard drug test and/or background check or equivalent standards, and Seller shall certify that such screening was accomplished before Buyer grants access to Seller's personnel.

**15. RIGHTS IN DATA AND INVENTIONS:**

(a) The following terms shall have the meanings set forth below:

(i) "Intellectual Property" or "IP" means inventions, discoveries and improvements, know-how, works of authorship, technical and other data, drawings, specifications, process information, reports and documented information, and computer software.

(ii) "Background IP" means Intellectual Property that is (i) in existence prior to the effective date of the Order or (ii) is designed, developed, or licensed from a third party after the effective date of the Order independently of both (1) the work undertaken under or in connection with the Order and (2) the proprietary information and IP of the other party to the Order.

(iii) "Foreground IP" means Intellectual Property conceived, created, acquired, developed, derived from, or based on development performed under the Order or information supplied by Buyer, or first actually reduced to practice by Seller in connection with the Order.

(b) Buyer shall retain ownership of all Intellectual Property and other information supplied by Buyer hereunder ("Buyer-Owned IP"). Seller shall treat as proprietary and confidential all Buyer-Owned IP, except for any such information provided by the Government or to which the Government has other than unlimited rights, in which case Seller shall use and disclose the information in accordance with applicable provisions and/or restrictive markings concerning Seller's use and disclosure of such information. Buyer grants to Seller a non-exclusive, non-transferable (except as expressly provided herein), royalty-free right during the term of the Order to use, reproduce, modify, practice, and prepare derivative works of any Buyer-Owned IP solely as necessary for Seller to perform its obligations under the Order. Seller shall not, without Buyer's prior written consent, use Buyer-Owned IP or any derivative works of any of the Buyer-Owned IP in any manner not authorized under the Order, including but not limited to developing, manufacturing, offering for sale or selling any item or service which utilizes or is enabled by Buyer-Owned IP. On Buyer's request or upon completion or termination of the Order for any reason, Seller shall promptly return or destroy, at Buyer's option, all Buyer-Owned IP and all copies. If Seller destroys the Buyer-Owned IP, Seller shall provide Buyer a certificate of destruction. In the event of a conflict between the terms of this paragraph (b) and the terms and conditions of any separately executed and applicable non-disclosure agreement ("NDA") between Buyer and Seller, the terms and conditions of the NDA shall control.

(c) To the extent the Items and Services delivered hereunder will be used for Buyer to perform its contractual obligations under its Government Contract, Seller grants to Buyer a limited, nonexclusive, irrevocable, worldwide, fully paid license to use all IP provided by Seller hereunder for the purpose of performing under the Government

Contract (including obligations of any follow-on contract(s) for subsequent phases of the same program); provided that except for any applicable Government data rights, such IP will not, without Seller's prior written consent, be disclosed or supplied on a non-confidential basis, in whole or in part to any third party, or used in whole or in part for design, manufacture, re-procurement or any other purpose whatsoever. Seller shall assert all required data rights and markings on any IP delivered, in whole or in part, in accordance with the clauses set forth in Section II (FAR, DFARS, and NFS Clauses) and Section III (FAA AMS Clauses) herein.

(d) Unless otherwise expressly agreed in writing to the contrary and subject to paragraph (h) below, all Foreground IP developed with Buyer monies (i.e., development was accomplished with monies paid by Buyer to Seller that are not subject to recovery by Buyer under a Government Contract) is hereby assigned to Buyer, shall be proprietary to Buyer, and Buyer shall own all right, title, and interest in such property. Buyer grants to Seller a non-exclusive, non-transferable (except as expressly provided herein), royalty-free right during the term of the Order to use the Foreground IP solely as necessary for Seller to perform its obligations under the Order. Seller shall not, without Buyer's prior written consent, (i) use Foreground IP in any manner not authorized under the Order, including but not limited to developing, manufacturing, offering for sale, or selling any item or service which utilizes, is enabled by, or is derived from Foreground IP, and (ii) disclose the Foreground IP to any third party. Seller shall provide all Foreground IP free of any Seller confidential or proprietary markings and legends. Except as required for the performance of the Order and for archival purposes, Seller shall not make copies or permit copies to be made of Foreground IP without the prior written consent of Buyer. On Buyer's request or upon completion or termination of the Order for any reason, Seller shall promptly provide to Buyer all Foreground IP and all copies. Notwithstanding the foregoing, to the extent it is not reasonably feasible to remove Foreground IP or Buyer-Owned IP from disaster recovery or other archival systems, Seller shall be relieved from the foregoing return obligation, provided however, that all such Foreground IP or Buyer-Owned IP shall remain subject to the confidentiality obligations under the NDA and the Order, including after expiration or termination of the Order for any reason. Any work performed pursuant to the Order that includes any copyright interest shall be considered a "work made for hire" and all rights, title and interest shall be and are hereby assigned to Buyer. The tangible medium storing copies of all reports, memoranda, or other materials in written form, including machine-readable form, prepared by Seller and delivered to Buyer pursuant to the Order shall become the sole property of Buyer and shall be provided to Buyer free of any Seller confidential or proprietary markings or legends.

(e) Subject to paragraph (h) below, any invention constituting Foreground IP is hereby assigned to Buyer and Buyer shall own all right, title, and interest in such property. Seller shall execute all documents necessary to perfect Buyer's interest in and title thereto, including, without limitation, assigning any and all right, title and interest Seller has in any such invention to Buyer. Seller shall ensure that any third party with whom Seller has subcontracted to furnish Items or Services, and Seller's employees, also execute and assign any and all rights, titles, and interest in any such invention to Buyer. Seller shall, within two (2) months after conception or first actual reduction to practice of any invention constituting Foreground IP and prior to completion of the Order, disclose in writing to Buyer all inventions, whether or not patentable, in sufficient technical detail to clearly convey the invention to one skilled in the art to which the invention pertains. Seller shall promptly execute all written instruments and assist as Buyer reasonably directs in order to file, acquire, prosecute, maintain, enforce, and assign Buyer's invention rights. Seller hereby irrevocably appoints Buyer and any of Buyer's officers and agents as Seller's attorney in fact to act on Seller's behalf and instead of Seller, with the same legal force and effect as if executed by Seller, with respect to executing any such written instruments.

(f) Seller shall retain ownership of all Seller Background IP. If Seller includes any Seller Background IP in any Foreground IP or Item provided to Buyer or any Seller Background IP is required to fully exploit such Foreground IP or Item, Seller grants to Buyer a nonexclusive, irrevocable, sublicensable, paid-up, royalty-free worldwide right to make, have made, sell, offer for sale, use, execute, reproduce, display, perform, distribute (internally or externally) copies of, and prepare derivative works of any and all Seller Background IP incorporated into the Foreground IP or Item or otherwise delivered to Buyer in connection with the Order. The foregoing, however, shall not include the right for Buyer to separate the Seller Background IP from the Foreground IP or Item and separately exploit or use the Seller Background IP. For Orders that include the delivery of software, the permitted use and license grant of any software shall be extended to Buyer's affiliates and subsidiaries and Buyer's contractors and outsourcers performing services for or on behalf of Buyer.

(g) Seller shall not use any Generative AI to generate any data, software, information, Items, or Services delivered to Buyer under this Agreement without Buyer's prior written approval. Seller shall clearly identify and label any data, software, information, Items, or Services approved to be delivered to Buyer, and any inventions or copyrightable material shall be clearly identified and labeled as such. Seller shall ensure a human substantively reviews such artificial intelligence generated content before being used in performing the Order or delivery to Buyer. Seller shall not input into any Generative AI nor provide as prompts to any Generative AI any Buyer data, software, or information (including but not limited to Buyer Intellectual Property and classified, regulated, or personally identifiable information) without Buyer's prior written approval. With respect to the use of Generative AI, Seller shall comply with any applicable laws or regulations and with Buyer's then-current policy regarding artificial intelligence development and use.

(h) Nothing in this Rights in Data and Inventions Article shall modify or alter any rights that the Government may have in any Items or Services, including technical data or computer software deliverables to the Government. Applicable government procurement regulations incorporated into the Order relating to subcontractors' rights in IP are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Seller may have previously granted to Buyer pursuant to prior agreements between the Parties.

(i) If any tools, gauges, appliances, or equipment (collectively "Tools") should be manufactured or procured by Seller for producing or developing the Items delivered under the Order, then such Tools shall become the property of Buyer or Buyer's customer. Buyer shall have all right, title, and interest to such Tools irrespective of whether the Tools are an Item under the Order. Notwithstanding the foregoing, if Seller purchases any Tools and will not pass along any costs of those Tools, whether directly or indirectly to Buyer or Buyer's customer, then nothing in these General Terms and Conditions shall prohibit Seller from using those Tools to fulfill any other Government orders. Seller shall manage, maintain, and preserve the Tools in accordance with good commercial practice, and upon Buyer's reasonable request, provide Buyer written records of Seller's management, maintenance, and preservation of the Tools, including any inventory lists. Buyer grants to Seller a non-exclusive, non-transferable (except as expressly provided herein), royalty-free right during the term of the Order to use the Tools solely as necessary for Seller to perform its obligations under the Order. All Tools shall be promptly provided to Buyer on request or upon completion or termination of the Order.

## **16. THIRD-PARTY AND OPEN-SOURCE SOFTWARE:**

(a) This Third-Party Software Article only applies to Items and Services that include the delivery of software. As used herein, "Open-Source Software" means any software, programming, or other intellectual property that is subject to (i) the General Public License ("GPL"), Lesser/Library GPL ("LGPL"), the Affero GPL ("AGL"), the Apache license, the Berkeley Software Distribution ("BSD") license, the Massachusetts Institute of Technology ("MIT") license, the Artistic License (e.g., PERL), the Mozilla Public License ("MPL"), or any similar license, including but not limited to those licenses listed at <http://www.opensource.org/licenses> or (ii) any agreement with terms requiring any intellectual property owned or licensed by Buyer to be (1) disclosed or distributed in source code or object code form, (2) licensed for the purpose of marking derivative works, or (3) redistributable.

(b) In the event Seller provides any third party software, including Open-Source Software, to Buyer in connection with the Order ("Third-Party Software"), the following shall apply: (i) Seller shall specifically identify in writing to the Buyer's Procurement Representative all Third-Party Software and submit written copies of all third party license agreements applicable to Buyer; and (ii) Seller warrants that (1) it has the right to license any Third-Party Software licensed to Buyer under the Order, (2) to the best of Seller's knowledge, the Third-Party Software does not, and the use of the Third-Party Software by Buyer as contemplated by the Order will not, infringe any intellectual property rights of any third party, and (3) unless specifically provided otherwise herein, Buyer shall have no obligation to pay any third party any fees, royalties, or other payments for Buyer's use of any Third-Party Software.

(c) Seller shall obtain the Buyer's Procurement Representative's prior written consent, which may be withheld in Buyer's sole discretion, before using or delivering any Open-Source Software in connection with the Order. All Open Source Software provided by Seller to Buyer shall be considered, as appropriate, part of and included in the definition of "Seller Background IP" and subject to all warranties, indemnities, and other requirements of the Order, including scope of license and maintenance and support, relating to the Seller Background IP. Seller represents and warrants all Open-Source Software used or delivered in connection with the Order: (i) does not require any software to be published, accessed, or otherwise made available without the consent of Buyer; or (ii) does not require distribution, copying, or modification of any software free of charge.

## **17. INSURANCE:**

(a) **Minimum Insurance.** Seller shall maintain, at its expense, on an occurrence basis (except as noted below), at all times during the term of the Order and for three (3) years following completion of all work performed under the Order, whichever is later, the insurance coverage listed below with insurance companies eligible to do business in the jurisdiction in which work is performed and maintaining an AM Best's rating of A- VIII or better. The required insurance shall include limits of not less than the minimum limits of liability specified below, policy limits, or limits required by law, whichever are greater. Limits of insurance required herein may be satisfied with any combination of primary and excess insurance. Additionally, Seller shall cause its subcontractors performing work under the Order to maintain insurance as per the insurance requirements herein or Seller shall insure such subcontractors. Such insurance shall include:

(i) **Commercial General Liability (CGL) Insurance:** Coverage shall be on an occurrence form (ISO CG 00 01 or equivalent) with limits not less than \$1,000,000 per occurrence, \$2,000,000 General Aggregate, \$2,000,000 Products/Completed Operations aggregate, and \$1,000,000 Personal and Advertising Injury (unless higher limits are required by statute or law) for bodily injury, death, and property damage, including personal injury, contractual liability for liability assumed under an insured contract, including the tort liability of another assumed in a business contract, independent contractors, broad-form property damage, personal and advertising injury, and products and completed operations coverage. If Seller will be providing any food-related services or products, then such policy shall not contain an exclusion for fungi, mold, and/or bacteria in food products intended for consumption;

(ii) **Commercial Automobile Liability (CAL) Insurance:** Should the performance of the Order involve the use of automobiles including instances when Seller will be using an automobile onsite at a Buyer facility, Seller shall provide CAL insurance insuring the ownership, operation, and maintenance of all motor vehicles used in the performance of work under the Order. Seller shall maintain limits of at least \$1,000,000 combined single limit per accident for bodily injury and property damage. If Seller's work involves the delivering, hauling, or transportation of goods, such policy shall include the Motor Carrier Act endorsement (MCS-90) and ISO Pollution Liability Broadened Coverage for covered auto endorsement (CA 99 48) or equivalent form or such transportation of hazardous materials coverage may be covered under an Environmental Liability policy. Such policy shall include coverage for contractual liability, including but not limited to liability assumed under an insured contract and the tort liability of another assumed in a business contract;

(iii) **Workers' Compensation (WC) Insurance:** Such insurance shall provide coverage as prescribed by the law(s) of the jurisdiction(s) in which the Services under the Order will be performed, in amounts not less than the statutory requirements in the state where the Services are performed even if such coverage is elective in that state, including occupational disease coverage, and if applicable, Foreign Voluntary Workers' Compensation coverage if employees will be temporarily working outside of the United States. If Services are to be performed in monopolistic states (including North Dakota, Ohio, Washington and/or Wyoming), Seller will participate in the appropriate state fund(s) to cover all eligible employees. To the extent that any Services to be performed are subject to the Jones Act, the Longshore and Harbor Workers' Compensation Act, the Outer Continental Shelf Lands Act, the Federal Employer's Liability Act, and/or the Defense Base Act, the Workers' Compensation policy must be endorsed to cover such liability under such Acts with the greater of statutory limits or a limit of at least \$1,000,000. Should Buyer lease or borrow any of Seller's employees to perform Services under the Order, such policy shall include ISO Alternate Employer endorsement WC 00 03 01 A or an endorsement providing equivalent coverage, including Buyer as an alternate employer with respect to Services performed by Seller's employees under the Order;

(iv) **Employers' Liability (EL) Insurance:** Such insurance shall provide limits of not less than \$1,000,000 each accident/disease. In states where Workers' Compensation insurance is a monopolistic state-run system (e.g., Ohio, Washington, North Dakota, and Wyoming), Seller shall add Stop Gap Employers Liability with limits not less than \$1,000,000 for each accident or disease;

(v) **Excess and/or Umbrella Liability Insurance:** Coverage must be on an occurrence form excess of Seller's required underlying policies, including CGL, CAL, and EL, and meeting the above stated requirements for each coverage, with limits of not less than \$2,000,000 per occurrence, in excess of the limits stated in (i), (ii), and (iv) above;

(vi) **Professional Liability:** If Seller is providing professional services under the Order, Seller shall carry professional liability / errors & omissions / technology errors & omissions insurance covering all professional services provided under the Order for claims arising out of Seller's errors, omissions, rendering, or failure to render Services or provision of Items under the Order and in the amount of at least \$3,000,000 for each wrongful act or omission. Such policy shall not contain any exclusion for Seller's operations contemplated by the Order. Such policy shall not contain pollution exclusions. Such policy may be written on a Claims Made basis, provided the retroactive date shall precede the execution date of the Order and the start of Seller's Services under the Order. Seller agrees to maintain appropriate coverage in the amounts stated above during the term of the Order and for not less than three (3) years from the date the Order is terminated by purchasing appropriate tail or extended insurance coverage, and the retroactive date must be stated on the Certificate of Insurance; and

(vii) **Cyber / Privacy Liability or Network Security Insurance** (may be separate or combined with the Professional Liability / E&O Liability / Technology E&O Policy): If Seller's Services include any cyber-related risks, then Seller shall maintain Cyber Liability insurance for network security and privacy risks. Such insurance shall: (i) cover insurance for data breach or introduction of virus or malicious code, consumer notification (whether or not required by law), forensic investigations, public relations and crisis management, and credit or identity monitoring or similar remediation services, unauthorized access, failure of security, information theft, damage to destruction of or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, Cyber extortion, and including coverage for related regulatory fines, defenses, and penalties allowed by law, and Payment Card Industry (PCI) fines, penalties, and assessments if Seller may take payments by credit card in the course of operations under the Order. Such policy shall provide coverage for claims arising out of the services provided hereunder by Seller and/or its subcontractors. Technology Errors and Omissions/Professional Liability insurance may be provided under a Cyber Liability policy; provided, however, that the limits required for such insurance be maintained in addition to the limits required for Cyber Liability insurance; and (ii) include the indemnification of Buyer for any costs and expenses, including Buyer's notification expenses, incurred by Buyer arising out of a security breach, privacy breach, or breach of privacy regulations; with an occurrence or per claim limit, and a limit of not less than \$5,000,000 per claim/aggregate. The policy may be written on a Claims Made basis, provided the retroactive date shall precede the execution date of the Order and the start of Seller's Services under the Order. Seller agrees to maintain appropriate coverage in the amounts stated above during the term of the Order and for not less than three (3) years from the date the Order is terminated by purchasing appropriate tail or extended insurance coverage, and any applicable retroactive date must be stated on Seller's Certificate of Insurance.



(b) Additional Insurance. Some or all of the following additional insurance coverage may be required, depending upon the nature of the work to be performed. These additional insurance requirements will be identified on the Order.

- (i) **Media Liability Insurance:** If Seller will be creating or providing content to Buyer, such as advertisements, marketing brochures, annual reports, or other publications, websites, or blogs, or if Seller will be providing Services related to a sponsorship agreement, then Seller shall maintain Media Liability insurance with limits of at least \$5,000,000 per claim/aggregate. Such policy shall include coverage for damages and claims expenses for which Seller may become legally obligated to pay for one or more of the following acts as a result of errors, omissions, and negligence in the gathering, creating, and communication of Seller's display of media material on Seller's website, social media, online and offline print, including: disparagement, defamation, libel, slander, infringement of copyright, infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, slogan, service mark, or service name, or improper deep-linking or framing within electronic content. Such insurance may be provided under a Cyber Liability, Technology E&Os, or Professional Liability policy;
- (ii) **Fidelity or Crime Insurance:** Such insurance shall provide a client coverage endorsement with limits of not less than \$1,000,000 per insuring agreement and shall include Buyer as Loss Payee. Coverage must include employee dishonesty, including but not limited to dishonest acts of Seller, its employees, agents, subcontractors, and anyone under Seller's supervision or control, and loss of Buyer property, Forgery, Computer Fraud, and Funds Transfer Fraud. Seller shall be liable for money, securities, or other property of Buyer;
- (iii) **Environmental Insurance (Contractor's Pollution Liability (CPL) Insurance):** If Seller's scope of work to be performed may include any pollution exposure, then Seller shall maintain CPL insurance with limits of at least \$5,000,000 each occurrence and \$10,000,000 aggregate, including but not limited to coverage for sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants and include coverage for bodily injury, property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed, natural resource damage, clean-up costs, on/off-site transportation and the disposal of waste at third-party facilities, and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims, all in connection with loss arising from Seller's operations provided under this Order. If Seller's Services involve lead, asbestos, mold, bacteria, and/or silica exposures, the policy shall not contain lead, asbestos, mold, bacteria, or silica exclusions and the definition of "Pollution" shall include microbial matter including mold and bacteria;
- (iv) **Pollution Legal Liability (PLL) Insurance:** Such insurance shall provide site-specific pollution liability coverage with limits of at least \$3,000,000 each occurrence, claim, or wrongful act and \$6,000,000 aggregate including but not limited to coverage for sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants and include coverage for bodily injury, property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed, natural resource damage, clean-up costs, on/off-site transportation and the disposal of waste at third-party facilities, and defense, including costs and expenses incurred in the investigation, defense, or settlement of claims, when Buyer requires Seller to provide such coverage with regards to this Order. Such policy shall not contain lead, asbestos, mold, bacteria, or silica exclusions and the definition of "Pollution" shall include microbial matter including mold and bacteria;
- (v) **Motor Truck Cargo Insurance:** If Seller's Services include hauling Buyer's products, then Seller must provide evidence of Motor Truck Cargo coverage written on an All Risks basis with a limit the greater of \$1,000,000 per conveyance or in an amount sufficient to cover the total replacement cost value of cargo per conveyance while under Seller's care, custody, or control. Buyer must be included as Loss Payee with respect to Buyer's insurable interest in the cargo. Such coverage shall begin when Seller has accepted for transportation the property. Coverage shall apply throughout the time while such property is in Seller's custody as the carrier or in the custody of connecting carriers, while property is being loaded, during transit, and during unloading at the final destination. Coverage shall end on acceptance of the goods at the specified destination;
- (vi) **All Risk Property Insurance Replacement Value:** Seller shall carry All Risk Property Insurance Replacement Value covering the value of property of Buyer or Buyer's customer in the care, custody, or control of Seller and include Buyer as Loss Payee;
- (vii) **Aviation Liability Insurance:** Such insurance shall provide coverage for owners and non-owned aircraft, aircraft/space products, completed operations, war, hijacking, and other perils (AVN 52D) and include limits of \$50,000,000 per occurrence/aggregate for any work involving aircraft or spacecraft products and services;
- (viii) **Hangar-keepers' Liability Insurance:** Such insurance shall provide coverage for damage to or destruction of L3Harris aircraft while in the insured's custody for storage, repair, or safekeeping and while in or on the insured's scheduled premises and shall include limits of \$50,000,000 per occurrence;
- (ix) **Marine General Liability/ Hull/Protection & Indemnity Insurance:** If performance of the Order requires or involves the installation of equipment onboard a vessel and/or if any vessels are used in any of Seller's operations conducted under the terms of the Order, Seller or the watercraft operator shall carry Marine General Liability/Hull/Protection & Indemnity coverage for each vessel with the following minimum limits:
  - (1) **Marine General Liability Coverage:** on an occurrence form with limits not less than \$5,000,000 combined single limit per occurrence (unless higher limits are required by statute or law) for bodily injury, death, and property damage, including personal injury, contractual liability, independent contractors, broad-form property damage, personal and advertising injury, and products and completed operations coverage. Watercraft exclusions should be removed from the Marine General Liability policy;
  - (2) **Protection & Indemnity Insurance:** with limit of not less than \$1,000,000 per occurrence for bodily injury and property damage, including but not limited to coverage for crew (or separate Maritime Employer's Liability) and passengers, Collision/Towers Liability, Contractual Liability, Cargo Legal, In Rem, Wreck Removal, and Pollution Liability;
  - (3) **Hull and Machinery Insurance:** for all vessels used in the scope of work under the Order, in amounts equal to the fair market value of the applicable vessel owned and/or operated by or for the service provider. Hull and Machinery shall include coverage for additional perils & war, strikes, riots & civil commotions (s.r. & c.c.); and
  - (4) **Vessel Pollution Liability Insurance:** including liability for bodily injury and property damage for all vessels and/or barges of any size used in the scope of work under the Order with limits of at least \$1,000,000 per vessel per occurrence and in the aggregate.
- (x) **Installation Floater Insurance:** If Installation Floater (Equipment Installation) will be performed, Buyer shall provide Seller required limits;
- (xi) **Liquor Liability Insurance:** If Seller will be selling or serving liquor during performance of its operations under the Order, then Seller shall maintain Liquor Liability insurance with limits of not less than \$2,000,000 per occurrence, and Seller shall maintain any applicable liquor license required by law; and
- (xii) **Rigger's Liability Insurance:** If Seller will be moving property under the Order, then Seller shall maintain Rigger's Liability coverage with minimum limits of \$1,000,000 per occurrence or the highest total value of property in Seller's care, custody, and/or control at any one time, whichever limit is greater; any policy exclusion or limitation relating to boom collapse or overload deleted; and confirmation, if Umbrella/Excess limits are required to meet limit requirements, that Seller's Umbrella/Excess Liability policies shall provide coverage over Riggers Liability. Alternatively, such coverage may be provided under Seller's property policy.

(c) Waiver of Subrogation. To the fullest extent allowed by law, Seller shall waive and shall require its insurers to endorse all required insurance policies to waive any right of recovery under subrogation or otherwise in favor of Buyer and its successors and assigns as their interests may appear, and each of their respective directors,

officers, customers, agents, and employees for losses arising from Seller's Services or Items under this Order. Waiver of subrogation endorsements MUST be attached to the Certificate of Insurance.

(d) Additional Insured. Except for WC, EL, Technology Errors & Omissions, Professional Liability, Motor Truck Cargo, and Crime/Fidelity insurance, Seller shall include Buyer and its successors and assigns as their interests may appear, and each of their respective directors, officers, customers, employees, and agents as Additional Insureds on a primary and non-contributory basis under each of Seller's policies with respect to Seller's Services, operations, and completed operations, including claims caused, in whole or in part, by Seller's Services, Items, or operations. Seller's CGL Additional Insured endorsements providing coverage under the Order shall be at least as broad as ISO CG 20 10 (for ongoing operations) and CG 20 37 (for products/completed operations) or equivalent forms. The Additional Insured and Primary & Non-contributory basis endorsements MUST be attached to the Certificate of Insurance. For policies where additional insured coverage is required, policies shall include severability of interest/separation of insureds provisions and shall not contain any cross-suit liability exclusions.

(e) Certificate of Insurance. Seller shall provide to Buyer, within fifteen (15) calendar days of Buyer's issuance of an Order and prior to the start of any work, a Certificate of Insurance (COI) evidencing the coverages, limits, self-insured retentions, notice of cancellation, and provisions specified in this Article and thereafter upon the renewal of any of the policies including copies of endorsements adding Buyer and its successors and assigns as their interests may appear, and each of their respective directors, officers, customers, agents, and employees as Additional Insureds on a primary and non-contributory basis and granting waivers of subrogation. The COIs shall be completed and signed by a person authorized by the insurer or Seller to bind coverage on the insurer's or Seller's behalf and must name Buyer as the certificate holder. Seller shall also provide Buyer such copies of COIs and required endorsements within ten (10) business days of policy expiration/renewal and upon Buyer's written request.

(f) General Requirements. Seller or Seller's insurers shall give Buyer a minimum of thirty (30) calendar days' written notice prior to any suspension, non-renewal, cancellation (except ten (10) calendar days for non-payment of premium), or any changes to the policy whereby the policy no longer meets the insurance requirements in the Order. Failure to do so shall constitute a material breach of the Order. In the event Seller fails to secure and continuously maintain the insurance coverage required under the Order, Buyer may charge Seller, and Seller shall pay Buyer, (i) Buyer's actual expenses incurred in purchasing similar protection, and (ii) the value or amount of any claims, actions, damages, liabilities, costs, and expenses paid by Buyer which would not have been paid by Buyer if Seller had complied with the requirements of this Article. None of the requirements contained in this Article, including but not limited to requirements relating to types and minimum limits of coverage, are intended to and shall not in any manner limit, qualify, or quantify the liabilities and obligations assumed by Seller under the Order or as otherwise provided by law. Seller's purchase and maintenance of the insurance described in this Article shall not release Seller from its respective obligations or liabilities in connection with the Order. Furthermore, Seller is responsible for any losses, claims, and incidental costs arising out of the Services which exceed the limits of liability or which may be outside the coverage required in this Article. No provision of the Order shall impose on Buyer any duty or obligation to verify the existence or adequacy of the insurance coverage maintained by Seller and/or Seller's subcontractors. Any failure on the part of Buyer to pursue or obtain the evidence of insurance required by the Order from Seller or any other party and/or failure of Buyer to point out any non-compliance of such evidence of insurance shall not constitute a waiver of any of the insurance required under the Order. Buyer does not warrant that any required limits may be adequate to protect Seller's interests. Seller, at its own cost, may purchase any additional insurance it believes necessary to protect its interests. Seller is required to fully fund losses within its deductibles, self-insured retentions, and self-insured programs, without contribution from Buyer. Seller's required insurance coverage shall be primary insurance, and any insurance, retentions, and self-insurance maintained by Additional Insureds shall be excess and non-contributory with Seller's insurance.

## **18. TERMINATION FOR CONVENIENCE:**

### **(a) Fixed Price Orders.**

(i) At any time, Buyer may, in its sole discretion and by written notice, direct Seller to terminate work under the Order, in whole or in part. In such event, Buyer shall have all rights and obligations accruing to it either at law or in equity, including Buyer's right to title and possession of any of the Items and Services paid for by Buyer. Upon notice of termination, Buyer may take immediate possession of all work so performed.

(ii) Upon notice of termination, Seller shall immediately stop work and limit costs incurred on the terminated work. In the event Buyer partially terminates the Order, Seller shall continue the performance of the Order to the extent not canceled.

(iii) Upon notice of termination for convenience, Seller shall submit a settlement proposal to Buyer within sixty (60) calendar days (unless otherwise extended in writing) with full supporting documentation for all costs claimed. Buyer, after deducting any amounts previously paid, shall reimburse Seller for the actual, reasonable, substantiated, and allowable costs of the work. The total amount to be paid by Buyer for the work shall be determined by Buyer and shall not exceed the value of the Order. Payment for completed Items delivered and accepted by Buyer shall be at the price set forth in the Order.

(b) Flexibly Priced / Cost-Type Orders. Buyer may terminate the Order in accordance with FAR 52.249-6, Termination (Cost-Reimbursement), substituting the language in accordance with the information listed in Section II (FAR, DFARS, and NSF Clauses). Within sixty (60) calendar days of receiving such termination notice, Seller shall submit its settlement proposal to Buyer's Procurement Representative with full supporting documentation for all costs claimed. As required by Buyer or Buyer's customer, audits and examinations of records for such settlement proposal may be performed by Buyer, Buyer's customer, or an independent certified public accounting firm, mutually acceptable to the Parties. Seller agrees to fully cooperate with any such audit.

## **19. TERMINATION FOR DEFAULT:**

(a) Buyer may terminate the Order for default, in whole or in part, by written notice to Seller if: (i) Seller fails to make delivery of the Items or perform the Services within the time specified in the Order; (ii) Seller fails to perform any of the other obligations of the Order, or fails to make progress, so as to endanger performance of the Order; (iii) it is found that gratuities (in the form of entertainment, gifts, travel or anything of value) or kickbacks were offered or given by Seller, or by any agent or representative of Seller, to any employee or agent of Buyer; (iv) Seller is sanctioned, suspended, or debarred by the Government; (v) it is found that Seller has a potential, actual, or apparent personal or organizational conflict of interest related to or arising out of its performance of the Order and Buyer determines that such conflict cannot be adequately avoided or mitigated; or (vi) Seller fails to agree upon any deletion, amendment, or addition to the Order that is required by statute, executive order, or applicable regulation, or results from a modification to Buyer's Government Contract by Buyer's customer. Upon written notice by Buyer, Seller shall have five (5) calendar days to cure such deficiency, unless Buyer extends the cure period in writing.

(b) Seller shall promptly notify Buyer if Seller: (i) becomes insolvent or makes a general assignment for the benefit of creditors; or (ii) files a petition or application or commences any proceeding under any bankruptcy or similar statute or has a petition or application filed or any such proceeding commenced against it. In such event or if Buyer reasonably believes Seller could likely become insolvent, Buyer may determine Seller's financial condition endangers completion of performance and may require Seller to provide financial assurance (e.g., performance guarantee), as Buyer, in its sole discretion, deems necessary. Seller's failure to remedy any insolvency, assignment, or petition or to provide financial assurance upon seven (7) calendar days written notice shall constitute a default under the Order. Buyer's rights and remedies in this Article are in addition to any other rights and remedies provided by law or equity under the Order.

(c) After receipt of notice of termination for default, Seller shall stop work under the Order on the date and to the extent specified in the notice of termination for default.

(d) Buyer may require Seller to transfer title and deliver to Buyer, in the manner and to the extent directed by Buyer, any partially completed Items and any raw material, parts, Tools, dies, jigs, fixtures, equipment, plans, drawings, Services, and information ("Materials") that Seller has produced or acquired for the performance of the Order. Seller further agrees to protect and preserve property in the possession of Seller in which Buyer has an interest. Except for situations where Seller is in violation of the U.S. Foreign Corrupt Practices Act as referenced in Article 27(f) (Foreign Corrupt Practices Act): (i) payment for completed Items delivered and accepted by Buyer shall be at the Order price; and (ii) payment for unfinished Items or Services, which have been delivered and accepted by Buyer and for the protection and preservation of property, shall be at a price determined in the same manner as provided in the Termination for Convenience Article, except that Seller shall not be entitled to profit.

(e) If Seller is terminated for default pursuant to this Article, Seller shall be liable to Buyer for any excess repurchase costs incurred in acquiring goods and/or services similar to those terminated for default, and for any other damages, whether or not Buyer exercises its rights of repurchase.

**20. CHANGE OF CONTROL:** For the purposes of this Change of Control Article, "Change of Control" means (i) the sale, conveyance, transfer, distribution, lease, assignment, license, or other disposition of all or substantially all of Seller's assets, (ii) any consolidation or merger of Seller or its controlling affiliates, any dissolution of Seller or its controlling affiliates, or any reorganization of one or more of Seller or its controlling affiliates; or (iii) any sale, transfer, issuance, or disposition of any equity securities or securities or instruments convertible or exchangeable for equity securities (collectively, "securities") of Seller or its controlling affiliates in which the holders of all of the securities that may be entitled to vote for the election of any member of a board of directors or similar governing body of Seller or such controlling affiliate immediately before such transaction(s) hold less than fifty percent (50%) of the securities that may be entitled to vote for the election of any such member in such entity immediately following such transaction(s). Seller shall notify Buyer in writing of any Change of Control no later than seven (7) calendar days prior to the effective date of the Change of Control. Buyer will have sixty (60) calendar days from the date that Buyer receives written notice to notify Seller in writing of its decision to terminate the Order for Buyer's convenience. The effective date of the termination will be no sooner than thirty (30) calendar days after the effective date of the termination notice.

#### **21. INDEMNIFICATION:**

(a) Seller shall defend, indemnify, and hold harmless Buyer, its officers, directors, customers, agents, employees, successors, and assigns against any and all claims, actions, awards, liabilities, damages, losses, and expenses, including attorneys' fees, expert fees, and court costs, arising out of or relating to: (i) Seller's breach of any warranty contained in the Order; (ii) death, personal injury, destruction or damage to real or tangible personal property, or contamination of the environment and any associated clean-up costs, caused or contributed to by Seller or Seller's agents, subcontractors, employees, or anyone acting on behalf of Seller; (iii) Seller failing to satisfy the Internal Revenue Service's guidelines for an independent contractor; (iv) any negligent act or omission or willful misconduct of Seller or any of Seller's agents, subcontractors, employees, or anyone acting on behalf of Seller; (v) the violation by Seller or Seller's personnel of any applicable federal, state, or local law, including but not limited to export control, hazardous substance, toxic substance, and hazardous conditions laws; (vi) the breach by Seller or Seller's personnel of its confidentiality, data security, or privacy obligations hereunder; (vii) any employment-related claims, including those arising from Worker's Compensation or Occupational Disease law, brought by Seller's personnel against any indemnified party of Buyer; and (viii) Seller's failure to keep its work, all Items supplied by Seller hereunder, and Buyer's premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance by Seller or by any of its vendors or subcontractors.

(b) Except to the extent that the Government assumes liability therefor, Seller shall defend, indemnify, and hold harmless Buyer, its officers, directors, customers, agents, employees, successors, and assigns from all claims, actions, awards (including but not limited to awards based on infringement of patents known at the time of such infringement, exceeding actual damages and/or including attorneys' fees and/or costs and claims based on Generative AI Items or Services delivered by Seller), liabilities, damages, losses, and expenses, including attorneys' fees, expert fees, and court costs, arising out of or relating to the actual or alleged infringement or misappropriation of a third party's patent, copyright, trademark, trade secret, or other intellectual property right. Seller's infringement indemnification obligation does not apply: (i) to the extent the infringement claim arises from Seller's adherence to Buyer's written instructions or direction which involves the use of other than items or merchandise of Seller's origin, design, or selection; or (ii) where Seller's Item has been modified by anyone other than Seller and the infringement or claim of infringement arises as a result of such modification. Seller's infringement indemnification obligation shall be excluded from any limitation of liability.

(c) If the Items or Services become or are likely to become the subject of an infringement claim, then, in addition to defending the claim and paying any damages and attorneys fees as required above, Seller shall, at its option and expense, either: (i) promptly replace or modify the Item or Service, without loss of material functionality or performance, to make it non-infringing; or (ii) promptly procure for Buyer the right to continue using the Items or Services pursuant to the Order. If after using all commercially reasonable efforts Seller fails to provide one of the foregoing remedies within forty-five (45) calendar days of notice of the claim, Buyer shall have the right to terminate the Order with no further liability to Seller, and Seller shall refund to Buyer all amounts paid for the infringing Items or Services.

(d) Buyer shall provide Seller with prompt written notice of any indemnified claim, permit Seller to control the defense and settlement of such claim, and reasonably cooperate and assist Seller in connection with the defense and settlement of such claim, provided that all settlements shall require Buyer's prior written approval. Seller shall regularly update Buyer on the status of the defense and settlement, including providing copies of documents and materials associated with the defense and settlement. Seller agrees to pay or reimburse all costs that Buyer may incur in enforcing Seller's indemnification obligations, including attorneys' fees.

**22. LIENS AND ENCUMBRANCES:** Seller shall keep its work, equipment, Materials, all Items supplied hereunder, and Buyer's premises free and clear of all liens, security interests, and encumbrances, including mechanic's liens, in any way arising from performance of the Order by Seller or any of its agents or subcontractors. As a condition of final payment, Seller may be required by Buyer to provide a satisfactory release of liens with reasonable evidence that all services, labor, materials, and equipment have been paid in full. All property belonging to Buyer or Buyer's customer in Seller's custody or possession shall be at Seller's risk from loss or damage.

**23. INSPECTION OF RECORDS:** Buyer and Buyer's customer, including the Government and regulatory authorities, shall have the right to audit and reproduce Seller's records in instances, including but not limited to: (i) in the event of cancellation, termination, or default; (ii) in connection with any equitable adjustment request; (iii) to properly reflect all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of the Order; (iv) where the terms of the Order or applicable law, regulation, or standard entitle Buyer and/or Buyer's customer to audit Seller's records or facilities, including the records or facilities of Seller's assignees and subcontractors, if any; (v) in connection with internal investigations of alleged violations of applicable law, including but not limited to the U.S. Foreign Corrupt Practices Act; or (vi) any litigation. Seller shall keep reasonably detailed records of all costs of the performance of the Order for a period of no less than six (6) years from the date of final payment or expiration of any Item warranty or support, whichever is later. Seller shall provide Buyer, Buyer's customer, and regulatory authorities access to all applicable records and all facilities associated with the Order. Should an inspection reveal that Seller has overcharged Buyer, whether intentionally or inadvertently, then Buyer shall be entitled to a refund in the amount of the overcharge, plus ten percent (10%) of the overcharge. In the event of an overcharge in excess of five percent (5%) of the amounts actually due Seller hereunder, Seller shall reimburse Buyer for the reasonable cost of the inspection.

**24. OFFSETS AND INDUSTRIAL PARTICIPATION:** When Buyer has identified an offset obligation directly related to the performance of the Order in its solicitation or in relation to any properly enacted modification, and Seller's performance of the Order generates offset credits which Buyer could use to satisfy that identified offset obligation, then Buyer shall have the right to such Seller offset credits. Buyer retains the right to assign any such offset or countertrade credits to third parties. Seller shall include this Article, for the benefit of Buyer, in all lower-tier purchase orders and subcontracts awarded in the performance of the Order. Seller shall maintain a record of its purchases under the Order, and Buyer reserves the right to review such record not more often than every six (6) months to determine offset

availability. Buyer shall have no rights to any other offset credits that may be generated by Seller in connection with the Order. Seller agrees to provide all reasonably necessary information in such form as may be required to enable Buyer to obtain the aforementioned offset credits.

**25. EXPORT CONTROL COMPLIANCE:** Seller agrees to comply with all applicable import, export, and economic sanctions laws and regulations, including those of the United States and other applicable foreign jurisdictions. Within thirty (30) calendar days of contract award or prior to receipt by Buyer, whichever comes first, Seller shall provide Buyer with all applicable trade control classification information, including the commodity jurisdiction, classification, and required customs information, for all Items and data supplied to Buyer. For the purpose of this Export Control Compliance Article, “data” means information in an electronic form and includes but is not limited to technical data (as defined in 22 C.F.R. § 120.33), technology (as defined in 15 C.F.R. § 772.1), and source code (as defined in 15 C.F.R. § 772.1). The requirements and obligations of this Export Control Compliance Article are material terms of the Order.

(a) ITAR and EAR.

1) Seller is hereby notified that certain articles, software, data, and/or services provided by Buyer for purposes of the Order may be subject to the International Traffic in Arms Regulations (“ITAR”) (22 C.F.R. parts 120-130) or the Export Administration Regulations (“EAR”) (15 C.F.R. parts 730 et seq.). In addition, Seller is hereby notified that articles, software, data, and/or services that are designed, developed, modified, adapted, or configured from articles, software, data, and/or services provided by Buyer may also be subject to the ITAR or EAR. Buyer shall provide written notice to Seller of the export control status (i.e., jurisdiction and classification) of all articles, software, data, and/or services provided by Buyer to Seller prior to providing access.

2) Seller shall not transfer or provide access to any ITAR-controlled or EAR-controlled articles, software, data, or technology provided by Buyer to any non-U.S. persons or foreign nationals, including foreign national employees of U.S. companies, foreign companies, or other entities, whether located in the U.S. or not, without Buyer’s prior written consent and proper export license or other approval from the Government.

3) If Seller is a manufacturer and/or exports ITAR-controlled articles or services, Seller represents that it is duly registered with the U.S. Department of State and shall maintain its registration for the duration of the Order, in accordance with 22 C.F.R. Part 122. Non-U.S. companies shall be registered as required under applicable foreign government export regulations.

4) Seller represents that it is knowledgeable of the requirements contained in 22 C.F.R. Part 130. To the extent Seller meets the definition of “supplier” or “vendor” in 22 C.F.R. Part 130, Seller shall comply with Buyer’s request to provide information regarding fees, commissions, or political contributions to Buyer as set forth in 22 C.F.R. § 130.10 and 22 C.F.R. § 130.12. If Buyer does not request such information from Seller but Seller nonetheless has made or offered or agreed to make fees, commissions, or political contributions that are within the scope of 22 C.F.R. Part 130, Seller shall proactively disclose such information to Buyer within fifteen (15) calendar days after Seller has made the offer, agreement, or payment, whichever comes first.

(b) Domestic Data Hosting. If Seller will host, receive, or otherwise access Buyer’s software or data, Seller shall ensure that Buyer’s software or data will remain in the United States and accessible by only U.S. Persons (as defined in 22 C.F.R. § 120.62).

(c) Anti-Boycott Laws and Regulations. Seller shall comply with any applicable anti-boycott laws and regulations. Seller warrants to Buyer that it does not and shall not participate in or comply with any boycott request or engage in any restrictive trade practices in contravention of any applicable law or regulation.

(d) Notice Required. Seller shall promptly notify Buyer’s Procurement Representative in writing of any changed circumstances that could affect Seller’s performance under the Order, including but not limited to revocation of export privileges, whether in whole or in part, or a violation or potential violation of applicable export regulations if the violation or potential violation relates or could relate to any of Buyer’s articles, software, data, or services provided hereunder.

(e) OFAC Listed Person. Seller warrants that it is not (i) a Specially Designated National or Blocked Persons pursuant to the lists published by the U.S. Office of Foreign Assets Control (“OFAC Listed Person”), or (ii) a department, agency, or instrumentality of, or otherwise controlled by or acting on behalf of any OFAC Listed Person or the government of a country subject to comprehensive U.S. economic sanctions administered by OFAC. Seller further warrants that it will provide immediate written notice to Buyer if it becomes subject to either of the foregoing.

(f) Consolidated Screening List. Seller shall not engage in unauthorized transactions involving the articles, software, technology, or services provided hereunder, to or from, with persons or entities identified on any U.S. government screening list, including but not limited to those identified on the U.S. government’s Consolidated Screening List. Seller also agrees to comply with any foreign jurisdiction regulations involving denied or restricted persons or entities.

(g) Imports Appearing on the U.S. Munitions Import List. If performance under the Order requires Seller to permanently import into the U.S. articles enumerated on the Bureau of Alcohol, Tobacco & Firearms (“BATF”) U.S. Munitions Import List, Seller shall not permanently import such items into the U.S. without an approved import permit pursuant to 27 C.F.R. Part 447, unless an exemption applies. Additionally, if Seller is engaged in importing articles appearing on the U.S. Munitions Import List into the U.S., Seller shall maintain active registration with BATF pursuant to 27 C.F.R. Part 447.

(h) Items Requiring Approved BATF Permits. If performance under the Order requires Seller to export from the U.S. items defined in 27 C.F.R. Part 479, Seller shall not export such items from the U.S. without an approved export permit issued by BATF. Seller shall also obtain an approved export license issued by the DDTC as required by the ITAR.

(i) Record Keeping. Seller shall bear sole responsibility for all regulatory record keeping associated with the use of import and export licenses and license exceptions or exemptions and produce its applicable authorizations to Buyer upon written request.

**26. CUSTOMS:**

(a) Credits and Refunds. All transferable credits or benefits associated with or arising from Items purchased under the Order, export credits, or rights to the refund of duties, taxes, or fees (collectively, “trade credits”) belong to Buyer.

(b) Documentation.

(i) For any shipments to be imported by Buyer, Seller shall notify Buyer’s Procurement Representative in writing five (5) business days in advance of such shipments. Such notification shall include a copy of the commercial invoice and packing list required by this provision and any other information that Buyer reasonably requests.

(ii) Seller shall forward copies of its shipping documents and any applicable certificates via email to Buyer so that Buyer may facilitate Customs clearance. These documents shall include:

- (1) Commercial shipping invoice in accordance with 19 C.F.R. § 141.86;
- (2) Any benefit Buyer may receive from an applicable Free Trade Agreement or Special Trade Program supported by Seller’s certifications/statements of eligibility and qualification (e.g., United States-Mexico-Canada Agreement or IFTA certificates of origin); and



- (3) If using ocean transport: The Importer Security Filing (“ISF”) data elements in accordance with 19 C.F.R. Part 149 shall be provided to Buyer three (3) business days before the cargo is laden aboard the vessel at foreign port of departure. Seller shall be solely liable for any penalty or fine due to Seller’s failure to comply with the ISF requirement.
- (iii) For articles returned to Buyer after repair, Seller shall:
- (1) Obtain and comply with written instructions on returning the repaired article to Buyer before shipment and reference such instructions on shipping documents;
  - (2) Include a Foreign Repairer Certificate attesting to the work performed abroad in accordance with 19 C.F.R. § 10.8;
  - (3) Include a commercial invoice stating the reason for return. Items returned to Buyer after repair must include the hardware value in accordance with 19 C.F.R. Part 152, Subpart E. from the original sale of the item. Ex: “Hardware value for Customs purposes only: \$\_\_\_\_;”
  - (4) Include the cost of the repair (parts and labor) as a separate line item on the commercial invoice. Ex: “Repair value for Customs purposes only: \$\_\_\_\_;” and
  - (5) For repair work done under warranty, include the cost of repair. Ex: “WARRANTY repair value for Customs purposes only: \$\_\_\_\_.”
- (iv) For articles returned with a Department of State license, Seller shall indicate the license number on the commercial invoice.
- (v) For articles returned under any ITAR exemption, Seller shall include the exemption citation on the commercial invoice in accordance with 22 C.F.R. § 123.4(d)(1)(i).
- (vi) For any duty free entries against a U.S. prime contract, Seller shall include the requirements of FAR 52.225-8, Duty Free Entry, and DFARS 252.225-7013, Duty Free Entry.
- (c) **Sources.** Upon Buyer’s written request, Seller shall provide a report of all sources outside the United States utilized by Seller or its suppliers and subcontractors in fulfilling the Order, including the names and locations of the sources and a description of the items or services obtained from such sources.
- (d) **Customs Trade Partnership Against Terrorism.** Seller acknowledges that Buyer is a certified Customs Trade Partnership Against Terrorism (“CTPAT”) member. Consistent with Buyer’s obligations and responsibilities under CTPAT, if Seller’s Items will be imported into the U.S. or Canada, Seller shall implement and maintain security measures that meet or exceed the CTPAT Program Minimum Security Criteria (MSC). At the time of Order execution, Seller shall provide one of the following documents, with a copy to CTPAT@l3harris.com, to verify compliance with CTPAT MSC requirements: (i) copy of Seller’s CTPAT certification; (ii) certification of Seller’s participation in an approved Authorized Economic Operator (AEO) program with a Mutual Recognition Arrangement (MRA) with the U.S.; (iii) written/electronic documentation from Seller’s corporate officer attesting to compliance; or (iv) a complete copy of Buyer’s CTPAT Supplier Supply Chain Security Questionnaire. Seller shall respond to supply chain risk assessments/questionnaires in a timely manner upon Buyer’s request and shall permit Buyer to visit, on a non-interference basis and once per year, Seller’s facilities to verify CTPAT MSC compliance.
- (e) This Customs Article shall survive five (5) years beyond completion or termination of the Order.

## **27. COMPLIANCE OBLIGATIONS:**

- (a) **General.** Seller shall comply with all applicable federal, state, and local laws, orders, rules, regulations, and ordinances, including any environmental, transportation, or employment regulations. Seller shall procure all required licenses and permits, pay all fees and other required charges, and comply with all applicable guidelines and directives of any local, state, and federal government authority. Unless otherwise specified in the Order, Buyer shall obtain all export licenses. If Buyer determines that Seller has violated any of Seller’s obligations, including but not limited to any obligations set forth in this Compliance Obligations Article, Buyer may, in its discretion, either terminate the Order and/or require Seller to implement a corrective action plan as a condition of continued or future business. Seller’s violation of any applicable law, rule, or regulation shall be a material breach of the Order.
- (b) **Reporting Obligations.** To the extent applicable, Seller shall provide to Buyer all Item content information required to satisfy both Buyer’s content reporting obligations and Buyer’s customers’ reporting obligations.
- (c) **Certificates.** Upon Buyer’s request, Seller shall furnish to Buyer or directly to Buyer’s customer, any certificate required to be furnished under these General Terms and Conditions, including the clauses set forth in Section II (FAR, DFARS, and NFS Clauses) and Section III (FAA AMS Clauses). A “certificate” may include any plan or course of action or record keeping function (e.g., a small business subcontracting plan for which flow down is required).
- (d) **Seller’s Business Systems.** For purposes of this Article, “Business Systems” means the following systems: material management and accounting, cost estimating, accounting, earned value management, property management, and purchasing. When Seller’s Business Systems are reviewed and audited by the Government, Seller shall promptly notify Buyer whenever there is a material change in the status of the Government’s audit findings or determination of adequacy of any of Seller’s Business Systems. If the Government observes a deficiency in Seller’s Business Systems that may result in Seller’s Business Systems and/or Buyer’s Business Systems being deemed inadequate, and if any of the deficient Business Systems produce data integral to the output of Buyer acting in its role as a contractor to the Government or to another prime contractor, then Seller shall be liable for and hold harmless Buyer from any loss, damage, or expense whatsoever that Buyer may suffer.
- (e) **Classified Information.** In the event the Order requires access to classified information, Seller, at its sole expense, shall comply with all U.S. laws and regulations related to such classified requirements, including obtaining all required authorizations from the U.S. pursuant to, among other requirements, those set forth in the National Industrial Security Program Operating Manual (“NISPOM”), 32 C.F.R. Part 117, and any specific agency supplements to the NISPOM or other classified requirements as directed by Buyer.
- (f) **U.S. Foreign Corrupt Practices Act.** Seller represents and warrants it shall: (i) comply with the requirements of the U.S. Foreign Corrupt Practices Act (“FCPA”) (15 U.S.C. §§ 78dd-1, et. seq., as amended), regardless of whether Seller 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 anti-bribery; and (iii) not interact with any government official, political party, or public international organization on behalf of Buyer without the prior written permission of the Buyer’s Procurement Representative. Breach of this provision (f) by Seller shall be irreparable material breach of the Order and shall entitle Buyer to terminate the Order immediately without compensation to Seller.
- (g) **No Gratuities.** No gratuities (in the form of entertainment, gifts, travel, or anything of value) or kickbacks shall be offered or given by Seller or by any agent, representative, affiliate, subsidiary, or subcontractor of Seller to any officer or employee of Buyer’s customer or Buyer. This restriction specifically prohibits the direct or indirect inclusion of any kickback amounts in any invoices or billings submitted under the Order or any other agreement with Buyer.
- (h) **No Child or Forced Labor.** Seller shall comply with all local, state, and national laws relating to the prohibition on child labor and indentured, prison, or compulsory labor. Seller shall comply with all applicable laws and industry standard relating to working hours, working conditions, and any collective bargaining agreements. Seller further agrees that, if requested by Buyer, it shall demonstrate compliance with all requirements in this paragraph to Buyer’s satisfaction. Buyer shall have the right to inspect any site of Seller for compliance with this paragraph. Seller shall include this provision in all its lower-tier subcontracts.

(i) **No Human Trafficking.** Seller shall comply with all applicable local, state, and national laws in the countries where Seller does business relating to the prohibition of slavery and human trafficking. Upon Buyer's request, Seller shall provide to Buyer a copy of its human trafficking compliance plan and/or other evidence of Seller's compliance with this provision. Seller shall include this provision in all its lower-tier subcontracts.

(j) **National Defense Authorization Act for Fiscal Year 2019 Section 889.** Buyer, as a Government contractor, is prohibited from using: (i) telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); (ii) video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities); (iii) telecommunications or video surveillance services provided by such entities or using such equipment; or (iv) telecommunications or video surveillance equipment or services produced or provided by an entity that is owned or controlled by, or otherwise connected to, the government of the People's Republic of China (collectively, "covered telecommunications equipment or services") as a substantial or essential component of any system or as critical technology as part of any system, regardless of whether the use is in performance of work under a federal contract. By acceptance of the Order, Seller represents and warrants that it: (1) does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services, as a substantial or essential component of any system or as critical technology as part of any system; and (2) will not provide covered telecommunications equipment or services to Buyer in the performance of the Order. In the event Seller identifies covered telecommunications equipment or services used as a substantial or essential component of any system or as critical technology as part of any system at any time during the proposal process or contract performance, or Seller is notified of such by a subcontractor at any tier or by any other source, Seller shall immediately notify Buyer and reasonably cooperate with Buyer's requests for supporting documentation and any resolution required by Buyer's customer. Seller shall include this provision in all lower-tier subcontracts. This prohibition and its related requirements are mandatory regardless of whether the Order is in support of a Government contract.

(k) **Prohibited Contracting.** For purposes of this Article, "Covered Entity" means Kaspersky Lab; any successor entity to Kaspersky Lab; any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or any entity of which Kaspersky Lab has a majority ownership. For purposes of this Article, "Covered Article" means any hardware, software, or service that is developed or provided by the Covered Entity, including any hardware, software, or service developed or provided in whole or in part by the Covered Entity, or any Item that contains components using any hardware or software developed, in whole or in part, by the Covered Entity. Seller is prohibited from providing any Covered Article in the performance of the Order. If Seller identifies that a Covered Article has been provided to Buyer under the Order, Seller shall immediately notify Buyer in writing of such event and discontinue use of the Covered Article under the Order. Seller shall, at Seller's cost, cooperate with Buyer to provide any requested information regarding the Covered Article and any mitigation efforts taken by Seller. Seller shall include this provision in all its lower-tier subcontracts.

(l) **Non-discrimination.** Buyer and Seller shall abide by the federal and state laws that prohibit discrimination on the bases of race, color, religion, sex, sexual orientation, national origin, disability, or veteran status.

(m) **Electrical Equipment Safety.** In compliance with the National Electrical Code (NEC) Article 90.7, Seller shall provide evidence of certification by a Nationally Recognized Testing Laboratory (NRTL) such as Underwriter Laboratories (UL), Canadian Standards Association (CSA), or equivalent for all Electrical Equipment. This requirement may be met via a visible label on the product or a certification document. For purposes of this Article, "Electrical Equipment" is defined as any Items that plug into a power grid either direct wired or by an electrical cord.

(n) **Asbestos.** Seller represents and certifies that Items are (i) completely free of asbestos and (ii) not produced in a facility that also produces goods containing asbestos even if those asbestos containing goods are for other customers. Seller shall include this provision in all its lower-tier subcontracts.

(o) **Russian Iron and Steel.** Seller represents and certifies that neither Seller nor any supplier at any tier supplies or provides Items containing or incorporating any iron or steel products originating in or sourced from Russia. Seller shall include this provision in all its lower-tier subcontracts.

**28. CYBER SECURITY AND INCIDENT REPORTING:** Seller shall comply with the following:

(a) "Buyer Data" means all data, content, materials, Confidential Information, and other information provided by Buyer to Seller or otherwise transmitted to Seller for use in connection with the Items and Services. Seller shall establish and maintain environmental, safety, and facility procedures, data security procedures, and other safeguards to protect against the destruction, corruption, loss, or alteration of Buyer Data and to prevent access, intrusion, alteration, or other interference by any unauthorized third parties of the same, that are: (i) no less rigorous than those maintained by Seller for its own information or the information of its customers of a similar nature and scope; (ii) no less rigorous than the accepted practices in the industry; and (iii) no less rigorous than those required by applicable data security and privacy statutes and regulations. Seller shall maintain Buyer Data as Confidential Information as defined by the Confidentiality Article. Seller shall (1) not "sell" (as defined at Cal. Civ. Code § 1798.140(ad), as it may be amended) Buyer Data; (2) not use, disclose, or retain Buyer Data for purposes other than providing Items and performing Services for Buyer or to comply with applicable law; and (3) ensure that its subcontractors are restricted from using or retaining Buyer Data other than for purposes of providing Items and performing Services for Buyer or to comply with applicable law. Seller shall not de-identify, aggregate, redact, create derivative data, or otherwise process Buyer Data for Seller's purposes other than as required to provide Items and perform Services for Buyer. In the course of furnishing the Services, Seller shall not access, and shall not permit its personnel or entities within its control to access, Buyer's electronic communication systems, networks, or computers without Buyer's written authorization.

(b) Seller shall protect the confidentiality, authenticity, and integrity of Buyer Data by protecting the transmission of electronic messages from unauthorized access or modification. Seller shall appropriately and effectively encrypt Buyer Data transmitted over public networks, stored on Seller portable devices, and at rest in any hosting system by using the most current industry standard security algorithm or cryptography validated by the current FIPS 140 standard and an appropriate encryption strength. Seller shall take all reasonable measures to secure and defend its location and equipment against "hackers" and others who may seek, without authorization, to modify or access Seller's systems or the information found therein. Seller shall periodically test its systems for potential areas where security could be breached and remediate any medium or high risk issues and critical gaps. Seller shall promptly report cyber incidents to Buyer at SOCC@l3harris.com and, if applicable, the DoD at <https://dibnet.dod.mil> and provide the information required under DFARS 252.204-7012 (Safeguarding Covered Defense Information and Cyber Incident Reporting) and as reasonably requested by Buyer. Without exception, Seller shall report to Buyer any breach of Seller's data security procedures that result in any actual or threatened loss, corruption, or alteration of Buyer Data within seventy-two (72) hours of Seller's discovery of the incident. In such an instance, in addition to Seller's other obligations under the Order or under any law or regulation, Seller shall, at Seller's cost, (i) use all reasonable and necessary efforts to investigate, contain, and promptly remedy any such breach; (ii) fully cooperate with Buyer in resolving such breach; and (iii) mitigate any actual and all reasonably foreseeable potential damage from such breach. Seller's failure to report any cyber incident in accordance with this Article shall be a material breach of the Order. In the event of a data breach, Seller shall provide (or cause its applicable sub-tier suppliers to provide) Buyer with all access to certain technical information (e.g., logs, packet flow information, etc.) needed to satisfy information requests from Buyer or Buyer's customer. Seller shall encrypt emails to Buyer regarding cyber incidents using industry standard encryption methods.

(c) If Seller is utilizing any artificial intelligence in connection with this Order, Seller shall not use Buyer Data to train or feed any artificial intelligence model(s), nor shall Seller store any Buyer Data in such a way that Buyer Data could be accessible to the artificial intelligence model or searches.

(d) Should Buyer elect to utilize supplier checklists, representations or certifications of compliance, outside vendor verification, or onsite security audits, Seller shall support these efforts as required to meet the continuing needs of Buyer or Buyer's customer.

(e) Seller shall submit to and comply with any cyber security assessments performed or requested by the DoD as further described in DFARS 252.204-7019 (Notice of NIST SP 800-171 DoD Assessment Requirements) and DFARS 252.204-7020 (NIST 800-171 DoD Assessment Methodology) and report such results as required by the DFARS clauses.

## **29. ETHICAL STANDARDS OF CONDUCT:**

(a) Buyer is committed to conducting its business fairly, impartially, ethically, and properly and expects Seller to do the same. Seller shall have (or shall develop) and adhere to a code of ethical standards equivalent to Buyer's Supplier Code of Conduct (available at: <https://www.l3harris.com/supply-chain>) or comply with Buyer's Supplier Code of Conduct. If Seller reasonably believes or suspects that Buyer or any employee or agent of Buyer has behaved improperly or unethically under the Order, Seller shall report such behavior to the Buyer's Procurement Representative or the appropriate Buyer points of contact set forth in Buyer's Supplier Code of Conduct. Seller's employees shall conduct company business with integrity and maintain a high standard of conduct in all business-related activities. Seller shall include this Ethical Standards of Conduct Article in all of its lower tier subcontracts.

(b) Seller acknowledges and agrees it is neither obligated nor expected to deliver or provide Items or perform work that will create an Organizational Conflict of Interest ("OCI") for Seller per FAR Subpart 9.5 (Organizational and Consultant Conflicts of Interest) that could serve as a basis for excluding Seller from supplying products or services to the Government. Seller shall notify to Buyer in writing of any situation in which an actual OCI or potential for an OCI exists, including without limitation a relationship of any nature which may affect or which may reasonably appear to affect Seller's objectivity or ability to perform the work, as soon as Seller identifies or discovers such situation. Seller's failure to promptly notify Buyer of an actual or potential OCI shall be a material breach of the Order.

(c) As required by FAR Section 3.104 (Procurement Integrity), Seller certifies no person it uses to provide any Item or perform any Service under the Order has any legal restrictions as a result of Government service (e.g., post-employment restrictions related to representing a company to the Government) that would prevent such person from reasonably performing the work contemplated in the Order.

**30. CONFLICT MINERALS:** Upon any request by or on behalf of Buyer, Seller shall: (i) conduct a reasonable country of origin due diligence inquiry in accordance with the framework in the Organization for Economic Cooperation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or other prevailing industry standard; and (ii) identify to Buyer, within thirty (30) calendar days after the request, to the best of its knowledge and belief the origin, source, and chain of custody information of tin, tantalum, tungsten, and gold ("3TG") minerals necessary to the functionality or production of a product manufactured by Seller. Seller shall promptly notify Buyer when Seller becomes aware that any 3TG minerals in an Item it supplies to Buyer finance or benefit armed groups in the Democratic Republic of Congo or an adjoining country. Seller understands and acknowledges that any information Seller provides may be used by Buyer to comply with its reporting obligations under the Rule 13p-1 of the Securities and Exchange Act of 1934, as amended and the Dodd-Frank Wall Street Reform and Consumer Protection Act, including filing a Form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission.

## **31. ASSIGNMENT AND SUBCONTRACTING:**

(a) Seller shall not transfer, novate, assign, or delegate the Order, any interest therein, or any claim hereunder without Buyer's prior written consent. Lack of consent shall not be deemed as a waiver or otherwise relieve Seller of its obligations to comply fully with the requirements hereof. Seller shall promptly notify Buyer in writing of any organizational changes made by Seller, including name, ownership changes, mergers, or acquisitions as set forth in the Change of Control Article, and any changes made to Seller's strategic suppliers or the location or identity of Seller's manufacturers.

(b) Seller shall not subcontract the Order, in whole or in part, without Buyer's prior written authorization. Seller shall require Buyer-authorized subcontractors to (i) comply with all confidentiality requirements of the Confidentiality Article and any NDA between Buyer and Seller; and (ii) enter into separate NDAs with Buyer consistent with the confidentiality requirements in the Order. Seller shall require all authorized subcontracts to commit to providing conforming performance, and Seller shall be and remain responsible to Buyer for (i) the performance of all work, including Services performed or Items provided by Seller's subcontractors, and (ii) the acts and omissions of Seller's subcontractors in connection with the performance or provision of any work under the Order.

## **32. GOVERNING LAW AND DISPUTES:**

### **(a) Governing Law and Disputes.**

(i) The Order, irrespective of the place of performance, shall be governed by, subject to, and construed in accordance with the laws of the State of Florida, without regard to its conflict of law provisions, except that any provision in the Order that is (i) incorporated in full text or by reference from the FAR; (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR; or (iii) 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. The provisions of the United Nations Convention on the International Sale of Goods shall not apply to the Order. The Parties agree that any and all disputes, claims, or litigation arising from or related in any way to the Order shall be resolved exclusively by the courts in Brevard County, Florida, and each Party waives any objections against and agrees to submit to the personal jurisdiction of such state and federal courts, including objections or defenses based upon an inconvenient forum. **THE PARTIES HEREBY AGREE TO WAIVE THEIR RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE ORDER OR THE SUBJECT MATTER HEREOF.**

(ii) Any disputes under the Order that are not disposed of by mutual agreement of the Parties may be decided in an action at law or in equity. Until final resolution of any dispute hereunder, Seller shall diligently proceed with performance of the Order as directed by Buyer. Buyer and Seller shall each bear its own costs of processing any dispute hereunder. In no event shall Seller acquire any direct claim or direct course of action against the Government, and with respect to any potential claims against the Government, Seller shall follow the procedures outlined in paragraph (b) below.

(iii) The rights and remedies herein reserved to Buyer shall be cumulative and additional to any other or further rights and remedies provided in law or equity. Subject to any specific clauses in the Order, Seller shall be liable for any damages incurred by Buyer as a result of Seller's failure to perform its obligations in the manner required by the Order.

### **(b) Claim Sponsorship.**

(i) As used here, the word "appeal" means an appeal taken under the Contract Disputes Act of 1978 ("CDA") (41 U.S.C. §§ 7101-7109-1, as amended). Any decision of the Contracting Officer under Buyer's prime contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to the Order; provided that: (1) Buyer notifies Seller of such decision with reasonable promptness; (2) Buyer, in its sole discretion, authorizes Seller in writing to appeal such decision in Buyer's name but at Seller's expense in accordance with the requirements set forth in this paragraph; and (3) if Buyer should appeal such decision, Buyer, in its sole discretion, offers Seller the opportunity at its own expense to join Buyer in such appeal. Any decision upon such appeal, when final, shall be binding upon Seller. Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer. If Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misinterpretation of fact on the part of Seller, then Seller shall indemnify, defend, and hold harmless Buyer from any and all liability of any kind incurred by or imputed to Buyer under Section 7103(c) (Fraudulent Claims) of the CDA. Nothing in this provision nor

any authorization or offer shall be deemed to constitute acceptance or acknowledgement by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.

(ii) Seller claims resulting from Government acts or omissions:

1) In the case of any claims by Seller that the Parties agree result from the acts or omissions of the Government in connection with work performed under an Order, including changes authorized or required under the Buyer's prime contract, Buyer agrees, after review and determination that such claims are submitted in good faith, to sponsor Seller claims before the Government. Seller shall prosecute such claims in Buyer's name, in accordance with the terms of the Disputes Clause in the prime contract. Seller shall only submit claims in good faith and in accordance with applicable law and regulation.

2) In the case of any sponsored claim covered by paragraph (ii)(1) above, Seller shall be bound by the procedure and final determinations specified in the Disputes Clause of Buyer's prime contract, shall not take any other action or actions with respect to any such claims and shall pursue no independent litigation with respect thereto, other than to avail itself of any appellate procedures available under the CDA. Seller shall not be entitled to receive any greater amount from Buyer than Buyer receives from the Government on account of Seller's claim(s), less any costs incurred by Buyer, and Seller shall accept such amount, if any, as a full accord and satisfaction of all such claims against the Government, and Buyer shall have no further liability or obligation to Seller for such claims.

3) The terms of this provision shall be Seller's sole and exclusive remedy with regard to claims resulting from the acts or omissions of the Government in connection with an Order, provided however that if for any reason Buyer refuses to sponsor Seller's claim brought in good faith, or fails to cooperate with Seller in the prosecution of any such claim, Seller reserves its rights with respect to Buyer under the Governing Law and Disputes Article of this Order.

(iii) Government claims alleging Seller responsibility: If the Government makes any claims that are alleged to result directly from Seller's acts or omissions in connection with work performed under an Order, and those claims are not disposed of by agreement, Seller shall defend such claims at its own cost, in Buyer's name, and keep Buyer apprised of the status of such claims.

(iv) Cooperation in prosecuting or defending claims: Buyer and Seller shall cooperate fully in prosecuting or defending all claims brought under this Claim Sponsorship Article. Seller shall have full responsibility for preparing and presenting such claims. Buyer shall provide reasonable assistance as requested by Seller to enable Seller to prosecute or defend such claims in Buyer's name, subject to Seller's reimbursement of Buyer's actual, reasonable, out-of-pocket costs and expenses relating to the claim (e.g., travel costs, attorneys' and consultants' fees). In its sponsorship of Seller's claims, Buyer will follow all relevant procedural rules to enable the claim to proceed.

(v) If Seller is unable to support any part of a claim contemplated under this Claim Sponsorship Article and it is determined that Seller's fraud or misrepresentation of fact caused or contributed to such inability, then Seller shall indemnify, defend, and hold harmless Buyer from any and all liability of any kind incurred by or imputed to Buyer under Section 7103(c) (Fraudulent Claims) of the CDA. Nothing in this Article nor any authorization or offer shall be deemed to constitute Buyer's acceptance or acknowledgement of the validity of Seller's claim or any part thereof, nor to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.

**33. NOTICES:** All notices permitted or required under the Order shall be in writing to the address in the Order, unless otherwise specified, and shall be by personal delivery, a nationally recognized overnight carrier, or certified or registered mail, return receipt requested.

**34. RELATIONSHIP OF THE PARTIES:**

(a) Seller's relationship to Buyer in the performance of the Order is that of an independent contractor, and nothing herein contained shall be construed as creating any employer/employee, agency, partnership, joint venture, teaming, or other relationship of any kind. Under no circumstance shall Seller be deemed an agent or representative of Buyer or authorized to commit Buyer in any way.

(b) Buyer shall be solely responsible for all liaison and coordination with Buyer's customer as it affects the applicable Government Contract, customer contract, the Order, and any related order or agreement. Unless otherwise directed in writing by the Buyer's Procurement Representative, all documentation requiring submittal to, or action by, the Government or the Contracting Officer shall be routed to the Buyer's Procurement Representative, unless otherwise permitted by the Order. This Article does not prohibit Seller from communicating with the Government regarding (i) matters Seller is required by law or regulation to communicate to the Government, (ii) fraud, waste, or abuse communicated to a designated investigative or law enforcement representative of a federal department or agency authorized to receive such information, or (iii) any matter for which the Order, including a FAR, DFARS, NFS, or FAA AMS clause included in the Order, provides for Seller's direct communication to the Government.

**35. CONFIDENTIALITY:** The obligations in this Confidentiality Article apply to the extent the Parties have not executed an NDA applicable to the work under the Order. If the Parties have executed an NDA applicable to the work under the Order, the terms and conditions of the NDA control and take precedence over this Confidentiality Article, except as specified below.

(a) During the course of the Order, Buyer may disclose to Seller certain non-public information or materials relating to Buyer's products, intellectual property, business, business plans, marketing programs and efforts, customer lists, customer information, financial information, and other confidential information and trade secrets that is identified or labeled as "proprietary" or "confidential" ("Confidential Information"). Confidential Information does not include information that: (i) is or becomes publicly available through no breach by Seller of the Order; (ii) was previously known to Seller prior to the date of disclosure, as evidenced by contemporaneous written records; (iii) was acquired from a third party without any breach of any obligation of confidentiality; or (iv) was independently developed by Seller without reference to Buyer's Confidential Information.

(b) To the extent Confidential Information is required to be disclosed pursuant to a subpoena or other similar order of any court or government agency, Seller, upon receiving such subpoena or order, shall (i) promptly inform Buyer in writing and provide a copy thereof, (ii) cooperate with Buyer in limiting disclosure of Buyer's Confidential Information, and (iii) shall only disclose that Confidential Information necessary to comply with such subpoena or order. Seller will not use or disclose any Buyer Confidential Information without Buyer's prior written consent, except disclosure to and subsequent uses by Seller's authorized employees or agents (legal counsel, insurers, and similar third parties, excluding third party subcontractors) on a need-to-know basis for performance of the Order, provided that such employees or agents have executed written agreements restricting use or disclosure of such Confidential Information that are at least as restrictive as Seller's obligations under this Confidentiality Article.

(c) Subject to the foregoing nondisclosure and non-use obligations, Seller agrees to use at least the same care and precaution in protecting such Confidential Information as Seller uses to protect its own Confidential Information, and in no event less than reasonable care. Seller acknowledges that due to the unique nature of Buyer's Confidential Information, Buyer will not have an adequate remedy in money or damages in the event of any unauthorized use or disclosure of its Confidential Information. In addition to any other remedies that may be available in law, in equity or otherwise, Buyer shall be entitled to seek injunctive relief to prevent such unauthorized use or disclosure. In any action for equitable relief, the Parties agree to waive any requirement for the posting of a bond or security. On Buyer's written request or upon expiration or termination of the Order for any reason, Seller will promptly return or destroy, at Buyer's option, all originals and copies of Buyer's Confidential Information, including



all documents and materials it has received containing such Confidential Information, together with all summaries, records, modifications, adoptions and other documents containing or prepared from Buyer's Confidential Information.

(d) Additionally, notwithstanding anything to the contrary in any NDA, the Parties agree to the following:

(i) Seller may disclose Buyer's Confidential Information to subcontractors, to the extent required to perform the Order, provided that such Subcontractors have undertaken written obligations to protect Buyer's Proprietary Information in a manner at least as protective as the provisions of this Confidentiality Article, and Seller shall be liable for any unauthorized use of Buyer's Confidential Information by such subcontractors.

(ii) Buyer may disclose Seller's Confidential Information to Buyer's customer and the Government as necessary to perform Buyer's customer contract if the disclosure bears the appropriate restrictive legend and proprietary information notice permitted by the applicable Government regulations related to the protection of proprietary information. Seller shall ensure that Seller's Confidential Information complies with all special marking requirements required by applicable Government regulations in order to protect such information disclosed to the Government.

**36. NO PUBLICITY:** Seller shall not make any media release or other public announcement relating to or referring to the Order without Buyer's prior written consent. Seller shall acquire no right to use, and shall not use or disclose, without Buyer's prior written consent, the terms or existence of the Order or the names, trade names, trademarks, service marks, artwork, designs, or copyrighted materials of Buyer: (a) in any advertising, publicity, press release, customer list, presentation, or promotion; (b) to express or to imply any endorsement by Buyer of Seller or Seller's Items or Services; or (c) in any manner other than expressly in accordance with the Order.

**37. NO WAIVER:** Buyer's failure to insist upon or enforce strict compliance by Seller with respect to any aspect of the Order shall not be deemed a waiver or relinquishment to any extent of any of Buyer's rights; rather, the same shall remain in full force and effect. Waiver of a right under the Order shall not constitute a waiver of any other right or waiver or default under the Order.

**38. SEVERABILITY:** If any part, term, or provision of the Order is found to be void, illegal, unenforceable, or in conflict with any law or regulation of the government having jurisdiction over the Order, that part will be enforced to the maximum extent permitted by law and the remainder of the Order will remain in full force. In the event that any part, term, or provision of the Order is found to be void, illegal, unenforceable, or in conflict with law, Seller agrees to negotiate a replacement provision, construed to accomplish its originally intended effect that does not violate such law or regulation.

**39. SURVIVABILITY:** All of the provisions of the Order shall survive the termination (whether for convenience or default), suspension, or completion of the Order, unless they are clearly intended to apply only during the term of the Order.

**40. ELECTRONIC TRANSMISSIONS:** The Parties agree that if the Order is transmitted electronically, neither Party shall contest its validity, or any acknowledgment thereof, on the basis that the Order contains an electronic signature.

**41. ENTIRE AGREEMENT:** The Order, including all exhibits, schedules, and attachments, contains the entire agreement of the Parties, and supersedes any prior negotiations, representations, and course of dealing, whether written or oral, between the Parties with respect to the subject matter hereof. The Order may be amended or supplemented only by a writing that refers explicitly to the Order and is signed by the Buyer's Procurement Representative and Seller.

**42. LIMITATION OF LIABILITY:** IN NO EVENT SHALL BUYER BE LIABLE TO SELLER OR TO ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, MULTIPLE OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE ORDER. IN NO EVENT SHALL THE TOTAL CUMULATIVE LIABILITY OF BUYER IN ANY CAUSE OF ACTION BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR THE PERFORMANCE OR BREACH OF THE ORDER OR ANYTHING DONE IN CONNECTION THEREWITH EXCEED THE ORDER PRICE. NOTWITHSTANDING ANYTHING ELSE IN THE ORDER TO THE CONTRARY, THE STATED MONETARY LIMITATION HEREINABOVE IS THE MAXIMUM LIABILITY BUYER HAS TO SELLER. TO THE EXTENT THAT THIS LIMITATION OF LIABILITY CONFLICTS WITH ANY OTHER PROVISION OF THE ORDER, THE PROVISION SHALL BE REGARDED AS AMENDED TO WHATEVER EXTENT REQUIRED TO MAKE SUCH PROVISION CONSISTENT WITH THIS LIMITATION OF LIABILITY.

**SECTION II – FAR, DFARS, AND NFS CLAUSES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**  
**APPLICABLE IF THE ORDER IS PLACED UNDER BUYER CONTRACT CONTAINING SUCH CLAUSES**

In addition to the clauses of Section I (Articles Applicable to All Orders), the following Federal Acquisition Regulation (“FAR”), Department of Defense FAR Supplement (“DFARS”), and NASA FAR Supplement (“NFS”) clauses (collectively, “USG Clauses”) shall apply to the Order as required by the terms of Buyer’s Government Contract, by operation of law or regulation, or by the terms of the specific clause. These USG Clauses are hereby incorporated by reference, as applicable, and in the manner set forth below, including any parenthetical information regarding applicability and bracketed information regarding modifications to the USG Clauses. For certain USG Clauses, Buyer has provided parenthetical language describing the circumstances in which the USG Clauses apply to the Order. This parenthetical language may not encompass all situations where the USG Clauses apply, and Seller is responsible for confirming whether the USG Clauses are applicable to the Order.

The effective version of the USG Clauses shall be the version in effect as of the date the Order is issued, unless a different version appears in Buyer’s Government Contract, in which case the version in Buyer’s Government Contract applies. The Parties hereby agree to amend this Section II (FAR, DFARS, and NFS Clauses) to include any additional or revised USG Clauses incorporated in Buyer’s Government Contract that are applicable to the performance of the Order. Seller shall flow down to its lower-tier subcontractors all applicable USG Clauses and any other requirements of the Order so to enable and ensure that Buyer and Seller comply with all applicable requirements of Buyer’s Government Contract.

In interpreting and applying USG Clauses flowed down to Seller, and as context requires, the terms “Contractor” and “Offeror” shall mean Seller, the term “Contract” shall mean the Order, and the term “Government”, “Contracting Officer” and equivalent phrases shall mean Buyer and/or the Buyer’s Procurement Representative. However, as an exception to the foregoing, the terms “Government” and “Contracting Officer” do not change in the following circumstances:

1. in the phrases “Government Property,” “Government-Furnished Property,” and “Government-Owned Property;”
2. in the Patent Rights clauses incorporated therein, if any;
3. when a right, act, authorization or obligation can be granted or performed only by the Government or a Contracting Officer or his/her duly-authorized representative;
4. when title to property is to be transferred directly to the Government;
5. when access to proprietary financial information or other proprietary data is required, except as otherwise provided in the Order; and
6. where specifically modified in the Order.

**1. FAR CLAUSES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**

The following FAR Clauses are hereby incorporated by reference, as applicable, and made a part of the Order:

52.203-12	Limitation on Payments to Influence Certain Federal Transactions (applies to Orders over \$150,000)
52.203-13	Contractor Code of Business Ethics and Conduct (applies to Orders over \$6M where the performance period is more than 120 days) [“Government” and “Contracting Officer” do not change; Disclosures made under this clause shall be made directly to the Government entities identified in the clause]
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (applies if the Order is funded in whole or in part with Recovery Act funds)
52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (applies to Orders expected to exceed the simplified acquisition threshold)
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
52.204-17	Ownership or Control of Offeror

52.204-21	Basic Safeguarding of Covered Contractor Information Systems (applies if the Order may result in Federal contract information residing in or transiting through Seller’s information system, unless Seller is furnishing commercially available off-the-shelf (COTS) items)
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities
52.204-24	Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment
52.204-26	Covered Telecommunications Equipment or Services–Representation (applies to solicitations)
52.204-27	Prohibition on a ByteDance Covered Application (applies to all Orders, unless an exception is granted in accordance with OMB Memorandum M-23-13)
52.204-28	Federal Acquisition Supply Chain Security Act Orders–Federal Supply Schedules, Governmentwide Acquisition Contracts, and Multi-Agency Contracts
52.204-29	Federal Acquisition Supply Chain Security Act Orders–Representation and Disclosures
52.204-30	Federal Acquisition Supply Chain Security Act Orders–Prohibition
52.209-6	Protecting the Government’s Interest When Subcontracting with Contractors Debarred, Suspended, Proposed for Debarment, or Voluntarily Excluded (applies to Orders that exceed \$35,000, unless the Order is for COTS items) [Seller shall furnish to Buyer the information required by para. (d)]
52.211-15	Defense Priority and Allocation Requirements (applies to Orders that contain a DPAS rating)
52.212-3	Offer Representations and Certifications, Commercial Items (DEVIATION FEB 2025) (This provision provides a single, consolidated list of representations and certifications for the acquisition of commercial items. Use the provision with its Alternate I in solicitations issued by DoD, NASA, or the Coast Guard)
52.212-5	Contract Terms and Conditions Required to Implement Statutes or Executive Orders – Commercial Items (DEVIATION FEB 2025)
52.219-8	Utilization of Small Business Concerns (applies to Orders that exceed the simplified acquisition threshold except when the Order and all subcontracts will be performed entirely outside the U.S. and its outlying areas)
52.219-9	Small Business Subcontracting Plan (applies to Orders over \$750,000 that include FAR 52.219-8 and offers subcontracting opportunities; does not apply to small business concerns; Alt II and Alt III apply if included in Buyer’s Government Contract)
52.222-3	Convict Labor (applies to Orders above the micro-purchase threshold, when the contract will be performed in the United States or its territories)
52.222-19	Child Labor-Cooperation with Authorities and Remedies (applies to all Orders expected to exceed the micro-purchase threshold except for end products mined, produced or manufactured in the listed countries and above the listed values)

52.222-35	Equal Opportunity for Veterans (applies to Orders over \$150,000, unless exempted by rules, regulations, or orders of the Secretary of Labor)	52.228-3	Workers' Compensation Insurance (Defense Base Act) (applies if the Order is subject to the Defense Base Act)
52.222-36	Equal Opportunity for Workers with Disabilities (applies to Orders that exceed \$15,000)	52.232-40	Providing Accelerated Payments to Small Business Subcontractors
52.222-37	Employment Reports On Veterans (applies to all Orders that exceed \$150,000 and contain the clause FAR 52.222-35)	52.240-1	Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities
52.222-40	Notification of Employee Rights Under the National Labor Relations Act (applies to Orders that will be performed wholly or partially in the United States, unless exempt by E.O. 13496)	52.242-5	Payments to Small Business Subcontractors (applies if the Order includes FAR 52.219-9)
52.222-41	Service Contract Labor Standards (applies if the Order is for services and is subject to the Service Contract Labor Standards statute)	52.245-1	Government Property (applies if Government property is furnished in the performance of the Order; Alt I and II apply if included Buyer's Government Contract)
52.222-50	Combating Trafficking in Persons (Alt I applies if included in Buyer's Government Contract)	52.245-9	Use and Charges (applies if the Order includes FAR 52.245-1)
52.222-54	Employment Eligibility Verification (applies to Orders over \$150,000 for work performed in the U.S., and is for services, except for commercial services that are part of the purchase of a COTS item, performed by the COTS provider, and are normally provided for that COTS item)	52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (Alt I applies if in Buyer's Government Contract) [in para. (c)(2)(i), change "20" to "10" and in para. (c)(2)(ii), change "30" to "20"]
52.222-55	Minimum Wages Under Executive Order 13658 (applies to Orders subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute and is to be performed in whole or in part in the United States)	<b>2. <u>DFARS CLAUSES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES</u></b>	
52.222-62	Paid Sick Leave Under Executive Order 13706 (applies if the Order is subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute and is to be performed in whole or in part in the United States)	If the Order identifies a DoD contract number, the following DFARS clauses, in addition to or in lieu of the FAR clauses set forth above, are hereby incorporated by reference, as applicable, and made a part of the Order:	
52.224-3	Privacy Training (applies to the Order if Seller employees will have access to a system of records, handle personally identifiable information, or design, develop, maintain or operate a system of records; Alt I applies if the agency specifies that only its agency-provided training is acceptable)	252.203-7002	Requirement to Inform Employees of Whistleblower Rights
52.225-1	Buy American Act – Supplies (applies to Orders that exceed the micro-purchase threshold, do not include FAR 52.225-3 or 225.4, and are not for supplies for use outside the U.S.)	252.203-7003	Agency Office of the Inspector General (applies to Orders that include FAR 52.203-13)
52.225-3	Buy American-Free Trade Agreements-Israeli Trade Act (applies to Orders valued between \$50,000 and \$174,000 to be performed within the United States and not involving information technology that is a commercial product; Alt I applies for acquisitions valued between \$50,000 and less than \$100,000, Alt II for those valued between \$100,000 and \$102,279; does not apply to acquisitions of arms, ammunition, or war materials, or purchases indispensable for national security or for national defense purposes)	252.204-7000	Disclosure of Information (applies when Seller will have access to or generate unclassified information that may be sensitive and inappropriate for release to the public) [Change "10" to "20" in para. (b)]
52.225-5	Trade Agreements	252.204-7009	Limitations on The Use or Disclosure of Third Party Contractor Reported Cyber Incident Information (applies to Orders for services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting)
52.225-13	Restrictions on Certain Foreign Purchases	252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting
52.225-26	Contractors Performing Private Security Functions Outside the United States (applies to Orders that will be performed outside the U.S. in areas of combat operations or other significant military operations)	252.204-7014	Limitations on the Use or Disclosure of Information by Litigation Support Contractors (applies if the Order involves litigation support services)
52.226-8	Encouraging Contractor Policies to Ban Text Messaging While Driving (applies to Orders that exceed the micro-purchase threshold)	252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support
52.227-1	Authorization and Consent (applies to Orders expected to exceed the simplified acquisition threshold only if in Buyer's Government Contract) [no substitution of parties for "Government" and "Contracting Officer" apply]	252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
52.227-9	Refund of Royalties (applies if the amount of royalties reported during negotiation of the subcontract exceeds \$250)	252.204-7019	Notice of NIST SP800-171 DoD Assessment Requirements (Not applicable to Orders for COTS items)
		252.204-7020	NIST SP 800–171 DoD Assessment Requirements
		252.204-7021	Cybersecurity Maturity Model Certification Requirements (Before September 30, 2025, this clause only applies if the requirement document or statement of work requires Seller to have a specific CMMC level. Not applicable to Orders for COTS items)
		252.209-7004	Subcontracting with Firms That Are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism (applies to Orders over \$150,000)
		252.211-7003	Item Unique Identification and Valuation (applies to Orders that require Items to contain unique item identification)

252.219-7003	Small Business Subcontracting Plan (DoD Contracts) (applies if Order includes FAR 52.219-9; Alt I applies if included in Buyer's Government Contract)	252.225-7059	Prohibition on Certain Procurements from the Xinjiang Uyghur Autonomous Region-Representation (applies if the solicitation includes DFARS 252.225-7060)
252.223-7002	Safety Precautions for Ammunition and Explosives (applies if Order involves furnishing of ammunition or explosives, including liquid and solid propellants)	252.225-7060	Prohibition on Certain Procurements from the Xinjiang Uyghur Autonomous Region (applies if included in the solicitation or prime contract)
252.223-7003	Change in Place of Performance—Ammunition and Explosives (applies if the Order is subject to mandatory safety requirements regarding arms, ammunition, and explosives)	252.225-7062	Restriction on Acquisition of Large Medium-Speed Diesel Engines
252.223-7008	Prohibition of Hexavalent Chromium (applies to Orders for supplies, maintenance or repair services, or construction materials)	252.225-7967	(Class Deviation 2024-O0006, Revision 1) Prohibition Regarding Russian Fossil Fuel and Fossil Fuel Business Operations (applies to Orders over the simplified acquisition threshold, including commercial products)
252.225-7001	Buy American and Balance of Payments Program (applies to Orders that exceed the micro-purchase threshold in lieu of FAR 52.225-1 if work contains other than domestic components) ["Government" is not changed in this clause]	252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises and Native Hawaiian Small Business Concerns (applies to Orders over \$500,000)
252.225-7002	Qualifying Country Sources as Subcontractors (applies to the Order if DFARS 252.225-7001, 252.225-7021, or 252.225-7036 apply)	252.227-7013	Rights in Technical Data—Other Than Commercial Products and Commercial Services Alt I applies in research Orders and if included in Buyer's Government Contract; Alt II applies to Orders related to vessel design) [Delete from para. (c)(1)(vi) "to the Contractor" and from para. (c) (1) (ix) "contract or" and "thereunder"; add "Buyer or" before "Government" in paras. (c) and (i); change the second and third occurrences of "Contracting Officer" to "Government" in para. (f) (4); add "and the Government" after "parties" in para. (i) (1); in para. (i) (2) change "sixty (60)" to "fifty (50)" days; no substitutions for "Government" are made]
252.225-7007	Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies (applies to Orders for Items covered by the United States Munitions List or the 600 series of the Commerce Control List)	252.227-7015	Technical Data—Commercial Products and Commercial Services (applies if Buyer will obtain technical data related to commercial products, commercial components, commercial services or commercial processes developed at private expense from Seller for delivery to the Buyer's customer; Alt I applies in Orders related to vessel design)
252.225-7008	Restriction on Acquisition of Specialty Metals (applies if the Order exceeds the simplified acquisition threshold and requires delivery of specialty metals as end items to the Government)	252.227-7016	Rights in Bid or Proposal Information (applies to Orders that include DFARS 252.227-7013 or 252.227-7014 and for SBIR/STTR Orders that include DFARS 252.227-7018) [No substitutions for "Government" or "Contracting Officer" are made]
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals (applies if Order exceeds the simplified acquisition threshold for delivery of aircraft, missile or space systems, ships, tank or automotive items, weapon systems, or ammunition and such Items or components contain specialty metals) [Exclude paras. (d) and (e)(1)]	252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions
252.225-7010	Commercial Derivative Military Article—Specialty Metals Compliance Certificate (applies to solicitations expected to exceed the simplified acquisition threshold that include DFARS 252.225-7009)	252.227-7019	Validation of Asserted Restrictions—Computer Software
252.225-7012	Preference for Certain Domestic Commodities	252.227-7037	Validation of Asserted Restrictions on Technical Data (applies if the Order includes DFARS 252.227-7013, 252.227-7014 or 252.227-7015 when the Seller will be required to deliver technical data and to SBIR/STTR Orders that include DFARS 252.227-7018) [In para. (b), "Contractor's" remains in the clause with a lower case "c", insert in paras (c) and (d)(1) "hereunder" after "subcontract"; change in paras (f) and (g) (2) (i) "this contract" to "the Government contract"; change in para. (i) "a contract" to "Buyer's Government Contract"; no substitutions for "Government" or "Contracting Officer" are made]
252.225-7017	Photovoltaic Devices	252.239-7010	Cloud Computing Services (applies if the Order involves or may involve using cloud computing to provide information technology services)
252.225-7019	Restriction on Acquisition of Anchor and Mooring Chain	252.239-7018	Supply Chain Risk (applies if the Order involves the development or delivery of any information technology that is a covered system, is a part of a covered system, or is in support of a covered system, as defined at DFARS 239.7301)
252.225-7021	Trade Agreements—Basic (applies in lieu of FAR 52.225-5 to Orders for end products under Buyer's Government Contract)	252.244-7000	Subcontracts for Commercial Products or Commercial Services
252.225-7039	Defense Contractors Performing Private Security Functions Outside the United States (applies to Orders when private security functions will be performed outside the United States in the areas of contingency operations, combat operations, other significant military operations as designated by the Secretary of Defense, peace operations, or other military operations or military exercises when designated by the Combatant Commander)	252.245-7003	Contractor Property Management System Administration (applies if the Order includes FAR 52.245-1)
252.225-7048	Export-Controlled Items	252.245-7005	Management and Reporting of Government Property
252.225-7052	Restriction on the Acquisition of Certain Magnets, Tantalum, and Tungsten (applies if Order is for items, including commercial products, containing a covered material and expected to exceed the simplified acquisition threshold, unless an exception in the clause applies) (does not apply when acquiring items outside the U.S. for use outside the U.S.)		
252.225-7056	Prohibition Regarding Business Operations with the Maduro Regime		



252.246-7003	Notification of Potential Safety Issues (applies if the Order is for parts identified as critical safety items; systems and subsystems, assemblies, and subassemblies integral to a system; or repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system) ["Government" does not change]	safety and health plan will be evaluated in source selection as approved by the source selection authority)
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System (applies if the Order is for electronic parts or assemblies containing electronic parts)	1852.225-70 Export Licenses (not applicable to Orders with foreign entities)
252.246-7008	Sources of Electronic Parts (applies to Orders for electronic parts or assemblies containing electronic parts or for services where the Seller will supply electronic parts or components, parts, or assemblies containing electronic parts as part of the service, unless Seller is the Original Manufacturer)	1852.228-76 Cross-Waiver of International Space Station Activities (applies if the Order involves Protected Space Operations relating to the International Space Station and the value is above the simplified acquisition threshold)
252.247-7023	Transportation of Supplies by Sea (applies in lieu of FAR 52.247-64 to an Order requiring the ocean transportation of supplies) [In para. (a)(3), change "prime contractor" to "Seller" and "the prime contract" to "the Order"; modify para. (d) to read "Seller and its subcontractors may request that Buyer obtain Government authorization for shipment . . ."; in para. (e), change "Contracting Officer" to "Buyer" in the second sentence; in para. (e), change "45" to "60" days; in para. (f), change "30" to "25"; in para. (f), delete "and MARAD at <a href="mailto:Cargo.Marad@dot.gov">Cargo.Marad@dot.gov</a> . Attention: Military Team,"; paras (g) thru (i) only apply if the Order exceeds the simplified acquisition threshold; in para. (h), delete "for the purposes of the Prompt Payment clause of this contract"; Alt I-II apply if included in Buyer's Government Contract]	1852.228-78 Cross-Waiver of Liability for Science or Space Exploration Activities Unrelated to International Space Station (applies if the Order involves launches for science or space exploration activities unrelated to the International Space Station and the value is above the simplified acquisition threshold)
252.249-7002	Notification of Anticipated Contract Termination or Reduction (applies if the Order is under a major defense program) [Delete para. (d)(1) and the first five words of para. (d)(2)]	1852.237-70 Emergency Evacuation Procedures (applies if the Order involves on-site support services where emergency evacuations of the NASA installation may occur, e.g., snow, hurricanes, tornadoes, earthquakes or other emergencies)
<b>3. <u>NASA FAR SUPPLEMENT CLAUSES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES</u></b>		1852.237-71 Pension Portability (applies to a service Order if the prime contract requires pension portability)
		1852.237-72 Access to Sensitive Information (applies if the Order involves access to sensitive information)
		1852.237-73 Release of Sensitive Information (applies to Order that may involve access to sensitive information)
		1852.246-72 Material Inspection and Receiving Report (applies if the Order that provides for separate and distinct deliverables, even if the deliverables are not separately priced)
		1852.246-74 Contractor Counterfeit Electronic Part Detection and Avoidance
		1852.247-71 Protection of the Florida Manatee (applies if the Order involves deliveries or vessel operations, dockside work, or disassembly functions that involve the use of waterways inhabited by manatees)

If the Order identifies a NASA contract number, the following NFS clauses, in addition to or in lieu of FAR clauses set forth above, are hereby incorporated by reference, as applicable, and made a part of the Order. Any NFS clauses without a specified effective date are effective as of the date of the corresponding FAR clause.

1852.203-71	Requirement to Inform Employees of Whistleblower Rights
1852.204-75	Security Classification Requirements (applies if work to be performed under an Order requires a security clearance)
1852.204-76	Security Requirements for Unclassified Information Technology Resources (applies if the Order requires contractors to have physical or electronic access to NASA's computer systems, networks, IT infrastructure or use information systems to generate store, process, or exchange data with NASA)
1852.223-70	Safety and Health Measures and Mishap Reporting (applies if the Order exceeds the simplified acquisition threshold and the work will be conducted completely or partly on federally controlled facilities)
1852.223-71	Authorization for Radio Frequency Use (applies when radio frequency equipment authorization is required for a device involved in contract performance)
1852.223-72	Safety and Health (Short Form) (applies if the Order exceeds the simplified acquisition threshold and work will be conducted completely or partly on a federally controlled facility)
1852.223-73	Safety and Health Plan (applies if the Order exceeds the simplified acquisition threshold, the work will be conducted completely or partly on a federally-controlled facility, and the

**SECTION III – FAA AMS CLAUSES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**  
**APPLICABLE IF THE ORDER IS PLACED UNDER BUYER CONTRACT CONTAINING SUCH CLAUSES**

In addition to the clauses of Section I (Articles Applicable to All Orders), the following Federal Aviation Administration (“FAA”) Acquisition Management System (“AMS”) clauses shall apply to the Order as required by the terms of Buyer’s Government Contract, by operation of law or regulation, or by the terms of the specific clauses. These FAA AMS clauses are hereby incorporated by reference, as applicable, and in the manner set forth below, including any parenthetical information regarding applicability and bracketed information regarding modifications to the FAA AMS clauses. For certain FAA AMS clauses, Buyer has provided parenthetical language describing the circumstances in which the FAA AMS clauses apply to the Order. This parenthetical language may not encompass all situations where the FAA AMS clauses apply and Seller is responsible for confirming whether the FAA AMS clauses are applicable to the Order.

The effective version of the FAA AMS clauses shall be the version in effect as of the date the Order is issued, unless a different version appears in Buyer’s Government Contract, in which case the version in Buyer’s Government Contract applies. The Parties hereby agree to amend this Section III (FAA AMS Clauses) to include any additional or revised FAA AMS clauses incorporated in Buyer’s Government Contract that are applicable to the performance of the Order. Seller shall flow down to its lower-tier subcontractors all applicable FAA AMS clauses and any other requirements of the Order and applicable law so to enable and ensure that Buyer and Seller comply with all applicable requirements of Buyer’s Government Contract.

In interpreting and applying FAA AMS clauses flowed down to Seller, and as context requires, the terms “Contractor” and “Offeror” shall mean Seller, the term “Contract” shall mean the Order, and the term “Government”, “Contracting Officer” and equivalent phrases shall mean Buyer and/or Buyer Representative. However, as an exception to the foregoing, the terms “Government” and “Contracting Officer” do not change in the following circumstances:

- (a) in the phrases “Government Property,” “Government-Furnished Property,” and “Government-Owned Property;”
- (b) in the Patent Rights clauses incorporated therein, if any;
- (c) when a right, act, authorization or obligation can be granted or performed only by the Government or a Contracting Officer or his/her duly-authorized representative;
- (d) when title to property is to be transferred directly to the Government;
- (e) when access to proprietary financial information or other proprietary data is required, except as otherwise provided in the Order; and
- (f) where specifically modified in the Order.

**1. FAA AMS CLAUSES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**

The following FAA AMS Clauses are hereby incorporated by reference, as applicable, and made a part of the Order:

- 3.1.7-2 Organizational Conflicts of Interest
- 3.1.7-5 Disclosure of Conflicts of Interest
- 3.1.7-6 Disclosure of Certain Employee Relationships (applicable to all SIRs and contracts for support services and other SIRs and contracts exceeding \$10M)
- 3.2.2.3-29 Integrity of Unit Prices [delete paragraph (c)]
- 3.2.2.3-39 Requirements for Certified Cost or Pricing Data or Data Other Than Certified Cost or Pricing Data – Modifications (applicable to Orders that require either cost or pricing data or an exception to cost and pricing data)
- 3.2.2.3-54 Preventing Accidents (applicable to fixed price Orders for construction or dismantling, demolition or removal of improvements)
- 3.2.2.3-60 Specifications, Drawings, and Material Offers (applicable to Orders for fixed price construction or dismantling, demolition or removal of improvements)

- 3.2.5-5 Anti-Kickback Procedures (applicable to Orders over \$150,000)
- 3.2.5-6 Restrictions on Subcontractor Sales to the FAA (applicable to Orders over \$250,000)
- 3.2.5-7 Disclosure Regarding Payments to Influence Certain Federal Transactions (applicable to Orders over \$150,000)
- 3.2.5-13 Contractor Code of Business Ethics and Conduct (applicable to Orders of \$6M or with a performance period of 120 days or more)
- 3.3.1-20 Providing Accelerated Payments to Small Business Subcontractors (applicable to Orders with small businesses)
- 3.5-1 Authorization and Consent (applicable to Orders over \$250,000; Alt I for all research and development Orders)
- 3.5-2 Notice and Assistance Regarding Patent and Copyright Infringement (applicable to Orders over \$250,000)
- 3.6.2-12 Equal Opportunity for Veterans (applicable to Orders over \$150,000 unless the work will be performed outside the U.S. by non-U.S. employees)
- 3.6.2-13 Equal Opportunity for Workers with Disabilities (applicable to Orders over \$15,000)
- 3.6.2-38 Certification of Knowledge Regarding Child Labor End Products
- 3.6.2-39 Trafficking in Persons
- 3.6.6-1 Drug Free Workplace
- 3.6.6-2 Seat Belt Use by Contractor Employees
- 3.6.6-3 Contractor Policy to Ban Text Messaging While Driving
- 3.8.9-2 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment
- 3.8.9-3 Covered Telecommunications Equipment or Services-Representation
- 3.8.9-4 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Entities
- 3.8.9-5 Prohibition on Using ByteDance Covered Applications Including TikTok
- 3.8.9-6 Federal Acquisition Supply Chain Security Act Orders—Representation and Disclosures
- 3.8.9-7 Federal Acquisition Supply Chain Security Act Orders—Prohibition
- 3.10.1-9 Stop Work Order (applicable to Orders for supplies, services, or research and development; use Alt I for cost-reimbursement Orders)
- 3.10.2-6 Subcontracts for Commercial Items and Commercial Components
- 3.10.3-2 Government Property – Basic Clause (applicable to Orders where Government property is provided; Alt I applies if included in Buyer’s Government Contract)
- 3.10.4-2 Inspection of Supplies – Fixed Price (applicable to fixed-price Orders for supplies; Alt I applies to fixed price incentive Orders)
- 3.14-1 Security Requirements – Classified Contracts (applicable to Orders that require access to classified information)
- 3.14-4 Access to FAA Facilities, Systems, Government Property, and Sensitive Unclassified Information (applicable to Orders that

require access to FAA facilities, sensitive unclassified information including PII, and/or resources)

- 3.14-9 Information Security Continuous Monitoring (ISCM) and Forensics on Contractor Systems (applies to Orders for IT which require security of IT and/or for the design, development, and/or operation of a system of records using commercial IT services or support services)
- 3.14-14 Cooperation with Defensive Counterintelligence Program (DCIP) Requirements (applies to all Orders where Seller employees will have (a) unescorted access to non-public areas of FAA facilities; (b) access to non-public portions of FAA equipment, networks, or information systems; or (3) access to Classified National Security Information (CNSI); SUI or otherwise protected information in possession of the FAA)
- 3.14-15 Handling of FAA Data (applies to all Orders where Seller will have access to FAA Data)
- 3.14-16 Technical Requirements for Contractor Systems Containing FAA Data (applies to all Orders for systems, services, applications, and end user systems operated by the contractor on behalf of the FAA or used in support of other FAA systems, services, or applications)

## LGL-50.F2 Change Log

Ver	Date	Change Made
5	May 9, 2025	Incorporation of Generative AI provisions, Seller's obligations regarding non-conformance reports (NCRs), provisions governing use and distribution of Confidential Information, NEC NRTL requirements, asbestos prohibitions, Russian iron and steel prohibitions, and updates to USG Clauses
4	June 22, 2023	Incorporation of seller's obligation to pay costs for root cause corrective analysis, Added requirement for seller to implement counterfeit parts prevention process, Updated definition of commercial item, Updated CTPAT provision, Updated ITAR sections, Minor changes to indemnification, audit & IP rights provisions and FAR/DFARS/FAA AMS clauses.
3	December 21, 2022	Incorporation of the Supplier Quality Manual, Minor changes to FAR clauses, conflict minerals, cyber, and IP rights.  (Note – Change made on 1/25/2023 for version on CPL, adds two DFARS clauses (DFARS 252.225-7059 and 252.225-7060) to Section 2.
2.1	October 31, 2021	Incorporates new FAA COVID vaccine clauses
2	October 18, 2021	Modified insurance and subcontractor provision. Incorporates NASA deviation to the COVID FAR clause.
1	March 22, 2021	Replaces F4 (FFP for DoD), F9 (FFP for FAA), and F15 (FFP for NASA