

**SABRELINER AVIATION, LLC  
TERMS AND CONDITIONS**

**THIS ORDER IS SUBJECT TO THE FOLLOWING PROVISIONS:**

**1. THIS ORDER CONSTITUTES:** Buyer's offer to purchase from Seller the materials, services and articles (all of which are hereinafter called "articles") described elsewhere in this order in accordance with these terms and conditions and in accordance with the provisions set forth on the face of this order, the provisions attached hereto, and any other provisions referenced herein. Seller's acceptance of this order and commencement of work hereunder shall constitute acceptance by Seller of this order and of all of its terms and conditions. Buyer expressly limits its offer to contract to the terms and conditions contained in this order and expressly rejects any terms and conditions of sale that may be submitted by Seller in acknowledging or accepting this order. This order constitutes the entire contract between the parties with respect to this order.

**2. TIME:** Time is of the essence in the performance of this order by Seller. Schedule delays may result in liquidated damages being assessed by both Buyer and applicable end item customers.

**3. SPECIFICATIONS:** All articles ordered to Government or Buyer's specifications shall comply with such specifications current as of the date of this order unless otherwise specified by Buyer.

**4. NEW MATERIALS:** Unless expressly authorized in writing, all work to be delivered hereunder shall consist of new materials.

**5. CHANGES:** Changes in the terms and conditions of this Order may be made only by written agreement of the parties. Buyer may, at any time, by written notice, make changes in the specifications, drawings, designs, samples, or other description to which the articles are to conform, in the method or manner of shipment and packaging, and in the place and/or time of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this order, whether or not changed by such notice, an equitable adjustment shall be made in the price or the delivery schedule or both, and this order modified in writing accordingly. Any claim by Seller for an adjustment must be made in writing within thirty (30) days of the receipt of the change notice; *provided*, however, that Buyer may, in its discretion, receive and act upon a claim received at any time prior to final payment under this order. Nothing in this clause shall excuse the Seller from proceeding without delay to perform this order as changed.

**6. STOP WORK ORDER**(a) Buyer may, at any time, by written order to Seller, require Seller to stop all, or any part, of the work called for by this purchase order for a period of 90 days after the stop-work order is delivered to Seller, and for any further period to which the parties may agree. The stop-work order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the stop-work order, Seller shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work order is delivered to Seller, or within any extension of that period to which the parties shall have agreed. Buyer shall either– (1) cancel the stop-work order; or (2) terminate the work covered by the order as provided in Article 6 ("TERMINATION") of this purchase order.

(b) If a stop-work order issued under this clause is canceled or the period of the order or any extension thereof expires, Seller shall resume work. Buyer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the contract shall be modified, in writing, accordingly, if– (1) The stop-work order results in an increase in the time required for, or in Seller's cost properly allocable to, the performance of any part of this contract; and (2) Seller asserts its right to the adjustment within 30 days after the end of the period of work stoppage; *provided*, that, if Buyer decides the facts justify the action, Buyer may receive and act upon a proposal submitted at any time before final payment under this contract.

(c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, Buyer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.

(d) If a stop-work order is not canceled and the work covered by the order is terminated for default, Buyer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work. Under a Government contract, these costs are limited to the amount recoverable from the customer.

**7. TERMINATION:** (a) Buyer may terminate for cause if Seller fails to make any delivery in accordance with the agreed delivery date or schedule or otherwise fails to observe or comply with any of the other instructions, terms, conditions or warranties applicable to this order or fails to make progress so as to endanger performance of this order or in the event of any proceedings by or against Seller in bankruptcy or insolvency or appointment of a receiver or trustee or an assignment for the benefit of creditors. Buyer may require a financial statement from Seller at any time during the term of this order for the purpose of determining Seller's financial responsibility. In the event of a termination for cause, Buyer may produce or purchase or otherwise acquire articles elsewhere on such terms or in such manner as Buyer may deem

appropriate under the circumstances, and Seller shall be liable to Buyer for any excess costs and other expenses incurred by Buyer.

(b) Any termination taken for a reason other than the reasons specified in paragraph (b) shall be deemed to be without cause. If Buyer terminates all or any part of this order without cause, Seller may submit a termination claim to Buyer, which claim must be submitted within sixty (60) days after the effective date of the termination. Seller's termination claim shall be calculated in accordance with the formulas and principles set forth in 48 C.F.R. § 52.249-2.

**8. EXCUSABLE DELAYS** Neither party shall be liable for damages for delay in delivery or in the performance of any other obligation arising out of causes beyond its reasonable control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather. If the delay is caused by the delay of a subcontractor of Seller and if such delay arises out of causes beyond the reasonable control of both Seller and its subcontractor and without the fault or negligence of either of them, Seller shall not be liable to Buyer for damages unless the article or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Seller to meet the required delivery schedule. Seller shall notify Buyer in writing within ten (10) days after the beginning of cause for delay. In the event of any delay by Seller, Buyer shall have the right to obtain articles from other sources during the duration of the delay period and to reduce the quantity of articles obtained by Seller without any obligation to Seller except as set forth in paragraph (c) of Article 7 ("TERMINATION").

**9. SHIPPING INSTRUCTIONS:** (a) On date of shipment, send the original bill of lading, air bill or express receipt reflecting this order number to Buyer's Traffic Department and one copy of Notice of Shipment to Buyer's Purchasing Department.

(b) Do not deliver ahead of schedule unless authorized by Buyer. Describe shipments in accordance with the carrier's tariffs so as to obtain the lowest applicable freight rate. Do not insure or declare value on shipments beyond F.O.B. point. When a shipment is subject to freight rates dependent upon value, annotate the bill of lading, air bill or express receipt to show that the shipment is released at the maximum value which applies to the lowest freight rate provided in the applicable tariffs. If the value of one shipment exceeds US\$200,000, notify Buyer's Traffic Department by collect wire in advance of shipment. Consolidate all shipments to be forwarded on one day.

(c) Articles furnished in excess of the quantity specified or in excess of any allowable overage will be retained by Buyer at no additional cost unless Seller notifies Buyer within forty-five (45) days after shipment that it desires the return thereof. Seller shall reimburse Buyer for the full cost of returning such over shipment or a minimum charge of US\$50.00, whichever is higher. No notification will be given to Seller of any over shipment unless the value thereof exceeds US\$150.00.

(d) Mail an original and two duplicate invoices to Buyer's Accounting department when articles are shipped. STATE SHIPPING POINT ON ALL INVOICES. Each case or parcel and accompanying packing list of contents must show Buyer's order number. If no packing list accompanies the shipment, Buyer's count will be binding on Seller.

**10. Risk of Loss.** Unless the Order specifically provides otherwise, risk of loss or damage to the supplies provided under this Order shall remain with the Seller until, and shall pass to Buyer upon:

(a) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(b) Delivery of the supplies to Buyer at the destination specified in the contract, if transportation is f.o.b. destination.

**11. PACKAGING AND EXTRAS:** No charges will be allowed for transportation, packaging, packing or returnable containers unless stated in this order. All shipments must be packaged and must conform with Buyer's packaging specification referred elsewhere in this order (or with best industry practices, if no packaging specification is referenced) so as to permit efficient handling and to provide protection in shipment. If the shipment is tendered to a common carrier for delivery, the packaging must also conform to the packaging requirements applicable to such carrier, including any requirements imposed by law or regulation. Damage to any articles resulting from improper packaging shall be Seller's responsibility and at Seller's expense.

**12. INSPECTION:** All articles shall be subject to inspection and test at all times and places, including during the period of manufacture, by Buyer (and, if this order is placed under a Government contract, the Government). If any inspection or test is made on Seller's premises, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of Buyer (and Government) inspectors. Such inspections and tests shall be performed in such a manner as not to unduly delay the work. All inspections are for Buyer's (or the Government's) benefit and shall not create any acceptance or waiver. All articles are also subject to final inspection and acceptance at Buyer's plant notwithstanding any payments or prior inspections. Such final inspection shall be made within a reasonable time after delivery. Buyer must exercise its post-acceptance rights within a reasonable time after the defect was discovered and before any substantial change occurs in the condition of the item. Buyer may require repair or replacement of nonconforming supplies or re-performance of nonconforming services at no increase in contract price.

**13. INVOICE:** The Seller shall submit an original invoice to the address designated in the Order to receive invoices.

Seller shall issue separate invoices for each shipment showing the amount of material shipped.

An invoice must include:

- (a) Name and address of the Seller;
- (b) Invoice date;
- (c) Order number and Order line item number;
- (d) Description, quantity, unit of measure, unit price and extended price of the items delivered;
- (e) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Buyer bill of lading;
- (f) Terms of any prompt payment discount offered;
- (g) Name and address of official to whom payment is to be sent; and
- (h) Name, title, and phone number of person to be notified in event of defective invoice.

**14. PAYMENT:** Payment shall be made for items accepted by Buyer that have been delivered to the delivery destinations set forth in this Order. In connection with any discount offered for early payment, time shall be computed from the date of the compliant invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

**15. BUYER APPROVALS AND REVIEWS:** The review or approval by Buyer (or the Government) of any work hereunder or any samples, designs, drawings, specifications, or other documents or things prepared hereunder shall not relieve Seller of any of its obligations under this order nor excuse or constitute a waiver of any defects or nonconformities in any articles furnished under this order, nor change, modify or otherwise affect any of the provisions of this order, including, but not limited to, the prices and delivery schedule contained herein.

**16. WARRANTY:** Unless otherwise agreed to in writing by the parties, Seller warrants as follows: (a) articles ordered to specifications will conform thereto and to any drawings, samples or other description(s) furnished or adopted by Buyer; and (b) articles not ordered to specifications will be fit and adequate for their intended purpose and will be merchantable, of good material and free from defect. Such warranties, together with Seller's service warranties and guarantees, if any, shall survive inspection, testing, acceptance of, and payment for, the articles and shall run to Buyer, its successors, assigns and customers. Except for latent defects, fraud, or such gross mistakes of Seller as amount to fraud, notice of any defect or nonconformity must be given within one (1) year after delivery or one (1) year after receipt of satisfactory qualifications test reports, if required hereunder, whichever is later. Buyer may, at its option, either return for credit or refund or require prompt correction or replacement of the defective or nonconforming article or part thereof. Return to Seller of any defective or nonconforming article and delivery to Buyer of any corrected or replaced article(s) shall be at Seller's expense. Defective or nonconforming articles shall not be corrected or replaced unless specified on Buyer's written order. Articles required to be corrected or replaced shall be subject to the provisions of this clause and the clause hereof entitled "Inspection" in the same manner and to the same extent as articles originally delivered under this order, but only as to the corrected or replaced part(s) thereof.

**17. INFORMATION:** (a) Drawings, data, designs, inventions, computer software and other technical information supplied by Buyer shall remain Buyer's property and shall be held in confidence by Seller. Such information shall not be reproduced, used or disclosed to others by Seller without Buyer's prior written consent, and shall be returned to Buyer upon completion by Seller of its obligations under this order or upon demand.

(b) Any information which Seller may disclose to Buyer with respect to the design, manufacture, sale or use of the articles covered under this order shall be deemed to have been disclosed as part of the consideration for this order, and Seller shall not assert any claim against Buyer by reason of Buyer's use thereof.

**18. PATENT INDEMNITY:** Seller hereby indemnifies Buyer, its successors, assigns, agents, customers and users of the articles against loss, damage, or liability, including costs and expenses (including attorneys' fees), which may be incurred on account of any suit, claim, judgment or demand involving infringement or alleged infringement of any patent rights in the manufacture, use or disposition of any articles supplied under this order; *provided*, that Buyer notifies Seller of any suit instituted against it and, to the full extent of its ability to do so, permits Seller to defend the same or make settlement in respect thereof. Buyer does not grant Seller indemnity for infringement of any patent, trademark, copyright or data rights.

**19. BUYER'S PROPERTY:** : (a) All property used by Seller in connection with this order which is owned by, furnished to, charged to, or paid for by Buyer, including, but not limited to, materials, tools, dies, jigs, molds, patterns, fixtures, equipment, drawings and technical information, specifications, and any replacement thereof, shall be and remain the

property of Buyer and subject to removal and inspection by Buyer at any time without cost or expense to Buyer and Buyer shall have free access to Seller's premises for the purpose of inspecting or removing such property. All such property shall be identified and marked as Buyer's property, used only for this order, and adequately insured by Seller at its own expense for Buyer's protection. Seller shall assume all liability for and shall maintain and repair such property and return the same to Buyer in its original condition, reasonable wear and tear excepted. When such property is no longer required hereunder, Seller shall furnish Buyer with a list thereof and shall comply with any disposition instructions from Buyer. Buyer shall not be required to pay any invoices for tooling, if applicable, until the first article produced therefrom shall have been received and accepted.

(b) Materials, excluding U.S. Government property, furnished by Buyer in connection with this order on other than a charge basis shall be deemed to be held by Seller as bailee thereof. Seller agrees to pay Buyer's replacement cost for all such material spoiled or not satisfactorily accounted for over and above two percent (2%) thereof allowable for scrap loss.

**20. TITLE:** Except if title previously passed to Buyer or Buyer's customers under other provisions of this order, title to the articles shall pass to Buyer upon delivery of the articles to the F.O.B. point named herein.

**21. NOTICE TO BUYER OF LABOR DISPUTES:** (a) Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller shall immediately give notice, including all relevant information, to Buyer.

(b) Seller agrees to insert the substance of this clause, including this paragraph (b), in any subcontract hereunder as to which a labor dispute could delay the timely performance of this order.

**22. GRATUITIES:** Seller warrants that neither it nor any of its employees, agents or representatives has offered or given any gratuities to Buyer's employees, agents or representatives with a view toward securing this order or securing favorable treatment with respect thereto.

**23. UTILIZATION OF SMALL BUSINESS CONCERNS** In support of U.S. Government policy to encourage small business concerns, small disadvantaged business concerns, woman-owned small business concerns, veteran-owned and service disabled veteran-owned business concerns and hubzone business concerns, seller hereby agrees that, to the fullest extent consistent with efficient contract performance, Seller will maximize awards of subcontracts under this order to small business, small disadvantaged business, woman-owned business, veteran-owned and service disabled veteran-owned business and hubzone business concerns, and will use its best efforts to place subcontracts under this order with these concerns when such subcontracts can be placed at prices no higher than those available from other sources as set forth in FAR 52.219-8.

**24. COMPLIANCE WITH LAWS:** Seller agrees to comply with all Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this order

**25. TAXES:** Seller is liable for and shall pay all taxes (by whatever name) imposed on or measured by this order except those Buyer specifically agrees or is required by law to pay and which are separately stated on Seller's invoice. Prices shall not include any taxes (by whatever name) for which Buyer has furnished an exemption certificate.

**26. EQUAL OPPORTUNITY:** Seller shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor thereunder unless that Executive Order or applicable regulations exempt Seller or this order from compliance.

**27. HAZARDOUS MATERIALS:** (a) Hazardous material, as used in this clause, includes (1) any material defined as hazardous under the latest version of Federal, Standard No. 313 (including revisions adopted during the term of the contract), and (2) any material that could be hazardous or injurious to the health or physical safety of a human being, even if such hazard or injury can occur only from mishandling or misuse of the material.

(b) Seller shall notify Buyer of every hazardous material, as defined in paragraph (a) of this clause, to be delivered under this order. The hazardous material shall be properly identified and include any applicable identification number, such as National Stock Number or Special Item Number. This information shall also be included on the Material Safety Data Sheet submitted under this contract. Seller shall supply Buyer warning labels and instructional materials appropriate to warn persons coming in contact with the material of the hazard and its effects.

(c) Seller shall comply with all applicable regulations relating to the transportation of hazardous materials.

**28. RELEASE OF NEWS INFORMATION AND ADVERTISING:** Seller shall not without the prior written consent of Buyer: (a) make any news release, public announcement, denial or confirmation of all or any part of the subject matter of this order, or any phase of any program hereunder, or (b) in any manner advertise or publish the fact that Buyer has placed this order.

**29. ASSIGNMENT:** Neither this order nor any rights or obligations herein may be assigned by Seller, nor may Seller subcontract in whole, or substantially in whole, the performance of its duties hereunder without obtaining Buyer's prior

written consent. Any consent by Buyer to assignment shall not be deemed to waive any rights that Buyer has under this order at the time of assignment or Buyer's right to recoupment and/or set-off of claims arising out of this or any other transactions with Seller, its divisions, parents, affiliates and subsidiaries or to settle or adjust matters with Seller without notice to permitted successors and assigns.

**30. DISPUTES:** The parties will make reasonable efforts to resolve disputes through negotiation and mutual agreement without resort to litigation. Any litigation filed under this action shall be filed in Federal or State court in Cape Girardeau County, Missouri, and Seller consents to personal jurisdiction in such court. Pending the resolution, by litigation or otherwise, of any dispute arising under or relating to this order, Seller shall proceed diligently with the performance of this order in accordance with Buyer's instructions. This order shall be construed pursuant to the laws of the State of Missouri, except if this order is placed under a Government contract, in which case federal common law shall apply to the extent that it interprets the language used in the order or addresses the issues raised in any dispute.

**31. RIGHTS, REMEDIES AND WAIVER:** The rights and remedies provided Buyer herein shall be cumulative and in addition to any other rights or remedies provided by law or equity. Buyer's waiver of a breach of any provision hereof shall not constitute a waiver of any other breach, including another breach of the same provision.

**32. OTHER COMPLIANCES:** Seller warrants that it shall comply with all Federal, State, and local laws, including, but not limited to, any statute, rule, regulation, judgment, decree, order or permit applicable to its performance under this Subcontract, including those pertaining to United States Export Controls.

If (i) Buyer's contract price or fee is reduced; (ii) Buyer's costs are determined to be unallowable; (iii) any fines, penalties or interest are assessed on Buyer; or (iv) Buyer incurs any other costs or damages; as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, Buyer may proceed as provided for below in this paragraph and elsewhere in this document.

Upon the occurrence of any of the circumstances identified above, Buyer may make a reduction of corresponding amounts (in whole or in part) in the price, or in the costs and fee, of this Order with Seller, and/or may demand from Seller payment (in whole or in part) of the corresponding amounts. Seller shall promptly pay amounts so demanded.

These rights and obligations shall survive the termination or completion of this Order.

**33. CONTRACTUAL DIRECTION:** Sole authority to make changes in or amendments to this Order and to effect deviations (by way of addition or deletion) from the work specified herein is hereby granted to Buyer's Authorized Representative, as identified in the Order. All contractual direction in order to be valid must be written and signed by the Buyer's Authorized Representative.

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

**35. EXPORT CONTROL:** Seller agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 C.F.R. 730-744; including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, Seller agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to Seller or Seller's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception.

Seller agrees to notify Buyer if any deliverable under this order is restricted by export control laws or regulations.

Seller shall immediately notify the Buyer Authorized Representative if Seller is, or becomes, listed in any Denied Parties List or if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.

If Seller is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Seller represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.

Where Seller is a signatory under a Buyer export license or export agreement, Seller shall provide prompt notification to the Buyer Authorized Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the ITAR, and the initiation or existence of a U.S. Government investigation, that could affect the Seller's performance under this Subcontract.

Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

**36. INDEPENDENT CONTRACTOR RELATIONSHIP:** Seller is an independent contractor in all its operations and activities hereunder. Seller shall be responsible for any costs or expenses including attorney's fees, all expenses of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this Order.

**37. PROPRIETARY INFORMATION:** In the event Buyer and Seller have entered into a Non-Disclosure (Proprietary Information) Agreement (NDA/PIA) for the Program which this Order has been issued against, the NDA/PIA shall take precedence over this Article 37. If either the Buyer and/or Seller anticipate that under this Order it may be necessary for either to disclose to the other information of a proprietary nature, this Proprietary Information shall be clearly identified by the disclosing party at the time of disclosure. All written proprietary information shall be marked as proprietary prior to disclosure.

Each of the parties agrees to use the same reasonable efforts to protect such information as is used to protect its own proprietary information, but in no case less than reasonable care. Disclosures of such information shall be restricted to those individuals who are directly participating in this Order's efforts.

Neither party shall make any reproduction, disclosure, or use of such proprietary information except as follows:

- (a) Such information furnished by Buyer may be used by Seller in performing its obligations under this Order.
- (b) Such information furnished by Seller may be used by Buyer in performing its obligations under this Order and in performing its obligations under Buyer's Prime Contract, with appropriate restrictive legends to the extent that Seller specifically requests and that such legends are permitted by the Prime Contractor's regulations.
- (c) Such information may also be used in accordance with any written authorization received from the disclosing party.

The limitations on reproduction, disclosure, or use of proprietary information shall not apply to, and neither party shall be liable for, reproduction, disclosure, or use of proprietary information with respect to any of the following conditions:

- (a) If, prior to the receipt thereof under this Order, the information has been developed independently by the party receiving it, or was lawfully known to the party receiving it, or has been lawfully received from other sources, including the Government (provided such other source did not receive it due to a breach of this clause) or was in the public domain prior to disclosure hereunder.
- (b) If, subsequent to receipt thereof under this Order, (i) the information is published by the party furnishing it or is disclosed by the party furnishing it to others without restriction; or (ii) it has been lawfully obtained by the party receiving it from other sources, including the Government, provided such other source did not receive it due to a breach of this clause; or (iii) if such information otherwise comes within the public knowledge or becomes generally known to the public.
- (c) If any part of the proprietary information has been or hereafter shall be disclosed in a United States patent issued to the party furnishing the proprietary information hereunder, then, after the issuance of said patent, the limitations on such proprietary information as disclosed in the patent shall be only that afforded by United States patent laws.
- (d) If the proprietary information is furnished orally, unless such proprietary information was identified as proprietary at the time of disclosure and reduced to writing and marked proprietary within fifteen (15) days of original disclosure and such writing is forwarded to the receiving party and actually received within fifteen (15) days of original disclosure.
- (e) If such proprietary information is obligated to be disclosed under order of a court of competent jurisdiction so long as prompt notice of the order is given to the other party.
- (f) If such proprietary information is disclosed with the written approval of the originating party.

Neither the execution and delivery of this Order nor the furnishing of any proprietary information by either party shall be construed as granting to the other party either expressly, by implication, estoppel, or otherwise, any license under any invention, patent, trademark, or copyright now or hereafter owned or controlled by the party furnishing same.

Notwithstanding the expiration of the other portions of this Order, the obligations and provisions of this clause shall continue for a period of three (3) years from the date of termination of this Order. Each of the parties shall identify a primary person (or persons) responsible for receipt of data subject to this Order.

**38. INSURANCE:** In the event that Seller, its employees, agents, or subcontractors enter Buyer's or its customer's premises for any reason in connection with this Order, Seller, its subcontractors, and lower-tier subcontractors, shall procure and maintain worker's compensation, comprehensive general liability, bodily injury, and property damage insurance in reasonable amounts, and such other insurance as Buyer may require and shall comply with all site requirements. Seller shall indemnify and hold harmless Buyer, its officers, employees, and agents from any losses, costs, claims, causes of action, damages, liabilities, and settlement, and court costs, by reason of property damage or personal injury to any person caused in whole or in part by the actions or omissions of Seller, its officers, employees, agents, suppliers, or subcontractors at any tier. Seller shall provide Buyer thirty (30) calendar days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of Seller's required insurance. Seller shall provide Buyer with a "Certificate of Insurance" showing Seller's compliance with these requirements. Seller shall name Buyer as an additional insured for the duration of this Order. Insurance maintained pursuant to this clause shall be considered primary as respect to the interest of Buyer and is not contributory with any insurance, which Buyer may carry.

**39. ENTIRE AGREEMENT:** The terms set forth within this Order constitute the entire agreement of the parties and supersede all previous verbal or written representations, agreements, and conditions with respect to the subject matter hereof. No modification of the requirements of this Order, and no communications which vary from or add to any terms of this Order will be binding unless in writing and signed by an authorized representative of Buyer.

**40. SURVIVABILITY:** If this Order is terminated for default or convenience, Seller shall NOT be relieved of those obligations contained in this Order for the following provisions:

- PROPRIETARY INFORMATION
- PATENT, TRADEMARK & COPYRIGHT INDEMNITY
- WARRANTY
- DISPUTES
- TERMINATION FOR CONVENIENCE
- TERMINATION FOR CAUSE
- INDEPENDENT CONTRACTOR RELATIONSHIP
- OTHER COMPLIANCES
- RIGHTS & REMEDIES

and those U. S. Government flowdown provisions that by their nature should survive.

**41. EFFECT OF INVALIDITY:** The invalidity in whole or in part of any provision hereof shall not affect the validity of any other provision.

**IF THIS ORDER INDICATES THAT IT IS PLACED UNDER A GOVERNMENT CONTRACT, THE FOLLOWING ADDITIONAL PROVISIONS APPLY:**

A. **GOVERNMENT CONTRACT:** The work covered by this order relates to a prime contract with the United States Government, and is within the jurisdiction of a Department or Agency of the United States.

B. **PRIORITIES AND ALLOCATIONS:** If this order is a rated order issued under the Defense Priorities and Allocations System Regulation (15 C.F.R. 700), Seller is required to follow the provisions of that regulation in filling this order and in obtaining items needed to fill this order.

C. **RIGHTS IN DATA:** If this order is placed under a Government contract that includes the Rights in Data clause at 48 C.F.R. § 52.227-14 or any Agency supplement thereto or substitute therefore, the provisions thereof are incorporated herein and replace paragraph (b) of Article 12 (“INFORMATION”).

D. **Definitions:** The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.

E. **GOVERNMENT PROCUREMENT REGULATIONS:** The Federal Acquisition Regulation clauses listed below and any Agency supplements thereto or substitutes therefore, all as in effect on the date of this order, are incorporated herein by reference. Where the context requires in order to make the clause applicable to a subcontractor relationship, the term “Contractor” shall refer to Seller and the terms “Government” and “Contracting Officer” shall refer to Buyer.

<b>FAR No.</b>	<b>Description</b>	<b>Effective</b>
52.202-1	Definitions	JUL 2004
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	SEP 2006
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or, Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	SEP 2007
52.203-13	Contractor Code of Business Ethics and Conduct	DEC 2008
52.203-14	Display of Hotline Poster(s)	DEC 2007
52.204-9	Personal Identity Verification of Contractor Personnel	SEP 2007
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards (If order exceeds \$25,000)	JUL 2010
52.209-5	Certification Regarding Responsibility Matters	DEC 2008
52.209-6	Protecting the Government’s Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	SEP 2006
52.211-5	Material Requirements	
52.211-15	Defense Priority and Allocation Requirements	
52.215-2	Audit and Records--Negotiation	MAR 2009
52.215-10	Price Reduction for Defective Cost or Pricing Data	OCT 1997
52.215-2	Audit and Records — Negotiation	
52.215-12	Subcontractor Cost or Pricing Data	OCT 1997
52.215-13	Subcontractor Cost or Pricing Data—Modifications	OCT 1997
52.215-14	Integrity of Unit Prices	OCT 1997
52.215-15	Pension Adjustments and Asset Reversions	OCT 2004
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	JUL 2005
52.215-19	Notification of Ownership Changes	OCT 1997



<b>FAR No.</b>	<b>Description</b>	<b>Effective</b>
52.216-29	Time-and-Materials/Labor-Hour Proposal Requirements—Non Commercial Item Acquisition with Adequate Price Competition [applicable to the extent that Time-and-Materials/Labor Hour Task Order proposals are submitted by Subcontractor]	FEB 2007
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.222-3	Convict Labor	JUN 2003
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-22	Previous Contracts and Compliance Reports	FEB 1999
52.222-25	Affirmative Action Compliance	DEC 1998
52.222-26	Equal Opportunity	MAR 2007
52.222-26	Equal Opportunity (Mar 2007) - Alternate I	FEB 1999
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2006
52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998
52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees	DEC 2004
52.222-50	Combating Trafficking in Persons	FEB 2009
52.222-54	Employment Eligibility Verification	JAN 2009
52.223-5	Pollution Prevention and Right-to-Know Information	AUG 2003
52.223-6	Drug-Free Workplace	MAY 2001
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.225-1	Buy American Act — Supplies	FEB 2009
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
52.227-1	Authorization and Consent	DEC 2007
52.227-1	Authorization And Consent (Dec 2007) - Alternate I	APR 1984
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	DEC 2007
52.227-10	Filing Of Patent Applications--Classified Subject Matter	DEC 2007
52.227-11	Filing Of Patent Applications-Classified Subject Matter	APR 1984
52.227-12	Patent Rights – Retention By the Contractor (Long Form)	JAN 1997
52.227-13	Patent Rights – Acquisition By the Government	JAN 1997
52.227-14	Rights in Data—General	DEC 2007
52.227-14	Rights in Data--General (Dec 2007) - Alternate II	DEC 2007
52.227-16	Additional Data Requirements	JUN 1987
52.227-23	Rights to Proposal Data (Technical)	JUN 1987
52.228-3	Workers' Compensation Insurance (Defense Base Act)	APR 1984
52.228-5	Insurance - Work On A Government Installation	JAN 1997
52.228-7	Insurance--Liability To Third Persons	MAR 1996
52.229-3	Federal, State And Local Taxes	APR 2003
52.230-2	Cost Accounting Standards	APR 1998
52.230-6	Administration of Cost Accounting Standards	MAR 2008
52.232-2	Payments Under Fixed-Price Research And Development Contracts	APR 1984
52.232-7	Payments Under Time-And-Materials And Labor Hour Contracts (Feb 2007) - Alternate I [applicable to the extent that Time-and-Material or Labor Hour Task Order is issued to Subcontractor]	FEB 2007
52.232-18	Availability Of Funds	APR 1984
52.236-13	Accident Prevention	NOV 1991
52.237-2	Protection Of Government Buildings, Equipment, And Vegetation	APR 1984
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2001
52.242-13	Bankruptcy	JUL 1995
52.242-15	Stop- Work Order, Alt I APR 1984	AUG 1989
52.242-17	Government Delay of Work	APR 1984
52.243-1	Changes--Fixed Price	AUG 1987
52.243-1	Changes--Fixed Price (Aug 1987) - Alternate I	APR 1984
52.243-1	Changes--Fixed-Price (Aug 1987) - Alternate V	APR 1984
52.243-2	Changes--Cost-Reimbursement	AUG 1987
52.243-2	Changes--Cost-Reimbursement (Aug 1987) - Alternate I	APR 1984
52.243-2	Changes--Cost-Reimbursement (Aug 1987) - Alternate V	APR 1984
52.243-3	Changes--Time-And-Material Or Labor-Hours	SEP 2000

<b>FAR No.</b>	<b>Description</b>	<b>Effective</b>
52.243-6	Change Order Accounting	APR 1984
52.244-2	Subcontracts	JUN 2007
52.244-6	Subcontracts for Commercial Items	MAR 2009
52.245-1	Government Property	JUN 2007
52.245-2	Government Property (Fixed-Price Contracts)	JUN 2007
52.246-6	Inspection – Time and Material and Labor-Hour	MAY 2001
52.246-9	Inspection of Research and Development (Short Form)	APR 1984
52.247-64	Preference for Privately Owned US Flag Commercial Vessels	FEB 2006
52.247-67	Submission of Transportation Documents for Audit	FEB 2006
52.248-1	Value Engineering	FEB 2000
52.249-6	Termination (Cost Reimbursement)	MAY 2004
52.249-8	Default (Fixed Price Supply and Service)	APR 1984