Buyer hereby purchases and Seller hereby sells those goods and services set forth on the face hereof subject to the terms and conditions set forth thereon, together with the additional term and conditions set forth below. Terms “purchase order” and “subcontract” are synonymous hereon; except where a purposeful distinction is made clear.

SECTION A – INSTRUCTIONS TO SELLER

**A. PURCHASE ORDER NUMBER:** Seller shall include Buyer's purchase order number, including any change, modification, or revision designation or controlling blanket agreement number, on all invoices (or vouchers), packing lists, bills of lading, packages, containers, and correspondence processed under this order.

**B. PACKING LIST:**  A packing list shall accompany each shipment of goods and, if such shipment completes the purchase order, shall show thereon: "This shipment completes this order."

**C. PACKAGING AND INSURANCE:** No extra charge for packaging or insurance shall be allowed unless specifically noted herein. Goods shall (i) be packaged to ensure safe arrival at destination, (ii) be described to conform to carrier's classification rules so as to obtain lowest transportation cost, and (iii) not be insured nor show declared value for shipment beyond FOB point.

**D. INVOICES (OR VOUCHERS):** Invoices must be submitted in accordance with instruction provided within the Purchases Order, and reference the full ten digit purchase order no. If the remittance information on your invoice does not match the information previously provided and maintained within your official supplier record, your payment may be delayed. If you are uncertain of the information we currently have on record for your company, you should contact the buyer or procurement office as soon as possible.

Release of Financial Liability and Claims

All amounts accrued and made payable by the Buyer to the Seller under this Purchase Order shall be invoiced in full no later than 180 days from the contractual end date of performance (The Limitation Period). Unless otherwise mutually agreed to by the parties, Seller hereby agrees to release and discharge the Buyer, its officers, agents, and employees, successors and assigns of and from all liabilities, obligations, and claims arising out of or under this Purchase Order, where such are submitted after the stated 180 day “Limitation Period”.

**E. DISCOUNTS:** If a prompt payment discount is negotiated, its terms will be specifically identified in the individual purchase order.

**SECTION B –STANDARD CLAUSES**

**CLAUSE INDEX:**

|  |  |
| --- | --- |
| 1. Seller Acceptance  2. Delivery  3. Inspection and Test  4. Non-Conforming Goods  5. Warranty of Goods and Services  6. Drawings and Specification Review  7. Proprietary Drawings and Data  16. Combatting Trafficking in Persons  17. Relationship of the Parties  18. Seller’s Employees  19. Badges and Plant Security  20. Conflict of Interest  21. Insurance  22. Service Rates and Invoicing  23. Limitation of Payments  24. Taxes  25. Remedies  26. Assignment  27. Notice of Labor Disputes  28. Governing Law  29. Buyer Excusable Delay  30. Termination for Convenience  31. Patents and Design Rights | 8. Use of Information  9. Disclosure of Information  10. Tooling and Other Articles  11. Export /Import Compliance  12. Indemnification  13. Buyer’s Property  14. Compliance with Laws  15. Prohibited Activities- Anti-Corruption  32. Clause Modification Required by Buyer’s Customer  33. Changes  34. Stop-Work Order  35. Entire Agreement  36. Limitation of Buyer’s Liability/Statute of Limitations  37. Warranty of Price and Prospective Adjustment  38. U.S. Persons Status  39. Certified Screening for Alcohol and Drug Abuse  40. Termination for Default  41. Negotiated Terms  42. Waiver of Jury Trial, Jurisdictions  43. Improper Designation  44. Suspect/Counterfeit Parts  45. Warranty Of Authenticity |

**CLAUSE NO. 1 - SELLER ACCEPTANCE:** This purchase order is to be accepted in writing by Seller. If, however, for any reason Seller should fail to accept in writing, any conduct by Seller which recognizes the existence of a contract pertaining to the subject matter hereof shall constitute acceptance by Seller of this purchase order and all of its terms and conditions.

Any terms proposed in Seller’s acceptance of Buyer’s offer including but not limited to ‘Shrink-wrapped” warranties or “Clickwrap” terms not specifically negotiated and identified on the Purchase Order, which add to, vary from, or conflict with the terms herein are hereby objected to. Any such proposed terms shall be void and the terms herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties and may hereafter be modified only by written instrument executed by the authorized representatives of both parties.

If this purchase order has been issued by Buyer in response to an offer, and if any of the terms herein are additional to or different from any terms of such offer, then the issuance of this purchase order by Buyer shall constitute an acceptance of such offer subject to the express conditions that Seller assent to such additional and different terms herein and acknowledge that this purchase order constitutes the entire agreement between Buyer and Seller with respect to the subject matter hereof and the subject matter of such offer, and Seller shall be deemed to have so assented and acknowledged unless Seller notifies Buyer to the contrary in writing within 10 calendar days of receipt this purchase order.

**CLAUSE NO. 2 - DELIVERY:** Time is of the essence in the performance of this purchase order by Seller. Delivery is to be made both in quantities and at times specified herein. Partial shipments are not authorized unless expressly authorized in writing by the Buyer. If Seller's delivery shall fail to meet schedule, Buyer, without limiting its other rights or remedies, may direct expedited routing, and any excess cost incurred thereby shall be debited to Seller's account. Buyer shall not be liable for Seller's commitments or production arrangements in excess of the amount, or in advance of the time, necessary to meet Buyer's delivery schedule. Goods delivered in advance of schedule may, at Buyer's option, (i) be returned at Seller's expense for proper delivery, (ii) have payment therefore withheld by Buyer until the date that goods are actually scheduled for delivery, or (iii) be placed in storage for Seller's account until delivery date specified herein.

If Seller is permitted to use terms other than FCA Sellers Premises, Seller shall provide the name and contact information for all freight forwarders, carriers or cartage agents expected to handle Buyer’s cargo. Seller shall provide this information to the Buyer not later than 10 days after order acceptance. Seller proposed freight forwarders, carriers or cartage agents must have a reputation for honesty and a company policy prohibiting bribes and facilitating payments intended to expedite or secure performance of a routine governmental action, such as, customs clearance. Buyer retains the right to deny Seller’s use of Seller proposed freight forwarders, carriers or cartage agents within 30 days of Seller notification. Seller shall ensure that Buyer’s purchase does not transit through one of the Proscribed Countries listed in the U.S. International Traffic in Arms Regulations, 22 CFR 126.1.

**CLAUSE NO. 3 - INSPECTION AND TEST:** All goods ordered hereunder shall be subject to inspection and test by Buyer to the extent practicable at all times and places, including the period of manufacture if the goods are to be specifically manufactured for Buyer in accordance with drawings, designs, or specifications furnished by Buyer, and in any event prior to acceptance. Such goods shall be subject to final inspection and to acceptance by Buyer after delivery to Buyer. If the goods are specifically manufactured for Buyer in accordance with drawings, designs, or specifications furnished by Buyer: (1) Seller shall provide and maintain an inspection and quality control system acceptable to Buyer and provide access to Seller's facilities including all subcontractors’ facilities used in performance of this order at all reasonable times for inspection by Buyer's agents, employees, customer and regulatory authorities and shall provide all tools, facilities, and assistance reasonably necessary for inspection relating to the performance of this purchase order; and (2) Seller shall maintain adequate and authenticated inspection and test documents which relate to work performed under this purchase order for a period of three years after completion of this purchase order or as otherwise specified in this purchase order, and shall make such records available to Buyer upon request; (3) Seller shall supply Buyer with inspection and test reports, affidavits, certifications, or any other documents as may reasonably be requested by Buyer. Such inspection and test may be performed by U.S. Government representatives on behalf of Buyer; (4) Seller shall notify Buyer in writing of any changes in product and/or process definition and obtain Buyers written approval prior to proceeding; and (5) Seller shall include the substance of this clause in all applicable purchase orders or subcontracts issued in the performance of this order.

**CLAUSE NO. 4 - NON-CONFORMING GOODS:** If the goods ordered herein fail to meet the specifications, or otherwise do not conform to the requirements of this purchase order, Buyer shall have the right to reject such goods. Goods that have been delivered and rejected may be returned to Seller for replacement, correction, reimbursement, or credit as Buyer may direct. If, after notice, Seller fails to promptly replace or correct such rejected items, same may be replaced or corrected (without thereby exercising wrongful ownership) by Buyer at the expense of Seller. Any goods rejected by Buyer shall be at Seller's risk and expense, and such goods shall not thereafter be tendered for acceptance unless the former rejection or requirement for correction is disclosed. Packaging and handling expense incidental thereto and applicable transportation cost shall be charged to Seller's account. Upon non-acceptance, repudiation or rejection of any goods, Buyer shall not be liable for any profit Seller would have made, nor for incidental damages. For non-conformances discovered prior to shipment or delivery, Seller shall contact Buyer as soon as the non-conformance is known, to determine if a Supplier Information Request (SIR) should be completed to facilitate the disposition of identified non-conformances.  Unless otherwise expressly granted in writing by Buyer, no relief in the established delivery schedule shall accrue by virtue of Seller having notified Buyer of the non-conformance.

**CLAUSE NO. 5 - WARRANTY OF GOODS AND SERVICES:** Seller expressly warrants that all goods and services covered by this purchase order shall conform to the specifications, drawings, samples or other description upon which this purchase order is based, shall be fit and sufficient for the purposes intended, merchantable, of good material and workmanship, and free from defects, and shall be free of any claim of any third party. Inspection, test, acceptance or use of the goods furnished hereunder shall not affect the Seller’s obligation under these warranties, and such warranties shall survive inspection, test, acceptance and use. None of the remedies available to Buyer for the breach of any of the foregoing warranties may be limited, except to the extent and in the manner agreed upon by Buyer in a separate agreement specifically designating such limitation and signed by an authorized representative of Buyer. Buyer’s inspection and/or acceptance of and/or payment for goods and/or services shall not constitute a waiver by it of any warranties. These warranties shall run to Buyer, its successors, assigns, and customers, and users of its products.

**CLAUSE NO. 6 - DRAWINGS AND SPECIFICATION REVIEW:** If, during the term of this purchase order, Buyer representatives review drawings, specifications, or other data developed by Seller in connection with this purchase order and make suggestions or comments or approve such documents and data, such action is only an expression of opinion by Buyer and shall not serve to relieve Seller of any responsibility for the reliability, quality, rate of output, cost, delivery, performance, or any other requirements of this purchase order.

**CLAUSE NO. 7 - PROPRIETARY DRAWINGS AND DATA:** Seller shall keep confidential all infor­mation, drawings, specifications, or data and return, upon request, all documents furnished by Buyer, and shall not divulge or use such information, drawings, specifica­tions, or data for the benefit of any other party. Except as required for the efficient performance of this purchase order, Seller shall not make copies or permit copies to be made without the prior written consent of Buyer. Seller shall thereafter make no further use, either directly or indirectly, of any such data or any information derived therefrom without obtaining Buyer's written consent. The obligations of this clause shall survive the completion, cancellation, or termination of this purchase order.

**CLAUSE NO. 8 - USE OF INFORMATION:** Seller agrees (i) that all information heretofore or hereafter furnished or disclosed to Buyer by Seller, in connection with the placing or filling of this purchase order, is furnished or disclosed as a part of the consideration for this purchase order; (ii) that such information is not, unless otherwise agreed to by Buyer in writing, to be treated as confidential or proprietary; and (iii) that Seller shall assert no claims (other than for patent infringement) by reason of the use or disclosure of such information by Buyer, its assigns, or its customers. No employee of Buyer has the authority to make an agreement providing for the confidential treatment of, or limiting the use or disclosure of, information so furnished or disclosed, unless such agreement is made in writing and signed by Buyer's cognizant general manager. However, in the event that this clause should conflict with the provisions of any patent rights or data rights clause of this purchase order, the latter shall prevail.

Any unpatented knowledge or information concerning Seller’s products, methods, or manufacturing processes which Seller may disclose to Buyer incident to the manufacture of goods covered by this purchase order shall, unless otherwise specifically agreed in writing, be deemed to have been disclosed as part of the consideration for this purchase order, and Seller agrees not to assert any claim against Buyer by reason of Buyer’s use or alleged use thereof and, if this purchase order involves research or development work, Seller agrees to grant to Buyer an irrevocable, exclusive, royalty-free license to make, have made, use, and sell any inventions resulting from that work under this purchase order.

**CLAUSE NO. 9 - DISCLOSURE OF INFORMATION:** Seller shall not in any manner advertise or publish the fact that it has furnished, or contracted to furnish, Buyer the goods or services herein described without prior written consent of Buyer. Seller shall not disclose any details in connection with this purchase order to any party except as may be otherwise provided.

**CLAUSE NO. 10 - TOOLING AND OTHER ARTICLES:**  Unless otherwise specified in this purchase order, all tooling and all other articles required for the performance hereof shall be furnished by Seller and shall be properly maintained and replaced when necessary at Seller's expense.

If Buyer agrees to pay Seller for such tooling and other articles, either separately or as a stated part of the unit price of goods purchased herein, title to same shall pass to Buyer upon (i) commencement of processing for use in performance of this purchase order, or (ii) Buyer payment therefor, whichever occurs first.

Any such tooling and other articles which are Buyer’s property shall be used only in the performance of this purchase order unless otherwise provided in writing by Buyer. Seller agrees to follow normal industrial practice in the preparation and maintenance of pertinent property control records, and shall make such records available for inspection by Buyer at all reasonable times. After completion or termination of this purchase order and upon the request of Buyer, Seller shall furnish a list of such Buyer’s property in the form requested by Buyer and shall make such available for disposition by Buyer. Buyer may, at its sole discretion and by written notice, divest itself of title in favor of Seller.

**CLAUSE NO. 11 - EXPORT / IMPORT COMPLIANCE:**

This provision may not be modified or amended by any addendum, exhibit, attachment, or any other agreement without prior written approval from Northrop Grumman Law Department (Export/Import).

**A. Export Compliance.**

General. Performance of this Order may involve the use of or access to articles, technical data or software that is subject to export controls under 22 United States Code 2751 – 2799 (Arms Export Control Act) and 22 Code of Federal Regulations 120-130 (International Traffic in Arms Regulations or “ITAR”) or 50 United States Code 2401-2420 (Export Administration Act of 1979, as amended), 50 United States Code 1701-1706, (International Emergency Economic Powers Act, as amended), and 15 Code of Federal Regulations 768 – 799 (Export Administration Regulations) and their successor and supplemental laws and regulations (collectively hereinafter referred to as the “Export Laws and Regulations”). Seller represents and warrants that it is either 1) a U.S. Person as that term is defined in the Export Laws and Regulations, or 2) a Foreign Person as that term is defined in the Export Laws and Regulations and has disclosed to Buyer’s Representative in writing the country in which it is incorporated/authorized/ organized to do business, and all nationalities of any dual or third-country national employees who will require access to the data, articles or services provided hereunder. Seller shall comply with any and all Export Laws and Regulations, and any license(s) issued there under.

* 1. 1. Registration. If Seller is a U.S. entity and 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 U.S. Department of State’s Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an effective export and import compliance program in accordance with the ITAR.
  2. 2. Foreign Persons. Seller shall not re-transfer any export-controlled information (e.g. technical data or software) to any other non-US person or entity (including the Seller’s dual and/or third-country national employees) without first complying with all the requirements of the applicable Export Laws and Regulations. Prior to any proposed re-transfer, Seller shall first obtain the written consent of the Buyer. No consent granted by Buyer in response to Seller’s request shall relieve Seller of its obligations to comply with the provisions of paragraph A. of this Clause or the Export Laws and Regulations, nor shall any such consent constitute a waiver of the requirements of paragraph A. hereinabove, nor constitute consent for Seller to violate any provision of the Export Laws and Regulations.

B.  **B. Political Contributions, Fees and Commissions.**

If this Purchase Order is valued in an amount of $500,000 or more, then in performance of this Purchase Order, Seller shall not directly or indirectly pay, offer or agree to pay any political contributions or any fees or commissions.

For purposes of this section and pursuant to 22 CFR 130.6, political contribution means any loan, gift, donation or other payment of $1,000 or more made, or offered or agreed to be made, directly or indirectly, whether in cash or in kind, which is:

(1) To or for the benefit of, or at the direction of, any non- U.S. candidate, committee, political party, political faction, or government or governmental subdivision, or any individual elected, appointed or otherwise designated as an employee or officer thereof; and

(2) For the solicitation or promotion or otherwise to secure the conclusion of a sale of defense articles or defense services to or for the use of the armed forces of a non-U.S. country or international organization. Taxes, customs duties, license fees, and other charges required to be paid by applicable law or regulation are not regarded as political contributions.

For purposes of this section and pursuant to 22 CFR 130.5, fee or commission means any loan, gift, donation or other payment of $1,000 or more made, or offered or agreed to be made directly or indirectly, whether in cash or in kind, and whether or not pursuant to a written contract, which is:

(1) To or at the direction of any person, irrespective of nationality, whether or not employed by or affiliated with the Seller; and

(2) For the solicitation or promotion or otherwise to secure the conclusion of a sale of defense articles or defense services to or for the use of the armed forces of a non-U.S. country or international organization.

1. **Import Compliance**. Both parties shall comply with all U.S. Customs laws and regulations (*e.g.,* 19 CFR) and all other applicable U.S. government regulations pertaining to importations of goods and materials into the United States.

For International Purchase Orders (Purchase orders issued to entities addressed in foreign countries): Specifically, without excluding other regulations, Seller shall comply with and adhere to the commercial invoice requirements detailed in 19 CFR 141 subpart F of the regulations, and provide additional information as requested by the Buyer. Seller shall immediately upon discovery, notify Buyer of any change to the shipment data related to product valuation, quantities shipped, country of origin, port of export and any additional information directed by the Buyer. Seller will timely provide pre-alert shipping information and documentation prior to shipment arrival to the U.S. Buyer will direct Seller where to send pre-alert shipping information and documentation. Pre-alert shipping documentation includes, but is not limited to, a commercial invoice, airway bill, bill of lading, and other required documentation as directed by U.S. regulations and Buyer.

For Domestic Purchase Orders (Purchase orders issued to entities addressed in the United States): Seller shall assume all U.S. import responsibilities, to include designation as U.S. Importer of Record, Customs clearance, duty, taxes, and fees for goods entering into the United States.  Unless otherwise agreed in writing, NGC will not assume any import liabilities for goods procured through a domestic purchase order.

1. **Indemnification.**

Seller shall indemnify and save harmless Buyer from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorneys fees, arising out of claims, suit, allegations or charges of Seller’s failure to comply with the provisions of this Clause and breach of the warranty set forth in paragraph A or C. Any failure of Seller to comply with the requirements or any breach of the warranty contained in this Clause shall be a material breach of this Order.

1. **Subcontracts.**

The substance of this Clause shall be incorporated into any lower-tier subcontract or purchase order entered into by the Seller for the performance of any part of the work under this Order.

1. **Notification.**

Seller agrees to provide prompt notification to Buyer in the event of changes in circumstances such as ineligibility to contract with US Government, debarment, assignment of consent agreement, and initiation or existence of a US Government investigation, that could affect Seller’s performance under this contract. Seller further agrees to provide prompt notification to Buyer should any offer, agreement or payment of political contributions, fees or commissions (as defined herein and pursuant to this Order) be made in contravention of the prohibition in Section B.

**CLAUSE NO. 12 - INDEMNIFICATION:** To the extent that Seller's agents, employees, or subcontractors enter upon premises occupied by or under the control of Buyer, or any of its customers, or suppliers, in the course of the performance of this purchase order, Seller shall take all necessary precautions to prevent the occurrence of any injury (including causing death) of any persons, or of any damage to any property, arising out of acts or omissions of such agents, employees, or subcon­tractors; and, except to the extent that any such injury or damage is due directly and solely to Buyer's negligence, Seller shall indemnify, defend, and hold Buyer, its officers, employees, and agents, harmless from any and all costs, losses, expense, damages, claims, suit, or any liability whatsoever, including attorney's fees, arising out of any act or omission of Seller, its agents, employees, or sub­contractors. See Clause No. 21 below with respect to insurance requirements.

# CLAUSE NO. 13 - GOVERNMENT and BUYER PROPERTY FURNISHED TO SELLER

A (1) The Buyer or Government shall retain title to all Buyer or Government furnished property, as applicable. (2) Title to all property purchased by Seller for which Seller is entitled to be reimbursed as a direct item of cost under this Purchase Order shall pass to and vest in the Government/Buyer upon the vendor's delivery of such property. (3) Title to all other property, the cost of which is reimbursable to Seller, shall pass to and vest in the Government/Buyer upon

(i) Issuance of the property for use in Purchase Order performance;

(ii) Commencement of processing of the property or use in Purchase Order performance; or

(iii) Reimbursement of the cost of the property by Buyer, whichever occurs first.

(4) All Government furnished property, all property acquired by Seller, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), and all Buyer furnished property is subject to the provision of this clause. Title to Buyer furnished property or Government property shall not be affected by its incorporation into or attachment to any property not owned by Buyer or the Government, nor shall Government or Buyer furnished property become a fixture or lose its identity as personal property by being attached to any real property.

B If, in connection with the performance of this purchase order, any property is furnished to Seller by Buyer or by the Government, Seller shall assume the risk of, and be responsible for, any loss, theft, destruction of or damage to the property while in Seller's possession or control except to the extent that this purchase order provides for the relief of Seller from such liability. In the absence of such approval, Seller shall return all such property in as good a condition as when received except for reasonable wear and tear for the utilization of such property in accordance with the provisions of the prime contract. As indicated, Seller shall establish and maintain a system in accordance with the property provisions listed below. Seller shall also notify Buyer if its property system deemed inadequate or the Risk of Loss provision has been withdrawn by the Government.

C The Buyer and/or a Buyer representative from the Property organization may request information periodically to satisfy inventory and/or financial requirements of the Customer. Buyer and/or the Northrop Grumman Corporation (NGC) Property organization will request Seller to appoint an individual as Point of Contact to enable communication regarding Property, as required. NGC Property oversight will be dependent upon: Adequacy of Seller’s documented property procedures, Seller/Buyer history, Seller’s Property Management System reviews and Seller’s ability to provide NGC timely and accurate inventory and property reports.

D Unless specifically provided in this Purchase Order, Seller warrants that the estimated cost set forth in this Purchase Order does not include as a direct charge the cost of any special tooling, special test equipment, or equipment as are defined in FAR Part 2 and/or 52.245-1. Any such special tooling, special test equipment or equipment to be acquired/fabricated in the performance of or charged to this order, will be brought to the Buyer’s immediate attention and as required, will be covered by a separate purchase order.

E The Seller shall have a process to create and provide reports of Property: (1) Discrepancies incident to shipment and the receipt; (2) Loss, Damage or Destruction (LDD); (3) Periodic Physical Inventory Reports and related discrepancies to be submitted in accordance with FAR 52.245-1 (f)(iv) as required; (4) Government written notification of System Adequacy (Summary of Findings) or Inadequate System Rating and Corrective Actions, if applicable; (5) As property becomes excess a list of property and/or material will be provided to NGC (NGC will provide template when required); and (6) Any specific reports as required by the Buyer’s Property Management organization. If an LDD is required for Government or Buyer furnished property, the Buyer shall be notified in writing within a reasonable period of time with a preliminary report and/or as soon as the facts become known a formal LDD report will be submitted to the Buyer in accordance with FAR 52.245-1 (1)(vi)(B).

F The Buyer and/or a Buyer’s representative from the Property organization shall have the right, at all reasonable times, to visit the Seller’s plant or such parts thereof as may be engaged in work relating to this purchase order, for the purpose of verification and/or determining continued adequacy of the Seller’s Property Management System. Seller shall receive prior notice of any visit made pursuant to this clause.

**CLAUSE NO. 14 - COMPLIANCE WITH LAWS:** Seller warrants that it shall comply with all applicable federal, state, or local laws, rules, and regulations in the performance of this Agreement. Seller shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin and warrants compliance with Section 508 of the Rehabilitation Act. Where applicable, the Seller agrees to provide products and services which are Section 508 compliant and agrees to provide a Voluntary Product Accessibility Template® (VPAT®) to Customer Representatives, if requested.

CLAUSE NO. 15 – PROHIBITED ACTIVITIES- ANTI-CORRUPTION**:**

1. Anti-Corruption Compliance – Seller represents, warrants and covenants that:

(1) It has not and will not, directly or indirectly, pay, promise, offer, or authorize the payment of any money or anything of value to:

* + 1. an officer, employee, agent or representative of any government, including any department, agency, or instrumentality thereof or any person acting in an official capacity thereof;
    2. a candidate for political office, any political party or any official of a political party; or
    3. any other person or entity

while knowing or having reason to know that all or any portion of such payment or thing of value will be offered, given or promised, directly or indirectly, to any person or entity for the purpose of assisting Buyer in obtaining or retaining business, or an improper business advantage. Without limiting the generality of the foregoing, Seller shall not directly or indirectly, pay, promise, offer, or authorize the payment of any facilitating payment intended to expedite or secure performance of a routine governmental action, such as, customs clearance on behalf of Buyer.

(2) No gift, travel expenses, business courtesies, hospitalities or entertainment of any nature has been or will be accepted or made in connection with this agreement where the intent of was, or is, to unlawfully influence the recipient of the gift, travel expense, business courtesy, hospitality or entertainment.  Seller also represents that any gifts, travel expenses, business courtesies, hospitalities or entertainment offered or provided shall meet the following conditions:

1. be permitted under the U.S. Foreign Corrupt Practices Act and the laws and regulations of the country in which this agreement will be performed;
2. be consistent with applicable social and ethical standards and accepted business practices;
3. be of such limited value as not to be deemed a bribe, payoff or any other form of improper inducement or payment; and
4. be of such nature that its disclosure will not cause embarrassment for the Buyer.

(3) Breach of any of the foregoing provisions of parts A and B of this clause by Seller shall be considered an irreparable material breach of this agreement and shall entitle the Buyer to terminate this agreement immediately without compensation to Seller.

1. Activity Prohibitions For Sellers delivering goods or performing services outside of the United States, unless specifically authorized in writing by Buyer, Seller shall not engage in any of the following activities on behalf of the Buyer under this agreement: acting as an agent of the Buyer; marketing or sales promotion; lobbying; freight forwarding; consulting services; performing offset (industrial participation) consulting or brokering services; acting as a distributor or reseller; or activity as a joint venture party.
2. Contact Prohibitions  For Sellers delivering goods or performing outside of the United States, unless specifically authorized in writing by Buyer, Seller shall not contact, either directly or indirectly, public officials of any country other than the United States, United Kingdom, Canada, Australia, Germany, France, or Italy in furtherance of its performance on behalf of Buyer under this agreement.
3. Notification of Status Changes Provision  - Sellers that provided anti-corruption compliance due diligence information (e.g., related to its ownership and personnel, subsidiaries and third parties, the due diligence questionnaire, and related certifications) to a Buyer representative or through the *Global Trust* website shall provide Buyer with prompt notification and details of any changes to its owners, officers, directors or other information contained in such due diligence materials, and agrees to promptly cooperate with Buyer and provide additional information reasonably requested related to such changed information. In the event of a material change to the owners, offices, directors or other information contained in the due diligence material supplied to Buyer, Buyer reserves the right to suspend performance under this agreement by providing written notice to Seller in order for Buyer to conduct anti-corruption due diligence upon such changed circumstances.

CLAUSE NO. 16 – COMBATTING TRAFFICKING IN PERSONS**:**

1. Buyer prohibits its employees, agents, subcontractors, and contract labor from engaging in activities that support or promote trafficking in persons, including, but not limited to, any of the following:
2. Trafficking in persons, including, but not limited to the following:
   1. sex trafficking, or
   2. the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, debt bondage, or slavery.
3. The procurement of a commercial sex act.
4. The use of forced labor in the performance of company business.
5. The use of misleading or fraudulent recruitment activities
6. Charging employees recruitment fees
7. Failing to pay for the return transportation at the end of employment for an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working.
8. Providing or arranging housing that fails to meet the host country housing and safety standards.
9. If required, failing to provide an employment contract, recruitment agreement, or similar work

document in writing, in the individual’s native language and prior to the individual departing from his or her country of origin.

1. Seller represents and warrants that it shall abide by and comply with the requirements of this clause.  Further, Seller shall require its employees, agents, contract labor and subcontractors performing in connection with this Order to abide by and comply with the requirements of this clause.
2. Buyer or its authorized representatives may, at any time, audit all pertinent books, records, work sites, offices, and documentation of Seller in order to verify compliance with this clause. Seller will, in all of its lower-tier subcontracts and contracts relating to any Buyer Order, include provisions which secure for Buyer all of the rights and protections provided for within this clause, including this audit paragraph.
3. Seller acknowledges that if Seller or any of its employees, agents, or contract labor engages in any of the prohibited activities in this clause, this Order is subject to termination.
4. Whenever Seller has knowledge, whether substantiated or not, that any actual or suspected violation of this clause has occurred, Seller shall immediately give written notice to Buyer and provide all relevant information including, but not limited to, the nature of the actual or suspected violation.  Written notice shall be provided to the Buyer’s Authorized Representative, as described in the Order.
5. Seller shall provide its full cooperation during any subsequent investigation of the actual or suspected violation by Buyer, Buyer’s representative, or cognizant government agency.  Seller’s cooperation shall include, but not be limited to, permitting inspection of its work sites, offices, and documentation, as necessary to support any investigation.
6. Seller shall, at its own expense, defend, indemnify and hold harmless Buyer and its affiliates, and all of their officers, agents, employees, successors and assigns, against any claims, loss, damage or expense, regardless of how arising and even if unforeseeable, including, without limitation, payment of direct, special, incidental and consequential damages  and attorney’s fees, arising out of, or relating to, Seller’s or Seller’s employees, agents, subcontractors or contract labor’s failure to comply with the requirements of this clause.
7. Seller agrees to insert the substance of this clause, including this sentence, in any lower–tier subcontract or labor contract.

CLAUSE NO. 17 - RELATIONSHIP OF THE PARTIES**:** The relationship of Seller to Buyer shall be that of an independent contractor and nothing herein contained shall be construed as creating any employer/employee, agency, or other relationship of any kind. Seller’s employees, agents or representatives (hereinafter “Employees”) performing Services under this Order shall at all times be under Seller’s direction and control. Seller shall pay all wages, salaries, and other amounts due its Employees in connection with this Order and shall be responsible for all reports and obligations for its Employees, including, but not limited to, social security and income tax withholdings, unemployment compensation, worker’s compensation, and equal employment opportunity reporting.

CLAUSE NO. 18 - SELLER’S EMPLOYEES**:** All personnel assigned by Seller to perform the Services to be furnished hereunder shall be capa­ble, skilled, qualified and competent to perform such Services. Buyer may require Seller to remove from its or customer’s premises any employee, agent, or representative of Seller, or any of its subcontrac­tors, Buyer deems incompetent, careless or negligent.

CLAUSE NO. 19 - BADGES AND PLANT SECURITY**:** If this Order requires Seller’s personnel to enter Buyer’s or Buyer’s customer’s premises, Seller agrees to abide by and comply with, and require its Employees to abide by and comply with, such rules and regulations pertaining to plant security as may be prescribed by Buyer and/or the Buyer’s Customer.

CLAUSE NO. 20 - CONFLICT OF INTEREST**:** It is understood and agreed that the Seller, under the terms of this Purchase Order, or through the performance of the Statement of Work made a part of this Purchase Order, is neither obligated nor expected to deliver or provide material or perform work, which will place the Seller in an Organizational Conflict of Interest, which could serve as a basis for excluding the Seller from supplying products or services to the U.S. Government customer. Further, during the course of this Purchase Order, NGSC’s cognizant Buyer will not knowingly unilaterally direct the Seller to perform work, in contravention of the above understanding. It will be the Seller's responsibility to identify any situation in which the potential for an Organizational Conflict of Interest exists. However, prior to the execution of any task order or amendment thereto, if the cognizant Buyer discerns the potential for an Organizational Conflict of Interest insofar as the work to be performed thereunder is understood to involve the preparation of a complete specification of materials leading directly, predictably and without delay to a Statement of Work which will be used in the competitive procurement of a system, Seller will be notified and the parties will mutually take action to resolve any potential organizational conflict of interest.

**CLAUSE NO. 21 - INSURANCE:** (Clause is applicable only if, and then only to the extent, work under this purchase order is to be performed by Seller on property under ownership, possession, or control of Buyer or Buyer’s customer.) Seller shall maintain the following insurances: (1) Worker’s or Workmen’s Compensation Insurance within statutory limits and in accordance with the law of the relevant state, including All State and Voluntary Compensation endorsement; (2) Employer’s Liability Insurance with a limit of $2,000,000; (3) Comprehensive General Liability Insurance, including (i) Operations and Premises Liability (with elevator liability), (ii) Contractor’s Protective Liability, (iii) Completed Operations and Product Liability (maintained in effect for a period of five years after the date of final payment), (iv) Personal Injury Liability, (v) Contractual Liability, and (vi) Broad Form Property Damage Liability (including for completed operations), on an occurrence basis in an amount of a combined single limit of not less than $2,000,000 per occurrence; and (4) Comprehensive Automobile Liability Insurance, including (i) personal injury and (ii) property damage, to cover (a) owned automobiles, (b) automobiles under long-term lease, (c) hired automobiles, (d) employer’s non-ownership liability, (e) medical payments, and uninsured motorists, in the amount of a combined single limit of not less than $2,000,000 per occurrence.

Such insurance coverage as is required under this purchase order shall be in a form and with insurance carriers satisfactory to Buyer and without additional cost to Buyer as a price adjustment, unless otherwise expressly provided for elsewhere within this purchase order. Such insurance shall protect (i) Seller, (ii) Buyer, (iii) any other party expressly designated by Buyer elsewhere within this purchase order, from claims that arise out of or result from operations by (i) Seller under this purchase order, or (ii) any lower-tier subcontractor(s) of Seller, or (iii) anyone directly or indirectly employed by any of them, or (iv) anyone for whose acts any of them may be liable.

Seller shall have all liability insurance required under this purchase order amended or endorsed to name Buyer as an additional insured and to indicate that, with respect to the additional insured, there shall be severability of interest. As evidence of said coverage, Seller shall forward certificates of insurance, or copies of insurance policies, to Buyer, which instruments shall contain a provision requiring notification of Buyer in writing of any cancellation or non-renewal of said coverage not less than thirty days before its affectivity.

If Seller fails to purchase or maintain liability insurance required under this purchase order, Buyer may, but is not obligated to, purchase such insurance on Seller’s behalf and shall be entitled to be repaid for any premiums paid therefore by Buyer.

CLAUSE NO. 22 - SERVICE RATES AND INVOICING: The rates for straight time and overtime work, which Seller will bill Buyer, for Services furnished under this Order, shall be those set forth in this Order. Buyer shall make no payment for work performed during holiday, or other overtime peri­ods, unless such work is expressly authorized by Buyer. Seller represents that the rates set forth in this Order include all profit, wages, salaries, overhead, taxes, and other costs and expenses. Travel where expressly authorized in the Purchase Order, shall be reimbursed in accordance with the Federal Travel Regulations (FTR) and FAR 31.205.46. Unless otherwise specified, Seller shall submit an invoice in duplicate to Buyer's procurement repre­sentative at the location identified on the face of this Order and shall include: Purchase Order number, Purchase Order type, item number, part number (if applicable), and a brief description of the Service or Product. Seller shall also provide such evidence as Buyer may reasonably require in support of the invoice. No invoice shall be issued prior to completion of Services or shipment of Products. Payment due dates, including discount periods, will be calculated from the date of accep­tance of Service or Product, or receipt of correct invoice, whichever is later. Payment of invoice shall not constitute approval or acceptance of Services or Products rendered. At any time prior to final payment under this Order, Buyer may have invoices audited as to validity. Payment of Seller's invoices shall be subject to adjustment for any amounts found upon audit or otherwise to have been improperly invoiced.

CLAUSE NO 23 - LIMITATION OF PAYMENTS (Applicable to Time and Materials Orders Only)**:** Seller shall not exceed the total funded ceiling amount of this order unless increased in writing by buyer. Seller shall not supply services for any period beyond that authorized by buyer in writing. All work performed beyond the stated expiration date of the order will be at the sellers "own risk". No legal liability on the part of Northrop Grumman may arise until the seller receives written notice from the buyer that the period of performance has been extended and funding is available. Buyer shall not be obligated to pay Seller for any amount of work not performed by personnel in the labor categories set forth within the purchase order.

**CLAUSE NO. 24 - TAXES:** Seller's prices shall be exclusive of any federal, state, or local sales, use, or excise taxes levied upon, or measured by, the sale, the sales price, or use of goods required in the performance of this purchase order. Seller shall list separately on its invoice (or voucher) any such tax lawfully applicable to any such goods, and payable by Buyer, with respect to which Buyer does not furnish to Seller lawful evidence of exemption. Seller shall comply with any reasonable request by Buyer regarding payments under protest, and regarding any refunds, claims, litigation, or proceedings with respect to any such taxes and shall make appropriate adjustments to afford Buyer the benefit of any refund or reduction in such taxes.

**CLAUSE NO. 25 - REMEDIES:** Each of the rights and remedies reserved by Buyer in this purchase order shall be cumulative and additional to any other or further remedies provided in law or equity or in this purchase order. A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach.

**CLAUSE NO. 26 - ASSIGNMENT:** This purchase order or any interest therein, including any claims for monies due or to become due with respect thereto, may only be assigned upon the written consent of Buyer. Any payment to any assignee of any claim under this purchase order, , as a result of such consent, shall be subject to set-off, recoupment, or other reduction for any claim that Buyer may have against Seller.

**CLAUSE NO. 27 - NOTICE OF LABOR DISPUTES:**  Whenever Seller has knowledge that any actual or potential labor dispute is delaying, or threatens to delay, the timely performance of this purchase order, Seller shall immediately give written notice thereof, including all relevant information with respect thereto, to Buyer.

**CLAUSE NO. 28 - GOVERNING LAW:** This purchase order, and the acceptance thereof, shall be a contract made in the state of Buyer’s office address as shown on the face of this purchase order, and shall be governed by and construed according to the laws thereof if to be wholly performed within such state.

**CLAUSE NO. 29 - BUYER EXCUSABLE DELAY:** Buyer may delay delivery and/or acceptance occasioned by causes beyond its control.

**CLAUSE NO. 30 - TERMINATION FOR CONVENIENCE:** Buyer may at any time terminate this purchase order in whole or in part for its convenience upon written notice to Seller, in which event Seller shall be entitled to reasonable termination charges consisting of a percentage of the purchase order price reflecting the percentage of the work performed prior to termination, plus any reasonably incurred settlement expenses (but in no event to exceed the total value of this contract).

**CLAUSE NO. 31 - PATENTS AND DESIGN RIGHTS:** Seller agrees, at its own expense, to defend any suit or action against Buyer or against those selling or using the goods or services covered by this purchase order for alleged infringement of patent or invention rights arising from the sale or use of such goods or services, and to indemnify and save Buyer harmless from any damages, liabilities, claims, losses, and expenses (including attorneys’ fees) paid or incurred by Buyer in connection with any such suit or action, whether against Buyer or against those selling or using the goods or services covered by this purchase order.

Seller as part consideration for this purchase order and without further cost to Buyer hereby grants and agrees to grant to Buyer an irrevocable non-exclusive, royalty-free right and license to use, sell, manufacture and cause to be manufactured products embodying any and all inventions and discoveries made, conceived or actually reduced to practice in connection with Seller’s performance of this purchase order and Seller hereby grants to Buyer a license to repair, rebuild or relocate and to have repaired, rebuilt or relocated the goods purchased by Buyer under this purchase order. Seller agrees that if this purchase order covers research and development work, and any discoveries, inventions or patents result therefrom, the entire right, title and interest in and to such discoveries, inventions and patents shall belong to Buyer.

**CLAUSE NO. 32 - CLAUSE MODIFICATION REQUIRED BY BUYER’S CUSTOMER:**  Seller agrees to incorporate into this purchase order any revised clause or additional clause as Buyer may rea­sonably deem necessary to enable Buyer to comply with the provisions of the higher-tier contract and any modifications thereto. If any such revised clause or additional clause causes any increase or decrease in the cost of or time required for performance of the purchase order work, an equitable adjustment shall be made in accordance with the procedures of the Changes clause hereof.

**CLAUSE NO. 33 - CHANGES:** Buyer may at any time, by a written order, make changes within the general scope of this purchase order for compliance by Seller, in any one or more of the following: (i) drawings, designs, or specifications, where the supplies or services to be furnished are to be specifically manufactured or produced for Buyer in accordance therewith; (ii) method of shipment or packing; (iii) place of delivery; and (iv) delivery schedule and period of performance of work.

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 purchase order (whether or not changed by such written order), an equitable adjustment shall be made in the purchase order price or delivery schedule and period of performance, or both, and the purchase order shall be modified in writing accordingly. Any claim by Seller for equitable adjustment under this clause shall be asserted within 20 days from the date of receipt by Seller of the notification of change.

**CLAUSE NO. 34 - STOP-WORK ORDER:** The Buyer may, at any time, by written order to the Seller, require the Seller to stop all, or any part, of the work called for by this purchase order for a period of 90 days after the written order is delivered to the Seller, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the stop-work order, the 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 the Seller, or within any extension of that period to which the parties shall have agreed, the Buyer shall either (1) cancel the stop-work order; or (2) terminate the work covered by the stop-work order as provided for in Clause No. 30 or 40 of this purchase order.

If a stop-work order issued under this clause is canceled or the period of that order or any extension thereof expires, the Seller shall resume work. The Buyer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the purchase order shall be modified in writing accordingly if (1) the stop-work order results in an increase in the time required for, or in the Seller’s cost properly allocable to, the performance of any part of this purchase order; and (2) the Seller asserts its rights to the adjustment within 20 days after the end of the period of work stoppage.

If a stop-work order is not canceled and the work covered by the stop-work order is terminated for the convenience of the Buyer, the Buyer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement. If a stop-work order is not canceled and the work covered by the order is terminated for default, the Buyer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

**CLAUSE NO. 35 - ENTIRE AGREEMENT:** Except when issued to carry out a written contract between the parties, this purchase order constitutes the entire agreement of sale and purchase of the goods and services identified herein, and is expressly limited to and made conditional upon the acceptance of all the terms and conditions. Any additional or different terms and conditions contained in any prior quotation or that may be contained in any acknowledgment of this purchase order shall be deemed objected to by Buyer without further notice of objection and shall be of no effect nor under any circumstances be binding upon Buyer. Seller shall be deemed to have assented to all terms and conditions hereof if any of the goods are shipped or services provided to Buyer.

**CLAUSE NO. 36 - LIMITATION OF BUYER’S LIABILITY/ STATUTE OF LIMITATIONS:**  In no event shall Buyer be liable for anticipated profits or for incidental, punitive or consequential damages. Buyer’s liability on any claim of any kind for any loss or damage arising out of or connected with or resulting from this purchase order or from the performance or breach thereof shall, in no case, exceed the price allocable to the goods or services or unit thereof which gives rise to the claim. Buyer shall not be liable for penalties of any description. Any action resulting from any breach on the part of Buyer as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

**CLAUSE NO. 37 - WARRANTY OF PRICE AND PROSPECTIVE ADJUSTMENT:** Seller warrants that the price(s) for the goods or services sold to Buyer under this purchase order are not less favorable than those currently extended to any other customer for the same or like goods or services in equal or smaller quantities. Further, in the event Seller reduces its price(s) for such during the term of this purchase order, Seller agrees to reduce the price(s) hereof correspondingly.

**CLAUSE NO. 38 - U.S. PERSONS STATUS:** (Clause may be invoked in writing by Buyer (i) at any time/s within performance of this purchase order, and (ii) without adjustment of any other terms and condition of this purchase order.) Persons assigned under this order to work in any of Buyer’s facilities need to have original documents sufficient to establish identity and their status as a U.S. Person as that term is defined by the ITAR regulations.

**CLAUSE NO. 39 - CERTIFIED SCREENING FOR ALCOHOL AND DRUG ABUSE:** (Clause may be invoked in writing by Buyer (i) at any time/s within performance of this purchase order, and (ii) without adjustment of any other terms and conditions of this purchase order.) Seller agrees, and shall certify in writing, that each of its employees and consultants to perform work under this purchase order on the property of the Buyer or its customer shall have passed a generally recognized alcohol and drug abuse test within sixty days (or any other period of time agreed to in writing by the Buyer) preceding the commencement of such work thereby (unless excused in writing by the Buyer).

**CLAUSE NO. 40 - TERMINATION FOR DEFAULT:** Buyer may forthwith terminate this purchase order in whole or in part for default in the event of the occurrence of any of the following: (1)(i) Insolvency of the Seller-Seller shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has committed an act of bankruptcy or not and whether insolvent within the meaning of the Federal Bankruptcy Act or not; (ii) the filing of a voluntary petition to have Seller declared bankrupt; (iii) the appointment of a receiver or trustee for Seller, or (iv) the execution by Seller of an assignment for the benefit of creditors. (2) Failure of Seller per the terms of this purchase order to – (i) deliver the supplies or perform the services within the time specified in this purchase order to any authorized extension, (ii) make progress so as to endanger the performance of this purchase order, or (iii) perform to any other substantive provisions of this purchase order. The Seller shall diligently proceed with performance of any purchase order work not terminated.

**CLAUSE NO. 41 - NEGOTIATED TERMS:** All terms of this purchase order were negotiated between the parties at arm’s length. The parties agree that in the event a dispute arises in connection with this purchase order, the terms contained in this purchase order shall be given their plain meaning, and that no term shall be construed in favor of one party over the other by virtue of one party having drafted a term in this purchase order.

**CLAUSE NO. 42 - WAIVER OF JURY TRIAL, JURISDICTION:** Seller and Buyer expressly acknowledge that by signing this purchase order they are giving up their respective right to a jury trial with respect to any claims regarding, relating to or arising out of this purchase order. Each party hereto irrevocably and unconditionally (i) agrees that any suit, action or other legal proceeding rising out of or in connection with this purchase order shall be brought exclusively in the United States District Court for the Eastern District of Virginia or, if such court does not have jurisdiction or will not accept jurisdiction, venue of any court of general jurisdiction in the County of Fairfax, Virginia; (ii) consents to the jurisdiction and venue of any such court in any suit, action or legal proceeding; and (iii) waives any objection which such party may have to the laying of venue of any such suit, action or proceeding in any such court. Pending any decision, appeal, or judgment, or the settlement of any dispute arising under, out of, or in connection with this purchase order (except with respect to any cancellation or termination of any work covered by this purchase order), Seller shall proceed diligently with the performance of this purchase order.

**CLAUSE NO. 43 - IMPROPER DESIGNATION:** In the event that Buyer is subject to any liability, damage or expense, including without limitation attorneys’ fees or Government withholding of payments, due to a finding or determination by the Contracting Officer that an item designated herein as a commercial item is not a commercial item as defined in FAR 2.101, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any such liability, damage or expense resulting in whole or in part from such finding or determination, and agrees that all mandatory FAR/DFAR clauses contained in the prime contract of Buyer will be considered a part of this purchase order and be applicable to the Seller.

**CLAUSE NO. 44 - SUSPECT/COUNTERFEIT PARTS:** Seller represents and warrants that it has policies and procedures in place to ensure that none of the supplies or materials furnished under this Purchase Order are “suspect/counterfeit parts” and certifies, to the best of its knowledge and belief, that no such parts have been or are being furnished to Buyer by Seller. “Suspect/counterfeit parts” are parts that may be of new manufacture, but are misleadingly labeled to provide the impression they are of a different class or quality or from a different source than is actually the case. They also include refurbished parts, complete with false labeling, that are represented as new parts or any parts that are designated as suspect by the U.S. Government, such as parts listed in alerts published by the Defense Contract Management Agency under the Government-Industry Data Exchange Program (GIDEP). If Buyer reasonably determines that Seller has supplied suspect/counterfeit parts to Buyer, Buyer shall promptly notify Seller and Seller shall immediately replace the suspect/counterfeit parts with parts acceptable to Buyer. Seller shall include the substance of this clause in all applicable purchase orders or subcontracts issued in the performance of this order. Notwithstanding any other provision contained herein, Seller shall be liable for all costs incurred by Buyer to remove and replace the suspect/counterfeit parts, including without limitation Buyer’s external and internal costs of removing such a counterfeit parts, of reinserting replacement parts and of any testing necessitated by the reinstallation of Seller’s goods after counterfeit parts have been exchanged. In addition, Buyer may unilaterally terminate this order for Convenience depending on the impact of the delivery of Suspect/Counterfeit parts on the Seller’s overall performance on this order. Seller’s warranty against suspect/counterfeit parts shall survive any termination or expiration of this Purchase Order.

**CLAUSE NO. 45 - WARRANTY OF AUTHENTICITY:** Seller warrants that all products delivered under this Purchase Order are new and in their original packaging. No substitutions are to be supplied without the Buyer's prior written consent. Seller certifies that the products are genuine products authorized by the Manufacturer and are entitled to the full Manufacturer's warranty and service including any related software. Seller shall include the substance of this clause in all applicable purchase orders or subcontracts issued in the performance of this order.

# SECTION C – SUPPLIER REPRESENTATIONS AND CERTIFICATIONS

The following representations and certifications, as determined to individually apply per the scoping provision following the title, pertain to the Offeror (preaward), and to the Seller (postaward) as constituting part of any resulting purchase order. Required representations and certifications will be considered in connection with a preaward determination of the Offeror’s responsibility. If any required representation cannot be made in whole or in any part, the Offeror should prior to or with its offer provide written notification and detail to the Buyer for a determination of Offeror’s eligibility for award, pending which no purchase order shall exist. Representations and certifications hereunder include compliance warranties. For purposes hereof, “Offeror” includes “Quoter” and “offer” includes “quotation.”

**CLAUSE INDEX:**

1. Supplier Small Business Representation
2. Certificate of Established Catalog or Market Prices of Commercial Items

3. Supplier Representation Regarding Non-Segregated Facilities

4.. Supplier Previous Contracts and Compliance Reports Representation

5. Supplier Affirmative Action Compliance Representation

6. Supplier Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters

7. Supplier Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

8. Supplier Anti-Kickback Warranty and Indemnification

9. Representation Relating to Compensation of Former DoD Officials

**A. Representations and Certifications Applicable to this Purchase Order Irrespective of Amount Thereof (subject to any scoping provision per individual clause)**

CLAUSE NO. 1 - SUPPLIER SMALL BUSINESS REPRESENTATION. Supplier is currently an approved Northrop Grumman Supplier in good standing and has completed required annual certifications and representations via the Northrop Grumman Supplier Information Portal (OASIS) @ <https://oasis-sacc.myngc.com>.  Supplier certifies that the representations and certifications previously submitted and on file on are current, accurate and complete, including the business size standard applicable to the NAICS code referenced in the solicitation. The subject representations and certifications are incorporated herein by reference (see FAR 4.1201) and Supplier shall provide timely notification of any changes prior to acceptance of any award.

**CLAUSE NO. 2 CERTIFICATE OF ESTABLISHED CATALOG OR MARKET PRICES OF COMMERCIAL ITEMS:** (Clause is applicable only if and to the extent Seller’s quoted price(s) resulting in this purchase order was/were represented as either (i) established catalog or market price(s) or (ii) reasonably based on established catalog or market price(s), as further defined below.)

By Seller’s acceptance of this purchase order, (i) Seller hereby certifies that Seller’s price(s) quoted thereunder was/were either (a) established catalog or market price(s) or (b) reasonably based on established catalog or market price(s) (with the product similarity having been explained and any differences in price(s) identified and justified along with that quotation), for commercial item(s) sold in substantial quantities to the general public (as defined at FAR 2.101); and (ii) that such quoted price(s) was/were no higher than charged to any other customer under similar circumstances (except as was expressly stipulated and explained along with that quotation).

Seller’s certification is given for the purpose of enabling Buyer to establish that the quoted price(s) was/were fair and reasonable based upon commercial market constraints. In the event that it should be subsequently established that this certification was in whole or in part invalid, Seller hereby agrees to indemnify Buyer for any loss or damage it may suffer (including any legal fees involved) by reason of having accepted and relied upon this certification.

**CLAUSE NO. 3 - SUPPLIER REPRESENTATION REGARDING OF NON-SEGREGATED FACILITIES:** (Clause is applicable only if (i) Equal Opportunity clause at Section D, FAR 52.222-26, is determined to apply to this purchase order, and (ii) this purchase order exceeds or will exceed $10,000.)

“Segregated facilities” as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis or race, color, religion, sex, national origin because of written or oral policies or employee customs. The term does not include separate or single-user restrooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.

Offeror agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit any of its employees to perform their services at any location under its control where segregated facilities are maintained.

**CLAUSE NO. 4 - SUPPLIER PREVIOUS CONTRACTS AND COMPLIANCE REPORTS REPRESENTATION:** (Clause is applicable only if Equal Opportunity clause at Section D, FAR 52.222-26, is determined to apply to this purchase order.) Relating to the associated clause at Section D, FAR 52.222-26, of this form:

Offeror represents that in connection with a previous contract or subcontract subject to either the Equal Opportunity clause of FAR 52.222-26, the clause originally contained in Section 310 of Executive Order 10925, or the clause contained in Section 201 of Executive Order 11114: (i) it has filed all required compliance reports, and (ii) it will secure signed representation indicating submission of the required compliance reports before any subcontract award (at lower tiers).

**CLAUSE NO. 5 - SUPPLIER AFFIRMATIVE ACTION COMPLIANCE REPRESENTATION:** (Clause is applicable only if (i) Equal Opportunity clause at Section D, FAR 52.222-26, is determined to apply to this purchase order, and (ii) Offeror has (a) 50 or more employees, or (b) a U.S. Government contract or subcontract of $10,000 or more [including any purchase order resulting from this solicitation], or (c) U.S. Government bills of lading (GBL) that in any 12-month period total, or can be reasonably expected to total $10,000 or more.) Relating to the associated clause at Section D, FAR 52.222-26, of this form:

Offeror represents that it has developed and has on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2).

**CLAUSE NO. 6 - SUPPLIER CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS:** (Clause is applicable only if this purchase order is first-tier from the prime contract.) Relating to the associated provision of Section D, FAR 52.209-5, of this form and the Buyer’s responsibility under the provisions of the clause at FAR 52.209-6:

The Offeror certifies, to the best of its knowledge and belief, that - the Offeror and/or any of its principals - (i) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; (ii) have not within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers: or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws or receiving stolen property; and (iii) are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in (ii) of this provision. The Offeror has not within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency. *Note: This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under section 1001, title 18, United States Code.*

**CLAUSE NO. 7 - SUPPLIER CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS:** (Clause is applicable only if this purchase order exceeds or will exceed $150,000. The definitions and prohibitions contained in the Limitation on Payments to Influence Certain Federal Transactions clause at FAR 52.203-12 are hereby incorporated by reference in this certification.) Relating to the associated provision of Section D, FAR 52.203-11, of this form:

The Offeror, by submitting its offer, hereby certifies to the best of his or her knowledge and belief that - (i) no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement; (ii) if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the Offeror shall complete and submit, with its offer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to the Buyer; and (iii) he or she will include the language of this certification in all lower-tier purchase orders at any tier and require that all recipients of awards in excess of $150,000 shall certify and disclose accordingly.  *Note: Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than $10,000, and not more than $100,000, for each such failure.*

**CLAUSE NO. 8 - SUPPLIER ANTI-KICKBACK WARRANTY AND INDEMNIFICATION:** (Clause is applicable only if this purchase order exceeds or will exceed $150,000.) Relating to the Anti-Kickback Procedures clause of Section D, FAR 52.203-7, of this form:

Seller warrants that it is in full compliance with the provisions of the Anti-Kickback Act of 1986, 41 U.S.C. 51-58, and shall indemnify, protect, defend, and hold Buyer harmless from any liabilities or monetary loss Buyer may suffer resulting from failure of such compliance by Seller.

CLAUSE NO. 9 – REPRESENTATION RELATING TO COMPENSATION OF FORMER DOD OFFICIALS: By submission of this offer, the offeror represents, to the best of its knowledge and belief, that all Covered DoD officials employed by or otherwise receiving compensation from the offeror, and who are expected to undertake activities on behalf of the offeror for any resulting contract, are presently in compliance with all post-employment restrictions covered by 18 U.S.C. 207, 41 U.S.C. 2101-2107, and 5 CFR parts 2637 and 2641, including Federal Acquisition Regulation 3.104-2.

# SECTION D – FAR AND FAR SUPPLEMENT CONTRACT CLAUSES

The following clauses are mandatory clauses as mandated by [FAR 52.244-6](http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/52_237.htm#P564_88094), “Subcontracts for Commercial Items” as well as [FAR 52.212-5](http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/52_000.htm#P1994_292784) “Contract Terms and Conditions Required to Implement Statutes or Executive Orders – Commercial Items,” and [DFARS 252.244-7000](http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/dfars/dfars252_237.htm#P1195_79740), “Subcontracts for Commercial Items. These clauses are hereby incorporated into this purchase order by reference with full force and effect. The Seller shall include these clauses, including this paragraph, in purchase orders/subcontracts awarded under this order.

The specific applicability and interpretation of each clause are subject to the parenthetical statement following its title (hereinafter called its scooping provision).

In the event that the Buyer shall have entered into a definitive prime contract or higher-tier subcontract with its customer prior to the effective date of this supporting purchase order, and unless otherwise expressly stated elsewhere in this purchase order, the date of each undated clause identified herein below (i) shall be the same date as any equivalent clause of such definitive prime contract or subcontract; or (ii) if there is no equivalent clause, shall be the regulatory date in effect therefore as of the effective date of this solicitation preceding this supporting purchase order. In the event that the Buyer shall not have entered into a definitive prime contract or higher-tier subcontract with its customer prior to the effective date of this supporting purchase order, and unless otherwise expressly stated elsewhere in this purchase order, the date of each undated clause identified herein below shall be the regulatory date in effect therefore as of the effective date of the solicitation preceding this supporting purchase order.

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| **1. FAR Contract Clauses:** |
| **FAR 52.203-13**, Contractor Code of Business Ethics and Conduct. Applicable to all subcontracts that have a value in excess of $5,500,000 and a performance period of more than 120 days. |
| **FAR 52.203-15**, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009. Applicable to all subcontracts that are funded in whole or in part with Recovery Act funds. |
| **FAR 52.204-21,** Basic Safeguarding of Covered Contractor Information Systems |
| **FAR 52.215-2,** Audit and Records - Negotiation Applicable to all awards exceeding $150,000 that are cost-reimbursement, time-and-materials, labor-hour, or price-redeterminable, or that require the submission of cost performance reports. |
| **FAR 52.215-21,** Requirements for Certified Cost or Pricing  Data and Data Other Than Certified Cost or Pricing  Data — Modifications |
| **FAR 52.219-8**, Utilization of Small Business Concerns – This clause is applicable if the order is expected to exceed $650,000 ($1,500,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities. |
| **FAR 52.222-17,** Nondisplacement of Qualified Workers- (applicable to all awards for services exceeding $150,000) |
| **FAR 52.222-21,** Prohibition of Segregated Facilities |
| **FAR 52.222-26**, Equal Opportunity – This clause is applicable only if it is not exempt by the Secretary of Labor under Executive Order 11246 as amended. |
| **FAR 52.222-35**, Equal Opportunity for Veterans – This clause is applicable if this order exceeds $150,000. |
| **FAR 52.222-36**, Equal Opportunity for Workers with Disabilities – This clause is applicable if order will exceed $15,000, or is expected to exceed $15,000, and work is to be performed outside the U.S. by employees recruited outside of the U.S. |
| **FAR 52.222-37**, Employement Reports on Veterans (Clause is applicable if award is $150,000 or more) |
| **FAR 52.222-40**, Notification of Employee Rights Under the National Labor Relations Act |
| **FAR 52.222-41**, Service Contract Labor Standards – Applicable to all subcontracts subject to the Service Contract Labor Standards statute. |
| **FAR 52.222-43,** Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment (Multiple Year and Option Contracts) |
| **FAR 52.222-44,** Fair Labor Standards Act and Service Contract Labor Standards –Price Adjustment |
| **FAR 52.222-50**, Combating Trafficking in Persons Applicable to all awards.  However, the requirements in paragraph (h) of this clause only apply only to any portions of the subcontract that— (A) Is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and, (B) Has an estimated value that exceeds $500,000. Where paragraph (h) applies, the Subcontractor shall submit a certification to the Buyer prior to award and annually thereafter for the duration of the Subcontract, affirming that— (i) It has implemented a compliance plan to prevent any prohibited activities identified at paragraph (b) of this clause and to monitor, detect, and terminate any agent, subcontract or subcontractor employee engaging in prohibited activities; and, (ii) After having conducted due diligence, either— (A) To the best of the Contractor's knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or (B) If abuses relating to any of the prohibited activities identified in paragraph (b) of this clause have been found, the subcontractor has taken the appropriate remedial and referral actions. |
| **FAR 52.222-51**, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements |
| **FAR 52.222-53**, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services--Certification |
| **FAR 52.222-54**, Employment Eligibility Verification. |
| **FAR 52.222-55,** Minimum Wages Under Executive Order 13658.Applicable to all subcontracts, regardless of dollar value, that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States. |
| **FAR 52.222-56,** Certification Regarding Trafficking in Persons Compliance Plan(as prescribed in FAR 22.1705(b) |
| **FAR 52.225-26**, Contractors Performing Private Security Functions Outside the United States |
| **FAR 52.232-39,**  Unenforceability of Unauthorized Obligations |
| **FAR 52.232-40**, Providing Accelerated Payments to Small Business Subcontractors |
| **FAR 52.244-6,** Subcontracts for Commercial Items |
| **FAR 52.247-64**, “Preference for Privately Owned U.S.- Flag Commercial Vessels” – Flowdown not required for subcontracts awarded beginning May 1, 1996. |
| **2. DFARS Mandated Contract Clauses:** |
| **252.204-7008,** Compliance with Safeguarding Covered Defense Information Controls (when applicable) |
| **252.204-7009**, Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information (when applicable) |
| **252.204-7012,** Safeguarding Covered Defense Information and Cyber Incident Reporting (when applicable) |
| **252.222-7007,** Representation Regarding Combating Trafficking in Persons |
| **252.223-7008**, Prohibition of Hexavalent Chromium (applicable to all subcontracts for supplies, maintenance, repair services or construction materials). |
| **252.225‑7009**, Restriction on Acquisition of Certain Articles Containing Specialty Metals, excluding Paragraph (d) and (e)(1) |
| **252.225‑7010**, Commercial Derivative Military Article—Specialty Metals Compliance Certificate. |
| **252.225-7039**, Defense Contractors Performing Private Security Functions Outside the United States (if applicable). Section 862 of Pub. L. 110-181, as amended by section 853 of Pub. L. 110-417 and sections 831 and 832 of Pub. L. 111-383). |
| **252.225-7981**, Additional Access to Contractor and Subcontractor Records (Other than USCENTCOM) (DEVIATION 2015-O0016) Applicable to all solicitations and resultant contracts valued at more than $50,000, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial items, that are to be performed outside the United States and its outlying areas, in support of a contingency operation in which members of the armed forces are actively engaged in hostilities, except for contracts that will be performed in the United States Central Command (USCENTCOM) theater of operations. |
| **252.225-7993**, Prohibition on Providing Funds to the Enemy (DEVIATION 2015-O0016) Applicable to all solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition commercial items to be awarded on or before December 31, 2019, with an estimated value in excess of $50,000, that are being, or will be, performed outside the United States and its outlying areas, in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities. |
| **252.227-7015**, Technical Data—Commercial Items, if applicable (see 227.7102-4(a)). |
| **252.227-7037**, Validation of Restrictive Markings on Technical Data, if applicable (see 227.7102-4(c)). |
| **252.236-7013**, Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers (Pub. L. 110-329, Division E, Section 108). |
| **252.237-7010**, Prohibition on Interrogation of Detainees by Contractor Personnel (Section 1038 of Pub. L. 111). |
| **252.237-7019**, Training for Contractor Personnel Interacting with Detainees (Section 1092 of Pub. L. 108). |
| **252.239-7009**, Representation of Use of Cloud Computing |
| **252.239-7010**, Cloud Computing Services |
| **252.239-7018,** Supply Chain Risk |
| **252.244-7000,** Subcontracts for Commercial Items |
| **252.246-7003**, Notification of Potential Safety Issues |
| **252.246-7007,** Contractor Counterfeit Electronic Part Detection and Avoidance System |
| **252.246-7008,** Sources of Electronic Parts |
| **252.247-7023**, Transportation of Supplies by Sea (10 U.S.C. 2631) – If applicable. |
| **252.247-7024**, Notification of Transportation of Supplies by Sea (10 U.S.C. 2631) – If applicable. |