

T-1
NORTHROP GRUMMAN CORPORATION
PURCHASE ORDER TERMS AND CONDITIONS
GOVERNMENT FIXED PRICE – SUPPLY

1. DEFINITIONS.
 - A. BUYER means Northrop Grumman Corporation including its subsidiaries, sectors, and business areas as identified on the face of the Order.
 - B. DATA means all designs, dimensions, specifications, drawings, patterns, know how, or other information concerning methods, manufacturing processes, equipment, gauges and tools used in the design and manufacture of Products. Data may be recorded in a written or printed document, computer or electronic file, electromagnetic tape or disc, software, or any other tangible form of expression.
 - C. ORDER means the instrument of contracting including this Purchase Order and all referenced documents.
 - D. PARTIES means Buyer and Seller collectively.
 - E. PRIME CONTRACT means the contracting instrument issued to Buyer or Buyer's higher tier customer by the U.S. Government for the acquisition of Products.
 - F. PRODUCTS means those goods, supplies, reports, computer software, data, materials, articles, items, parts, components or assemblies, and any related services described in the Order.
 - G. PROPRIETARY INFORMATION means all Data that is identified in writing at the time of disclosure as proprietary and marked with an appropriate legend, marking or stamp identifying the Data as Proprietary to the party disclosing the information, and includes any information marked with a restrictive legend as prescribed in DFARS 252.227-7013 or 252.227-7014 or in FAR 52.227-14.
 - H. SELLER means the party with whom Buyer is contracting.
2. ACCEPTANCE. This Order is Buyer's offer to Seller. Seller's acceptance is expressly limited to the written terms of this Order. No additional or different term shall be binding. Buyer hereby objects to any additional or different terms contained in Seller's acceptance. Any of the following acts by Seller shall constitute acceptance:
 - A. Signing and returning a copy of this Order;
 - B. Commencing performance of any effort required to complete this Order;
 - C. Informing Buyer of commencement of any effort required to complete this Order; or
 - D. Shipping of any Products in performance of this Order.
3. ORDER OF PRECEDENCE. In the event of any inconsistency between any parts of this Order, the inconsistency shall be resolved by giving precedence in the following order:
 - A. Typed Purchase Order.
 - B. Purchase Order Terms and Conditions.
 - C. Statement of Work.
 - D. Specification/Drawing.
 - E. Supplier Data Requirements List (SDRL)/ Data Item Description (DID).
 - F. Other Referenced Documents.
4. DELIVERY, TITLE AND RISK OF LOSS.
 - A. The FOB point shall be as designated in the Order. Risk of any loss and/or damage to Products occurring before receipt at the delivery point specified shall be Seller's responsibility. Title shall pass to Buyer upon acceptance (except as otherwise specified within this Order); however, passing of title shall not relieve Seller of any other obligations under this Order.
 - B. All deliveries shall be strictly in accordance with the applicable quantities and schedules set forth in this Order. Unauthorized overshipments and early shipments shall be returned at Seller's expense. Seller shall be liable for all storage/handling charges incurred as a result of overshipments and early shipments.
 - C. Whenever it appears Seller will not meet the delivery schedule, Seller shall immediately notify Buyer of the reason and estimated length of the delay. Seller shall make every effort to avoid or minimize the delay to the maximum extent possible including the expenditure of premium time and most expeditious transportation. Any additional cost caused by these requirements shall be borne by Seller.
 - D. If Seller is unable to meet the required delivery schedules for any reason, other than a change directed by Buyer, Buyer shall have the option to (1) cancel this Order, or (2) fill such Order or any portion thereof, from sources other than Seller and to reduce Seller's Order quantities accordingly at no increase in unit price, without any penalty to Buyer. This condition shall not limit buyer's rights under the default clause contained herein.
 - E. All Parties expressly agree that time is of the essence in the performance of this Order.

5. **INVOICE AND FREIGHT BILL.** Seller shall send a separate invoice for each shipment and shall include the following information taken from Buyer's Purchase Order: Purchase Order number, item number, part serial number (if serialized), part number, unit of measure, and unit price. Seller's invoice shall also include: Seller's phone number and address, invoice number, date prepared, item quantity, extended item price, and total invoice value. If Seller's "remit to" address is different than the address indicated on the Purchase Order, clearly identify the "remit to" address on the invoice. No invoice shall be issued prior to shipment of Products. For each shipment made at Buyer's expense (e.g., FOB Origin), Seller shall include a copy of the freight bill (which shall include the weight of items shipped) with each invoice.
 6. **PAYMENT.** Payment due dates, including discount periods, will be calculated from the date of acceptance of Products or correct invoice, whichever is later. Unless freight and other charges are itemized, any discount will be taken on the full amount invoiced. Buyer has the right, without loss of discount privileges, to pay invoices covering Products shipped in advance of schedule on the normal maturity after the date specified for delivery. Payment shall not constitute acceptance of Products.
 7. **SET-OFFS.** Any amounts owing to Buyer by Seller may be set off against amounts otherwise due to Seller under this or any other Buyer Order.
 8. **PACKING AND SHIPPING.** Seller shall, unless otherwise stated in the Order:
 - A. Prepare all Products for shipment to prevent damage or deterioration;
 - B. Package in accordance with best commercial practices;
 - C. Secure the lowest lawful transportation rates;
 - D. Comply with carrier's classifications, tariffs, and packaging instructions; however, Seller shall notify Buyer, before shipping, of any conflict between Buyer's and carrier's packaging requirements;
 - E. Pay all charges for preparation, packaging, packing, boxing or crating;
 - F. Pay all cartage and shipping (except forward freight collect when free on board [FOB] origin [place of shipment]);
 - G. Make one daily shipment of all Products by the same means of transportation, to the maximum extent possible;
 - H. Number and mark each container with a consecutively assigned container number and with the applicable Order number;
 - I. Indicate the container, Purchase Order number, item, serial (if serialized), part (from the face of this Order) and lot or batch number (if applicable) on the packing sheets and bills of lading;
 - J. Place one copy of the packing sheet inside the first container and attach one copy to the outside of the container;
 - K. Instruct the Shipper to include the Order number on the freight invoice; and
 - L. Not declare the shipment value unless tariff rates or rating is dependent upon the released or declared value; then, declare the maximum value for the lowest rates or rating.
- Damage resulting from improper Product packaging will be charged to Seller.
9. **INSPECTION & ACCEPTANCE.** Unless otherwise specified in Supplier Quality Assurance Requirements ("SQAR") incorporated in this Order, Buyer's final inspection and acceptance shall be at destination. Failure to inspect and accept or reject Products shall not relieve the Seller from responsibility for compliance with Order requirements nor impose liability on Buyer.
 10. **NON-CONFORMING GOODS.** If Seller fails to deliver or delivers defective or nonconforming Products, Buyer may:
 - A. Accept all or part of the defective or non-conforming Products at an equitable price reduction; or
 - B. Reject all or any part of a delivery of defective or non-conforming Products, and demand delivery of conforming Products. All rejected Products shall be shipped to Seller at Seller's cost; or
 - C. Make, or have a third party make, all repairs, modifications, or replacements (the "Corrections") necessary to enable such Product to comply in all respects with Order requirements and charge the cost incurred to Seller; or
 - D. Rescind this Order.

Buyer and Seller agree that the Products ordered pursuant to the Order are unique goods.
 11. **WARRANTY.**
 - A. Seller warrants, to Buyer and purchasers of Buyer's Products, that all Products delivered under this Order will: (1) be free from defects in materials, workmanship, and manufacturing processes; (2) be suitable for the purposes intended whether expressed or reasonably implied; (3) conform to the requirements of this Order, including, but not limited to, the applicable descriptions, specifications, and drawings, if any; (4) be free from defects in design for any Products or any portions thereof which are manufactured, in whole or in part, in accordance with designs not furnished by Buyer; and (5) be free of all liens and encumbrances. The warranty set forth above shall remain in effect for twenty-four (24) months after delivery to Buyer's customer. Buyer may give notice to Seller of any breach of the warranties of this clause no later than

six (6) months after expiration of the warranty period set forth above, and notice must be given within said time period except for latent defects, gross negligence, fraud, or such gross mistakes as amount to fraud.

- B. If any Product fails to comply in any respect to the warranty set forth above and Seller has been given notice of such noncompliance within the period of time set forth above, Buyer shall have the option, in its sole discretion, at Seller's expense, to (1) require Seller to promptly make all repairs, modifications, or replacements (the "Corrections") necessary to enable such Product to comply in all respects with said warranty; or (2) make, or have a third party make, all Corrections necessary to enable such Product to comply in all respects with said warranty.
- C. In addition to the actual cost of any Correction, Seller shall also be responsible for (1) all direct labor costs incurred in the actual removal and reinstallation of the defective Product, provided that the number of manhours used to establish such removal and reinstallation costs shall not exceed Buyer's reasonable estimate of the direct manhours required for the performance of such work; (2) all administrative costs incurred by Buyer in identifying, determining the disposition of, and processing required documentation for the nonconforming Product, provided that this cost shall be based upon Buyer's best estimate of the historical costs for such effort; (3) transportation and insurance costs for Product corrected pursuant to the provisions of this clause; and (4) all delay and disruption costs incurred by Buyer, provided that such cost shall not exceed Buyer's reasonable estimate of the cost based on labor hours at a dollar per rate which represents manufacturing expense directly attributable to lack of a conforming Product from Seller.
- D. Any Product to which a Correction has been made by Seller, Buyer, or a third party under this warranty shall be warranted by Seller for twelve (12) months after the date of such Correction or the unexpired remainder of the warranty period as specified herein, whichever period is greater. However, Seller shall not be held liable for defects or failures attributable to misuse or negligent Correction by Buyer or any third party.
- E. If Buyer requires Seller to repair, modify or replace a noncompliant Product, Seller shall complete any Corrections to such Product at its facilities within a period of ten (10) working days or less from receipt of Product, unless a longer period is approved by Buyer in writing. Seller shall process and

reimburse Buyer for each claim by Buyer asserted under this warranty within ten (10) days from receipt of Buyer's claim. In the event Buyer's claim is disallowed by Seller, Seller shall provide detailed explanation in writing of the reasons for such disallowance. Seller's obligation to meet the delivery schedule established in this Order shall not be affected by any Corrections required by this clause.

- F. Buyer's rights under this clause shall, at Buyer's option, be assignable to and enforceable by its customers and users of customer's Product.
- G. The rights of Buyer set forth in this clause shall be in addition to, and not in lieu of, any other right Buyer may have under this Order, or in law or equity.

12. CHANGES.

- A. Buyer's authorized representative may at any time, by written order, and without notice to sureties or assignees, if any, make changes within the general scope of this Order in (1) drawings, designs, specifications, planning, and/or other technical documents; (2) method of shipment, packaging, or packing; (3) place of delivery; (4) quantity of Product (increase or decrease); (5) delivery schedule(s); (6) place of inspection; and (7) place of acceptance.
- B. If the change causes an increase or decrease in the cost or time required to perform this Order, whether or not changed by the change order or Purchase Order Change Notice, an equitable adjustment shall be made in the purchase price and/or delivery schedule and the Order shall be modified in writing accordingly.
- C. Any claim shall be unconditionally waived unless asserted in writing and delivered to Buyer within 15 days of the date of the written change order.
- D. If Seller claims the cost of any Property made obsolete or excess, Buyer shall have the right to prescribe the manner of disposition of the property to include the right to acquire that property for the cost claimed.
- E. Buyer has the right to examine any of Seller's pertinent books and records for the purpose of verifying Seller's claim.
- F. Failure to agree to any adjustment shall be a dispute within the meaning of the "Disputes" clause hereof. However, Seller shall not be excused from proceeding with the Order as changed.

13. BUYER AUTHORIZATION.

- A. The Buyer's authorized purchasing representative has sole authority to make contractual commitments on behalf of the Buyer, to provide contractual direction, and to change contractual requirements as defined in the Order.

- B. Buyer's representatives other than Buyer's authorized purchasing representative may release to Seller information applicable to this Order. If information so provided to the Seller changes the contractual requirements and/or performance of the Order, Seller shall not act on that information and it shall not be contractually effective until Seller receives written contractual direction to act from the Buyer's authorized purchasing representative.

14. DISPUTES.

- A. Any dispute that may arise under or in connection with this Order with respect to the rights, duties, or obligations of the Parties shall be reduced to writing and submitted for resolution to ascending levels of management of the respective Parties up to the Senior Executive of the Materiel or Procurement organization placing the Order, and Seller's equivalent executive level.
- B. If a dispute cannot be resolved to both Parties' mutual satisfaction, after good faith negotiations, within ninety (90) calendar days from the date the written claim is received by the other Party, or such additional time as the Parties agree upon, in writing, either Party may bring suit in federal or state court.
- C. Unless otherwise agreed to in writing by the Parties, venue and jurisdiction for all legal proceedings of any kind or nature brought to enforce any provisions of this Order shall lie within the state from which the Order was issued.
- D. Pending any prosecution, appeal, or final decision referred to in this clause, or the settlement of any dispute arising under this Order, Seller shall proceed diligently, as directed by Buyer, with performance of the Order.
- E. Notwithstanding any provisions herein to the contrary, if a dispute under this Order involves issues which can be included in a claim by Buyer pursuant to the "Disputes" provisions of its higher-tier contract:
- (1) Buyer may include such issues in a claim against the Government or higher-tier contractor pursuant to the disputes procedure of Buyer's higher-tier contract and Buyer may invite Seller to participate in the prosecution and share in the expense of such dispute; or
 - (2) Seller may at its own expense and subject to Buyer approval (which shall include a sponsorship agreement) and in the name of Buyer, submit such issues to the higher-tier contractor. Seller shall provide a certification in accordance with FAR 52.233-1 and a copy of the claim package prior to Buyer approval.

- (3) If, in accordance with (1) or (2) above, Seller prosecutes or participates in the prosecution of such higher-tier contract dispute, it shall not resort to other means for settling the related issues involved under the Order; and it shall abide by the final decision of such higher-tier disputes procedure, provided Buyer, if it chooses not to exhaust its right of appeal under such procedure, gives Seller the opportunity to take any available appeal.

- F. WAIVER OF RIGHT TO A JURY TRIAL. TO THE MAXIMUM EXTENT PERMITTED BY LAW, SELLER HEREBY WAIVES ITS RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING OR HEARING BROUGHT BY EITHER SELLER AGAINST BUYER OR BUYER AGAINST SELLER ON ANY MATTER WHATSOEVER ARISING UNDER, RELATING TO, OR IN ANY WAY CONNECTED WITH THIS ORDER, THE RELATIONSHIP OF SELLER AND BUYER OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE OR REGULATION NOW OR HEREAFTER IN EFFECT.

15. TERMINATION FOR CONVENIENCE. Buyer may at any time terminate all or any part of this Order in accordance with the contract clause entitled "Termination for Convenience of the Government (Fixed-Price)" set forth at 52.249-2 of the FAR, which clause is hereby incorporated herein and made a part hereof by this reference, except that the term "contract" therein shall mean this Order, the term "Contracting Officer" therein shall mean "Buyer", the term "Government" therein shall mean "Buyer" except that in subparagraph (b) (8) and at the first occurrence thereof in paragraph (h) it shall mean "Buyer or the Government" and in paragraph (n) it shall mean "Buyer and the Government", the term "Contractor" therein shall mean "Seller", paragraphs (d) and (j) thereof are deleted, the period "120 days" in paragraph (c) is changed to "60 days", the period "1 year" in paragraph (e) is changed to "3 months" and the period "90 days" in paragraph (l) is changed to "45 days"; provided, however, that if this Order is a first-tier subcontract under a U.S. Government prime contract, the period "1 year" in paragraph (e) is changed to "180 days."

16. TERMINATION FOR DEFAULT. The FAR 52.249-8 "Default (Fixed Price Supply and Service)" clause is by this reference incorporated herein and made a part hereof except that the term "contract" therein shall mean this Order, the term "Contractor" therein shall mean "Seller", the term "Contracting Officer" therein

shall mean "Buyer", the term "Government" in all paragraphs thereof except paragraph (c) shall mean "Buyer" and all reference therein to a "Disputes" shall mean the Disputes clause of this Order. Buyer may terminate this Order in whole, or in part, for Seller's default in accordance with this clause. In addition, Buyer may terminate this Order in whole, or in part, in the event one of the following occurs, is threatened, or is imminent with respect to Seller: insolvency; bankruptcy; reorganization; suspension of business; sale of a substantial part of Seller's assets; filing for dissolution; liquidation proceedings; appointment of a trustee or receiver for Seller's property or business; or assignment.

17. **RESPONSIBILITY FOR CLAIMS/ INDEMNITY.** Seller shall, at its own expense, defend, indemnify and hold harmless Buyer from any claims or suits brought and liabilities and losses sustained by any third party for injury to persons or damage to property, arising in whole or in part out of the acts or omissions of Seller, its subcontractors, agents, or employees in the performance of this Order. If Seller fails to defend, hold harmless, and indemnify Buyer as provided in this clause, then Seller shall pay for any damages, attorney's fees, and any other fees, costs, and expenses that may be incurred by Buyer in the defense of any action related to this Order and/or in the prosecution of any action to enforce the provisions of this clause.

18. **NOTIFICATION OF DEBARMENT/ SUSPENSION.** Seller shall provide prompt written notice to Buyer if, at any time during the performance of this Order, Seller is suspended, debarred or declared ineligible for contract award, or has received notice that any U.S. Government department or agency is considering suspension or debarment of the Seller.

19. **BUYER'S PROPERTY.**

A. Buyer shall retain title to all Buyer property furnished to Seller (i.e., dies, molds, jigs, tools, materials, etc.). Seller shall label, maintain and dispose of Buyer's property, including scrap, according to Buyer's direction and Seller shall be responsible for all loss or damage.

B. During the entire contract period, Seller shall, at its sole cost and expense, maintain a policy or policies of insurance covering the loss or destruction of or damage to all Buyer materials, tools and equipment, special or otherwise, in which Buyer has an interest, in the amount of the full replacement value thereof providing protection against all perils normally covered in an "all-risk" policy, including but not limited to, fire, windstorm, explosion, riot, civil commotion, aircraft, earthquake, flood or other acts of nature during such time as they remain in Seller's possession.

20. **GOVERNMENT PROPERTY.**

A. The clause contained in FAR 52.245-2, Government Property (Fixed Price Contracts), applies.

B. Seller shall maintain and administer a program for the maintenance, repair, protection and preservation of Government Property in accordance with FAR Subpart 45.5 and accepted industry practices. Upon Buyer's request or completion of this Order, Seller shall submit inventory schedules in acceptable form covering all Government Property pertaining to this Order. To the extent that such use will not interfere with Seller's performance of this Order, this clause shall not limit Seller's use of Government property in producing end items on orders received directly from the Government; however, nothing herein will be deemed to contravene the rights of the Government under FAR 52.245-2, paragraph (b).

21. **DISPOSAL OF PRODUCTS.** Seller shall not sell, or otherwise dispose of as scrap or otherwise, any completed or partially completed or defective Products without defacing or rendering such Products unsuitable for use. Upon completion or termination of this Order, Seller shall, at Seller's expense, dispose of all Products, including partially completed Products, as required or directed by Buyer.

22. **NOTIFICATION OF STATUS CHANGES.** By accepting this Order, Seller certifies that all representations and certifications applicable to this Order included in the "Subcontractor Annual Compliance Certification" and the "Supplier Capability Questionnaire" remain valid. If Seller's status under any of the applicable representations and certifications has changed, Seller must complete and submit to Buyer a new "Subcontractor Annual Compliance Certification" or "Supplier Capability Questionnaire" prior to taking any action indicating acceptance as stated on the face of the Order.

23. **TAXES.** Seller's prices include all applicable federal, state and local taxes.

24. **ASSIGNMENT.**

A. Seller shall not assign any of its rights under this Order without Buyer's prior, written consent, except as specifically stated in this clause. Seller may assign to a bank, trust company, or other financing institution including any Federal lending agency, claims for money due or to become due to Seller from Buyer under this Order, provided:

(1) The assignment is limited to one party, covers all amounts payable under the order and not already paid, is not subject to further assignment, and is made specifically subject to reduction and setoff or recoupment for any present or

- future claim or claims or indebtedness which Buyer may have against Seller;
- (2) Seller furnishes to Buyer written notice of assignment and a true copy of the instrument of assignment.
- B. Buyer may make direct settlements or adjustments in price, or both, with Seller under the terms of this Order notwithstanding any assignment of claims for money due or to become due under this Order and without notice to the assignee.
- C. Seller shall not furnish or disclose to any assignee under this Order or any other person not entitled to receive the same, any classified document (including this Order) until and unless authorized to do so by Buyer's authorized representative.
25. SUBCONTRACTING.
- A. Seller shall not subcontract without the prior written authorization of Buyer for the design or procurement of the whole or any major component of any Product ordered hereunder, and Seller shall require a like agreement from immediate and lower-tier suppliers. This is not a restriction on authorized distributors, dealers, jobbers or industrial suppliers. No subcontract placed under this Order shall provide for payment on a cost-plus-percentage-of-cost basis, and any fee payable under cost-reimbursement subcontracts shall not exceed the fee limitations in subsection 15.404-4(c) of the Federal Acquisition Regulation (FAR).
- B. Any subcontract awarded to a foreign person, as defined in the International Traffic in Arms Regulations or the Export Administration Regulations, must comply with the Export and Import Compliance clause herein.
26. PROPRIETARY INFORMATION.
- A. Seller agrees to keep confidential and not to disclose to any other person any Proprietary Information received from Buyer in connection with this Order. Seller further agrees to use Proprietary Information only for purposes necessary for performing this Order, without first obtaining Buyer's written authorization.
- B. Seller may disclose Proprietary Information to its subcontractors as required for the performance of this Order, provided that each such subcontractor first assumes by written agreement the same obligations imposed on Seller under this Order relating to such Proprietary Information.
- C. All documents and other tangible media (excluding Products) containing or conveying Proprietary Information and transferred in connection with this Order, together with any copies thereof, are and remain the property of Buyer.
- D. Neither the existence of this Order nor the disclosure hereunder of Proprietary Information or any other information shall be construed as granting expressly by implication, by estoppel or otherwise, a license under any invention or patent now or hereafter owned or controlled by Buyer or Buyer's customer, except as specifically set forth herein.
- E. Seller's obligations with respect to Proprietary Information disclosed hereunder prior to the performance in full, termination or cancellation of this Order shall not, except as expressly set forth herein, be affected by such performance in full, termination, or cancellation.
- F. Unless otherwise provided herein, or authorized by Buyer in writing, Seller shall use Data only in the performance of this Order subject to the Government's rights under the Government Property clause. Notwithstanding this restriction, upon prior written notice to Buyer and to the extent such use will not interfere with Seller's performance of purchase orders with Buyer in effect at the time, Seller may, with the U S Government's authorization, use on other contracts all Data which the U. S. Government owns, or has the right to authorize the use thereof for Government purposes.
27. SELLER'S DATA. Any Data, which Seller discloses to Buyer while performing this Order, that Seller has not marked with a limited rights legend in accordance with the applicable rights in technical data and computer software clauses/provisions called out herein shall not be considered proprietary to Seller or in any way restrict Buyer's use of such Data.
28. PATENT, TRADEMARK, AND COPYRIGHT INDEMNITY. Seller shall defend, indemnify, and hold Buyer, Buyer's officers, agents, employees, and customers harmless against all claims and liabilities, including costs, for infringement of any United States patent, trademark, or copyright by any Products delivered under this Order or, at Seller's option and expense, Seller shall obtain such licenses as are necessary to remove such infringement, provided that Seller is reasonably notified of such claims and liabilities. Seller's obligation shall not apply to Products manufactured by Seller pursuant to detailed designs developed by Buyer and furnished to Seller under an Order which does not require research, development, or design work by Seller. Seller's obligation shall also not apply to any infringement arising from the use or sale of Products in combination with Products not delivered by Seller if such infringement would not have occurred from the use or sale of such Products solely for the purpose for which they were designed or sold to Buyer. Seller's

obligation shall extend to the U.S. Government only if and to the extent Buyer has agreed to indemnify the U.S. Government.

29. INDEMNITY & INSURANCE.

A. During the entire contract period and irrespective of the place of performance, Seller and its subcontractors shall, at their sole cost and expense, procure and maintain the following insurance coverages in the minimum limits indicated:

(1) Commercial General Liability - \$1,000,000 per person/\$2,000,000 per occurrence bodily injury and/or property damage (alternative: \$2,000,000 combined single limit [CSL]). Coverages shall include but not necessarily be limited to, premises and operations, products and completed operations and contracts.

B. In accordance with FAR 52.228-5, Insurance - Work on a Government Installation, whenever performance requires work on a Government, Buyer's customer, or Buyer's installation, Seller and its subcontractors shall, at their sole cost and expense, procure and maintain the additional following insurance coverage in the minimum limits indicated:

(1) Automobile Liability - \$1,000,000 per person/\$2,000,000 per occurrence bodily injury and/or property damage (alternative: \$2,000,000 combined single limit [CSL]) covering all owned, hired and non-owned vehicles.

(2) Workers' Compensation and Employer's Liability - The workers' compensation insurance coverage shall be as required by the laws of the state in which the work is performed regarding such insurance. The employer's liability insurance limit shall be \$1,000,000.

C. All insurance required as a part of this Order including that under the Government Property clause herein shall be placed with insurance companies which are authorized to do business under the laws of the state or states in which the installation is located and shall be in a form reasonably acceptable to Buyer. All insurance shall contain a provision prohibiting cancellation or material revision except upon at least thirty (30) days prior written notice to Buyer.

D. Whenever performance requires work on a Government installation, Seller and its subcontractors shall provide evidence that the required insurance is in place in the form of insurance certificates. In all other instances, if requested by Buyer, Seller shall provide evidence that the required insurance is in place in the form of insurance certificates. Each insurance certificate, except for workers' compensation, shall

provide that Buyer is named as an additional insured with waiver of subrogation for each required insurance coverage. Insurance coverages described herein must be in place and effective prior to commencement of any activity that is the subject of this Order. Renewal insurance certificates, if applicable, shall be provided to Buyer at least 15 days prior to the expiration date of the insurance under each required coverage.

E. Buyer and Seller agree to defend, indemnify, and save harmless the other from all damages and liabilities arising out of or in connection with presence on the other's premises pursuant to this Order; provided, however, that such damage and liability shall not have been caused by the negligence of the agents, subcontractors or employees of the indemnified parties.

30. LABOR DISPUTES. Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay timely performance of this Order, Seller shall immediately give notice to Buyer including all relevant information. Seller agrees to insert the substance of this clause, including this sentence, in any lower-tier subcontract where a labor dispute might delay timely performance of this Order.

31. COMPLIANCE WITH LAWS.

A. Seller warrants that it shall comply with all applicable Federal, State and local laws, rulings, and regulations in effect on the date of this Order.

B. Seller warrants that the Products called for by this Order have been or will be produced in compliance with the Fair Labor Standards Act of 1938 (29 U.S. Code 201-219) and any amendments thereto, including without limitation all applicable requirements of Sections 6, 7 and 12 thereof, and all of the regulations and orders of the U.S. Department of Labor issued under Section 14 thereof, and, insofar as applicable to this Order, the Walsh-Healey Public Contracts Act (41 U.S. Code 35-45) and any amendments thereto, as well as with the provisions of any other Federal Laws with respect to labor relations, minimum wages and hours of employment, now in effect or hereafter enacted, including the Work Hours and Safety Act of 1962 (40 U.S. Code 327 et seq.), and with any and all rules and regulations issued under each and every such Law. Seller agrees that this warranty may be considered as the written assurance and certificate contemplated by the amendment dated October 26, 1949, to the Fair Labor Standards Act of 1938.

C. The Seller shall not discriminate against any employee or applicant for employment

- because of race, color, religion, sex, or national origin.
32. **CHOICE OF LAW.** Both Parties agree that, irrespective of the place of performance of this Order, this Order will be construed and interpreted according to the law of the state from which this Order is issued, as identified in the Order, excepting that state's laws on conflict of law.
33. **HAZARDOUS MATERIAL.**
- A. If this Order involves delivery of any hazardous material, packaging and shipment of such material must be made in accordance with the Hazardous Materials Regulations, Title 49 CFR, Occupational Safety and Health Administration Regulations, Title 29 CFR, and Federal STD. 313C. The warning label required on hazardous material by 29 CFR 1910.1200 shall not be obscured by other stamps or labels.
 - B. Seller shall provide a Materials Safety Data Sheet (MSDS) to Buyer as a condition of this Order. Seller must submit the most current MSDS available. Unless there are changes affecting the characteristics and composition of the hazardous material previously reported, only one submission to Buyer is required. An MSDS from the manufacturer will satisfy these requirements for distributors, dealers, jobbers and industrial suppliers who must comply with this clause, however, in no event shall the MSDS bear an issue date earlier than twenty-four (24) months before the date of submission.
 - C. When an MSDS is required, Seller shall mail it separately to the address on the face of this Order to the attention of the Safety Manager.
 - D. By acceptance of this Order, Seller certifies: (1) Compliance with this clause; (2) an up to date MSDS will be submitted prior to delivery of any hazardous material; or (3) that no hazardous material will be delivered, as applicable.
34. **ENVIRONMENTAL REQUIREMENTS.** Seller shall comply with all applicable Federal, State and local laws, regulations, and ordinances relating to preservation and protection of the environment including, without limitation, those relating to "Clean Air," "Clean Water," and the transportation, use, handling, storage, disposal, recycling of hazardous and toxic chemicals, substances, or wastes.
35. **ASBESTOS.** Seller shall not provide any Product that contains asbestos and shall submit certification to Buyer on demand that the Products contain no asbestos.
36. **OFFSET COMMITMENT.** This clause shall only apply to Orders in excess of \$50,000.00.
- A. Definition: "Offset" means the obligations that Buyer undertakes, in order to market or sell its Products, to assist a customer country in reducing any trade imbalance caused by its purchase of Buyer's Products or to meet other customer country national objectives.
- B. Notwithstanding that this Order is or is not made in direct support of a foreign sale, Seller agrees that it is obligated to support Buyer's Offset commitments as a condition of this Order.
- C. The offset credits arising out of or resulting from, directly or indirectly, this Order are for the exclusive use of Buyer and may be used by Buyer and any of its affiliates and subsidiaries to fulfill all past, present and future Offset obligations. In addition, Seller agrees to identify and retain for Buyer's use any rights to offset credits generated by its suppliers and subcontractors arising out of or resulting from this Order.
- D. Seller shall provide a copy of each Order or Subcontract placed with a foreign source under this Order in support of Buyer's rights to offset credit.
- E. Seller shall execute all necessary documents to evidence Buyer's right to use or assign any offset credits.
- F. Buyer reserves the right to assign offset credits generated through Seller's efforts under this Order to third parties.
- G. Seller shall include the substance of this clause, in favor of Buyer, in its subcontracts issued at all tiers pursuant to this Order.
37. **EXPORT AND IMPORT COMPLIANCE.** In addition to and without limiting the "Proprietary Information" clause contained hereinabove, Seller shall comply with the laws and regulations of the United States relating to exports and foreign transactions, including, but not limited to, the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR). In particular, Seller shall not disclose any technical data, nor deliver or export any Product manufactured by use of technical data, out of the United States, or to foreign entities within the United States, without proper written authorization from the United States Government.
38. **RELIANCE.** Seller represents and warrants that Seller is an expert fully competent in all phases of the work involved in producing and supporting the Products purchased under this Order, and Seller agrees that Buyer is relying on such representation and warranty by Seller. Seller agrees that it will not deny any responsibility or obligation to Buyer on the ground that Buyer approved any documentation prepared by Seller, or participated in design reviews or first article approval processes or similar reviews, or that Buyer or Buyer's customer provided documentation, specifications, recommendations, or assistance in any phase of the work required to produce or support the Products. Seller acknowledges that, as a part of Seller's proposal effort, it had an opportunity to review relevant

documentation. Seller further warrants that it did such a review, that it notified Buyer in writing of any missing documentation, deficiencies or concerns that Seller identified in any documents, and that the issues raised by Seller were adequately addressed in this Order at the time of acceptance.

39. **INDEPENDENT CONTRACTOR.** Seller is and shall be deemed to be an independent contractor at all times during its performance of the work specified in the Order. Under no circumstance shall Seller be deemed an agent for Buyer.
40. **RELEASE OF INFORMATION AND ADVERTISING.** Seller shall not, without prior written consent of Buyer, make any disclosure, news release or public announcement, denial or confirmation of same, of any part of the subject matter of this Order or in any manner advertise or publish the fact that Seller has supplied or contracted to supply to Buyer the items mentioned herein except as may be required to perform this Order. Disclosure to authorized Government sources is exempt from this restriction unless otherwise indicated herein.
41. **COMPLIANCE WITH AND APPLICABILITY OF THE OFFICE OF FEDERAL PROCUREMENT POLICY (OFPP) ACT OF 1988 (41 USC 423).** Seller warrants that during the conduct of the procurement of which this Order forms a part, it has complied with and will continue to comply with the requirements of FAR 52.203-10 and Section 27 of the OFPP Act as implemented in FAR. Seller further agrees that it shall indemnify and hold harmless Buyer from and against any loss, cost or damage incurred by Buyer under Buyer's contract with its customers as a result of or in connection with Seller's violation of the OFPP Act.
42. **PRICE WARRANTY.** Seller warrants that the Product's price does not exceed the price charged by Seller to any other customer purchasing the same or similar Products in like or smaller quantities under similar conditions. Seller agrees to reimburse Buyer promptly upon the discovery of a violation of that principle in the amount of the difference between the lower price charged and that charged Buyer.
43. **INDEMNITY FOR DEFECTIVE COST OR PRICING DATA.** Seller hereby indemnifies and agrees to hold Buyer harmless from any and all price or cost reductions (excluding Buyer's applicable overhead and profit or fee) made pursuant to the FAR 52.215-10 "Price Reduction for Defective Cost or Pricing Data" clause or the FAR 52.215-11 "Price Reduction for Defective Cost or Pricing Data - Modifications" clause, or any other provisions of the prime contract or higher-tier subcontract under which this Order is issued, and from and against any and all cost disallowances or non-recognitions of costs under such prime contract or subcontract, if such price or cost reduction, cost disallowance or non-

recognition of costs arises or results directly or indirectly because:

- A. Seller or any subcontractor at any tier hereunder furnished cost or pricing data that were not complete, accurate and current as certified in its Certificate of Current Cost or Pricing Data;
- B. Any subcontractor or prospective subcontractor at any tier hereunder furnished Seller or Buyer cost or pricing data that were not complete, accurate and current as certified in Seller's or Buyer's Certificate of Current Cost or Pricing Data; or
- C. Seller or any subcontractor or prospective subcontractor at any tier hereunder furnished data of any description that were not accurate.

Accordingly, without limitation of the foregoing, the price of this Order shall be reduced and the Order shall be modified in writing as necessary to reflect the full amount of any and all such price or cost reductions and any and all such cost disallowances or non-recognitions of costs. The rights and remedies of Buyer under or pursuant to this indemnity shall be cumulative and additional to any other or further rights and remedies provided under this Order or at law or in equity.

44. **HEADINGS.** The descriptive headings contained in this Order are for convenience of reference only and in no way define, limit or describe the scope or intent of this Order.
45. **PARTIAL INVALIDITY.** If any provision in this Order is or becomes void or unenforceable by force or operation of law, all other provisions shall remain valid and enforceable.
46. **COMPLETE AGREEMENT.** This Order is intended by the Parties as a final expression of their agreement and is the complete and exclusive statement of all terms and conditions of agreement. This Order supersedes and cancels all prior understandings, proposals, communications, and agreements between the Parties, whether written or oral, concerning the matters addressed in this Order. No course of prior dealings between the Parties, and no usage of trade, shall be relevant to supplement or explain any term used in this Order.
47. **NONWAIVER.** A Party's failure at any time to enforce any provision of any Order shall not constitute a waiver of the provision or prejudice a Party's right to enforce that provision at any subsequent time.
48. **FAR/DFARS PROVISIONS/CLAUSES.**
- A. The FAR and DFARS clause cited in paragraph D. below, where applicable by their terms, are incorporated herein by reference as if set forth in full text. The effective version of each FAR or DFARS clause shall be the same version as that which appears in Buyer's Prime Contract, or higher-tier subcontract under which this Order is a subcontract. If any of the clauses are not

applicable by their terms they shall be self-deleting. Whenever said clauses include a requirement for the resolution of disputes between the parties in accordance with the "Disputes" clause herein, the dispute shall be disposed of in accordance with the clause entitled "Disputes" herein.

- B. Except for references made to the Government's Disputes clause, any conflict or inconsistency between the provisions listed in the FAR/DFARS clause citations below and the clauses set forth elsewhere in these terms and conditions shall be resolved in favor of the former.
- C. Where necessary to derive proper meaning in a subcontract situation from these clauses, "Contractor" means "Seller," "Contracting Officer" means "Buyer," "Contract" means this Order and "Government" means "Buyer or the Government." However, the words "Government" and "Contracting Officer" do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative (2) when title to property is to be transferred directly to the Government, and (3) in FAR 52.227-1, 52.227-2, 52.246-23 and DFARS 252.227-7013 and 252.227-7014.

D. FAR and DFARS clauses:

Clause	FAR Reference
(1) Gratuities NOTE: As used in this clause, "Government" means "Buyer" (except "Government" means "Buyer or Government" in the phrase "to any officer or employee of the Government"), "hearing" means opportunity to be heard, and "in any competent court", means "pursuant to the Disputes clause contained herein."	52.203-3
(2) Covenant Against Contingent Fees	52.203-5
(3) Restrictions on Subcontractor Sales	52.203-6
(4) Anti-Kickback Procedures The substance of this clause shall be incorporated in all subcontracts issued hereunder. Seller shall immediately notify Buyer of any alleged violations involving any of Buyer's or Seller's employees.	52.203-7
(5) Price or Fee Adjustment for Illegal or Improper Activity	52.203-10
(6) Limitation on Payments to Influence Certain Federal Transactions [Applicable to subcontracts of \$100,000 or more]	52.203-12
(7) Security Requirements NOTE: Delete paragraph (c)	52.204-2
(8) Material Requirements	52.211-5
(9) Defense Priority and Allocation Reqmts	52.211-15
(10) Audit & Records – Negotiation	52.215-2

Clause	FAR Reference
(11) Price Reduction for Defective Cost or Pricing Data NOTE: In addition, Seller shall indemnify and hold Buyer harmless from and against any loss, cost or damage incurred by Buyer under Buyer's contract with its customers as a result of Seller or Seller's Subcontractors providing certificates based on defective cost or pricing data in connection to this provision. [Applicable to any negotiated order valued at \$500,000 or more, when cost or pricing data are required.]	52.215-10
(12) Price Reduction for Defective Cost or Pricing Data - Modifications [Applicable if FAR 52.215-10 is not applicable to this Order]	52.215-11
(13) Subcontractor Cost or Pricing Data NOTE: In addition, Seller shall indemnify and hold Buyer harmless from and against any loss, cost or damage incurred by Buyer under Buyer's contract with its customers as a result of Seller or Seller's Subcontractors providing certificates based on defective cost or pricing data in connection to this provision. [Applicable to any negotiated order valued at \$500,000 or more, when cost or pricing data are required.]	52.215-12
(14) Subcontractor Cost or Pricing Data - Modifications [Applicable if FAR 52.215-12 is not applicable to this Order]	52.215-13
(15) Integrity of Unit Prices & Alternate I NOTE: Delete paragraph (b)	52.215-14
(16) Pension Adjustments and Asset Reversions [Applicable to negotiated subcontracts of \$500,000 or more, when cost or pricing data are required for which any pre-award or post-award cost determinations will be subject to FAR Subpart 31.2]	52.215-15
(17) Facilities Capital Cost of Money	52.215-16

Clause	FAR Reference
(18) Waiver of Facilities Capital Cost of Money	52.215-17
(19) Reversion or Adjustment of Plans for Post Retirement Benefits Other than Pensions (PRB) [Applicable to subcontracts of \$500,000 or more]	52.215-18
(20) Notification of Ownership Changes	52.215-19
(21) Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data – Modifications	52.215-21
(22) Incentive Price Revision – Firm Target [Applicable to FPIF subcontracts or line items]	52.216-16
(23) Incentive Price Revision — Successive Targets [Applicable to FPIS subcontracts or line items]	52.216-17
(24) Utilization of Small Business Concerns	52.219-8
(25) Small Business Subcontracting Plan [Applicable to subcontracts of \$500,000 or more]	52.219-9
(26) Notice to the Government of Labor Disputes	52.222-1
(27) Contract Work Hours and Safety Standards Act—Overtime Compensation [Applicable to subcontracts of \$100,000 or more]	52.222-4
(28) Walsh-Healey Public Contracts Act	52.222-20
(29) Prohibition of Segregated Facilities	52.222-21
(30) Equal Opportunity	52.222-26

Clause	FAR Reference
(31) Affirmative Action for Disabled Veterans And Veterans of the Vietnam Era [Applicable to subcontracts of \$10,000 or more]	52.222-35
(32) Affirmative Action for Workers With Disabilities [Applicable to subcontracts of \$10,000 or more]	52.222-36
(33) Employment Reports on Disabled Veterans and Veterans of the Vietnam Era [Applicable to subcontracts of \$10,000 or more]	52.222-37
(34) Hazardous Material Identification and Material Safety Data	52.223-3
(35) Notice of Radioactive Materials	52.223-7
(36) Ozone-Depleting Substances	52.223-11
(37) Toxic Chemical Release Reporting	52.223-14
(38) Privacy Act	52.224-2
(39) Buy American Act — Balance of Payment Program — Supplies	52.225-1
(40) Buy American Act — North American Free Trade Agreement — Israeli Trade Act — Balance of Payments Program	52.225-3
(41) Trade Agreements	52.225-5
(42) Duty-Free Entry	52.225-8
(43) Restrictions on Certain Foreign Purchases	52.225-13
(44) Utilization of Indian Organizations and Indian-Owned Economic Enterprises	52.226-1
(45) Authorization and Consent	52.227-1

Clause	FAR Reference
(46) Notice and Assistance Regarding Patent and Copyright Infringements [Applicable to subcontracts of \$100,000 or more except when both complete performance and delivery are outside the United States, its possessions and Puerto Rico, unless supplies are ultimately to be shipped into one of those areas]	52.227-2
(47) Refund of Royalties	52.227-9
(48) Filing of Patent Applications – Classified Subject Matter	52.227-10
(49) Patent Rights – Retention by the Contractor (Short Form) [Applicable to Small Business firms or nonprofit organizations]	52.227-11
(50) Patent Rights – Retention by the Contractor (Long Form) [Applicable to other than Small Business firms or nonprofit organizations]	52.227-12
(51) Insurance – Work on a Government Installation	52.228-5
(52) Insurance – Liability to Third Persons	52.228-7
(53) Federal, State, and Local Taxes (Noncompetitive Contract)	52.229-4
(54) Taxes – Contracts Performed In U.S. Possessions or Puerto Rico	52.229-5
(55) Interest	52.232-17
(56) Industrial Resources Developed Under Defense Production Act Title III	52.234-1
(57) Accident Prevention	52.236-13
(58) Protection of Government Buildings, Equipment, and Vegetation	52.237-2

Clause	FAR Reference
(59) Notice of Intent to Disallow Costs	52.242-1
(60) Certification of Final Indirect Costs	52.242-4
(61) Bankruptcy	52.242-13
(62) Stop Work Order NOTE: The 90 day period in the first and fourth sentences of paragraph (a) is changed to 120 days.	52.242-15
(63) Competition In Subcontracting [Applicable to subcontracts of \$100,000 or more which are non-competitive]	52.244-5
(64) Subcontracts for Commercial Items and Commercial Components	52.244-6
(65) Government Property (Fixed-Price Contracts)	52.245-2
(66) Government-Furnished Property (Short Form) [Applicable to subcontracts specifying Government-Furnished Property with a value of \$100,000 or less only when specified in the subcontract]	52.245-4
(67) Special Tooling	52.245-17
(68) Special Test Equipment NOTE: The phrase “30 days” in paragraphs (b) and (c) shall be changed to “45 days.”	52.245-18
(69) Limitation of Liability [Applicable to subcontracts of \$100,000 or more]	52.246-23
(70) Limitation of Liability – High Value Items [Applicable to subcontracts where unit price is \$100,000 or more except for items priced or based on catalog or market prices]	52.246-24
(71) Limitation of Liability – Services [Applicable to subcontracts \$100,000 or more when the performance of services is required in addition to delivery of hardware]	52.246-25

Clause	FAR Reference
(72) Preference for U.S. Flag Air Carriers	52.247-63
(73) Preference for Privately Owned U.S.-Flag Commercial Vessels	52.247-64
(74) Value Engineering [Applicable to subcontracts of \$100,000 or more except as specified in FAR 48.201(a)]	52.248-1

Clause	DFARS Reference
(1) Special Prohibition on Employment [Applicable to subcontracts of \$100,000 or more]	252.203-7001
(2) Intent to Furnish Precious Metals as Government-Furnished Material	252.208-7000
(3) Acquisition Under INF Treaty [Applicable to subcontracts of \$100,000 or more]	252.209-7000
(4) Acquisition Streamlining [Applicable to subcontracts of \$1,000,000 or more]	252.211-7000
(5) Pricing Adjustments [Applicable when it is contemplated that cost or pricing data will be required]	252.215-7000
(6) Cost Estimating System Requirements	252.215-7002
(7) Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan [Applicable to any subcontract anticipated to be valued at \$500,000 or more]	252.219-7003
(8) Hazard Warning Labels	252.223-7001
(9) Safety Precautions for Ammunition and Explosives	252.223-7002
(10) Change in Place of Performance Ammunition and Explosives	252.223-7003

Clause	DFARS Reference
(11) Hazardous Waste Liability	252.223-7005
(12) Prohibition on Storage and Disposal of Toxic and Hazardous Materials	252.223-7006
(13) Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives	252.223-7007
(14) Buy American Act and Balance of Payments Program	252.225-7001
(15) Qualifying Country Sources – Subcontractors	252.225-7002
(16) Identification of Expenditures in the United States	252.225-7005
(17) Buy American Act/Trade Agreements/Balance of Payment	252.225-7007
(18) Supplies to be Accorded Duty-Free Entry	252.225-7008
(19) Duty Free Entry – Qualifying Country End Products and Supplies	252.225-7009
(20) Duty-Free Entry – Additional Provisions	252.225-7010
(21) Preference for Certain Domestic Commodities [Applicable to Orders valued at \$100,000 or more]	252.225-7012
(22) Preference for Domestic Specialty Metals [Applicable to all orders valued at \$100,000 or more] Alternate I [Applicable to any subcontract valued at \$100,000 or more within six major classes of programs]	252.225-7014
(23) Preference for Domestic Hand or Measuring Tools	252.225-7015
(24) Restriction on Acquisition of Ball and Roller Bearings	252.225-7016

Clause	DFARS Reference
(25) Restriction on Acquisition of Polyacrylonitrile (PAN)	252.225-7022
(26) Restriction on Acquisition of Forgings	252.225-7025
(27) Reporting of Contract Performance Outside of the United States	252.225-7026
(28) Restriction on Acquisition of Carbon, Alloy, and Carbon Steel Plate	252.225-7030
(29) Duty-Free Entry—NAFTA Country End Products and Suppliers	252.225-7037
(30) Rights in Technical Data – Noncommercial Items	252.227-7013
(31) Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	252.227-7014
(32) Technical Data—Commercial Items	252.227-7015
(33) Rights in Bid or Proposal Information	252.227-7016
(34) Validation of Asserted Restriction – Computer Software	252.227-7019
(35) Rights in Special Works	252.227-7020
(36) Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	252.227-7025
(37) Deferred Delivery of Technical Data or Computer Software	252.227-7026
(38) Deferred Ordering of Technical Data or Computer Software	252.227-7027

Clause	DFARS Reference
(39) Technical Data – Withholding of Payment	252.227-7030
(40) Certification of Technical Data Conformity	252.227-7036
(41) Validation of Restrictive Markings on Technical Data	252.227-7037
(42) Patents – Reporting of Subject Inventions	252.227-7039
(43) Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.228-7005
(44) Supplemental Cost Principles	252.231-7000
(45) Frequency Authorization & Alternate I	252.235-7003
(46) Protection Against Compromising Emanations	252.239-7000
(47) Telecommunication Security Equipment, Devices, Techniques and Services	252.239-7016
(48) Material Management and Accounting System	252.242-7004
[Applicable for any subcontract valued at \$100,000 or more and are either (a) cost-reimbursement or (b) fixed price with progress/other financing payments]	
(49) Pricing of Contract Modifications	252.243-7001
(50) Reports of Government Property	252.245-7001
(51) Warranty of Data	252.246-7001
(52) Price Adjustment	252.247-7001
(53) Transportation of Supplies by Sea	252.247-7023

Clause	DFARS Reference
NOTE: This clause is applicable to Orders in excess of \$100,000. Paragraph (b), second sentence has been modified as to read "The Seller and its subcontractors may request that the Buyer obtain Government authorization for shipment..." "45" is changed to "60" days in paragraph (c) and "30" to "25" in paragraph (d). in paragraph (d) "and the division of National Cargo, Office of Market Development, Maritime Administration, U.S. Department of Transportation, Washington, DC 20590," is deleted. In paragraph (f) "for the purposes of the Prompt Payment clause of this contract" is deleted.	
(54) Notification of Transportation of Supplies by Sea	252.247-7024
(55) Preparation of Value Engineering Change Proposals	252.248-7000
(56) Notification of Anticipated Program Termination or Reduction	252.249-7002