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## GENERAL TERMS AND CONDITIONS FOR ALL PURCHASE ORDERS

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### 1. DEFINITIONS

As used throughout this Order, the following definitions apply unless otherwise specifically stated:

Buyer:	Fairlead Integrated, LLC, its affiliate Fairlead Boatworks, Inc. and all subsidiaries of either entity.
Customer:	The party that issues the Prime Contract to Buyer.
Government:	The United States Government.
Order:	This contractual instrument, including all changes and/or modifications thereto.
Party/Parties:	Either/both of Buyer and Seller.
Prime Contract:	The contract that is awarded to Buyer, and on the basis of which the Order is issued.
Seller:	The recipient of this Order.
Supplies:	The goods and/or services ordered hereunder.

### 2. COMPLETE AGREEMENT

This Order sets forth the entire agreement between the Parties hereto and supersedes all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. All special terms and conditions or supplemental attachments, schedules, exhibits or appendices which may be annexed hereto or referenced herein, are made part of this Order as though fully set forth herein.

### 3. ORDER ACCEPTANCE

Seller's written acknowledgement of the Order, its commencement of any performance under the Order, or acceptance of any payment under the Order, shall constitute Seller's unqualified and irrevocable acceptance of this Order subject solely to these terms and conditions. In the event that this Order does not state price or delivery terms, Buyer will not be bound to any prices or delivery terms to which it has not specifically agreed to in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions contained in this Order shall be void and of no effect unless specifically agreed to in writing by Buyer, regardless of whether or not such terms and conditions materially alter this Order and irrespective of any payment by Buyer hereunder.

### 4. QUALITY MANAGEMENT SYSTEM REQUIREMENTS

The following additional conditions apply to all orders.

- a) Final Approval – Buyer reserves the right of final approval of product, procedures, processes, and equipment
- b) Qualified Personnel – Seller shall ensure work required by this purchase order be performed by qualified personnel.
- c) Quality Management System – Seller shall notify Buyer of any changes to Quality Certifications.
- d) Technical Data – Seller shall maintain proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data. Buyer reserves the right to approve or specify requirements for design, test, inspection, verification (including process verification), use of statistical techniques for product acceptance, and related instructions for product acceptance and any applicable critical items, including key characteristics.
- e) Test Specimens – Buyer reserves the right to designate requirements for test specimens for design approval, inspection/verification or auditing.
- f) Notifications – Seller is required to notify Buyer of:
  - Nonconforming product and obtain Buyer approval for disposition of nonconforming product
  - Changes in product and/or process, changes to suppliers, and changes to manufacturing locations, and obtain Buyer approval to proceed
    - Events requiring repeat of first article as defined by AS9102 shall be performed at the Seller's expense and be performed in a manner that does not disrupt established delivery schedules
- g) Flow Down – Seller shall flow down applicable Buyer requirements to suppliers
- h) Record Retention – Seller shall retain records for 3 years following acceptance by Buyer and shall notify Buyer prior to destruction of records.



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- i) Right of Access – Seller grants Buyer right of access to Buyer, Buyer’s customers, and regulatory authorities to applicable areas of all facilities, at any level of the supply chain, involved in this order and to all applicable records.

### 5. DELIVERY

Shipments made pursuant to this Order will be FOB Destination unless otherwise negotiated with Buyer and stated on the Purchase Order. Unless otherwise specified, Seller hereby agrees to the following:

- a) Early Delivery – Buyer will accept deliveries no earlier than 10 business days before Purchase Order due date. Buyer reserves the right to refuse shipments made earlier than the allowed early delivery schedule set forth in this Order. Buyer may return early deliveries at Seller’s expense. Seller bears the risk of loss of all Items delivered in advance of the early delivery date specified in Buyer’s delivery schedules.
- (b) Overshipment – Buyer is not obligated to pay for any overshipments unless prior to delivery, Seller obtains Buyer’s written authorization for the Order line items against which an overshipment is made. At Buyer’s discretion, unauthorized overshipments will be returned to the Seller at Seller’s sole expense. In such an event, Seller may notify the Buyer in writing, that return of the overshipped items is uneconomical, and that therefore, Seller is abandoning the overshipped items. Buyer may either retain or dispose of the abandoned items without additional payment to Seller.
- (c) Late Deliveries –
  - (1) Individual Order line item deliveries made against after the specified line item delivery date are considered Late, and may be refused by Buyer.
  - (2) If Buyer agrees to accept Late Deliveries, the parties agree that delays which are not excusable under the terms of this Order, or otherwise mutually agreed to by the Parties, shall be subject to liquidated damages assessed as follows:
    - (i) One percent (1%) per day of the Order line item’s value, up to a maximum amount of ten percent (10%) of the total Order value.
    - (ii) The liquidated penalty amount shall be subtracted from the Order’s total value prior to payment.
  - (3) Buyer’s right hereunder to recover liquidated damages for Seller’s delayed delivery is not an exclusive remedy for delay and shall be in addition to all other rights and remedies that Buyer has under this Order and at law and equity. If the delivery delay was as a result of any action taken on the part of the Buyer, the Seller shall notify the Buyer in writing at the time the delay occurs requesting Buyer waive any liquidated damages assessment. Failure to notify Buyer will result in the liquidated damages being assessed in accordance with Article 5(c)(2). Seller may not refuse shipment of any required Order line item in order to avoid the associated liquidated damages assessment. Failure to deliver any Order line item may result in Buyer’s action under the Delay and Default clause.
  - (4) If Buyer agrees to accept deliveries after the delivery date has passed, Buyer shall have the right to direct Seller to make shipments by the most expeditious means and the total cost of such expedited shipment and handling shall be borne by Seller.
  - (5) Acceptance of late deliveries shall not be deemed a waiver of Buyer’s right to hold Seller liable for any loss or damage resulting therefrom, nor shall it act as a modification of Seller’s obligation to make future deliveries in accordance with the delivery schedule set forth in this Order.
  - (6) Seller at the request of the Buyer, shall provide
    - (i) A written explanation for the delay’s root cause;
    - (ii) A corrective action plan to address the late delivery’s cause and to prevent future delivery delays, and
    - (iii) Stated assurances that future deliveries shall be in accordance with the Order’s requirements and schedule.

### 6. ACCEPTANCE OF GOODS AND SERVICES BY SELLER



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- (a) All goods and/or services provided by Seller under this Order shall be in accordance with the requirements of this Order, including all applicable exhibits and attachments, and shall be subject to rejection if such goods and/or services are nonconforming. No inspection or evaluation performed by Buyer (and/or Buyer's customer, if applicable) shall in any way relieve Seller or its suppliers of their obligation to furnish all required goods and/or services in strict accordance with the requirements of this Order. If any of the goods and/or services provided hereunder do not conform to the requirements of this Order, Buyer may require Seller to replace the goods or perform the work and/or services again in conformity with the applicable requirements at no cost to Buyer.
- (b) At Buyer's sole option, any rejected items may be returned for credit or replacement at Seller's risk and expense, and all handling and transportation expenses, both ways, shall be assumed by Seller. No items returned as defective shall be replaced without written authorization from Buyer.
- (c) Acceptance of goods and/or services will be made by Buyer only in writing and through a document entitled "Final Acceptance" issued by Buyer. It is expressly agreed that payment by Buyer to Seller for goods and/or services provided under this Order shall not constitute acceptance. It is further agreed that nothing in this Order shall require Buyer to accept any goods and/or services prior to acceptance thereof by Buyer's customer, if applicable.
- (d) Acceptance shall be conclusive, except for latent defects, fraud, or gross mistakes amounting to fraud.

### 7. INSPECTION

#### 7.1 *Standard Commercial Orders*

All standard commercial orders manufactured by Seller or its supply chain sources shall be subject to inspection and test by Buyer or its representatives at the designated delivery point.

#### 7.2 *Custom Manufactured Supply Orders*

All Custom Manufactured Supply Orders shall be subject to inspection and test at all times and places, including the period of manufacture, by Buyer. If any inspection or test is made on Seller's premises, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of Buyer personnel to perform their duties of inspection and test. In the event any Supplies fail the applicable acceptance tests, or are otherwise found not to conform to applicable drawings or specifications, Buyer may:

- (1) Require Seller to repair or replace, at Seller's expense, any Supplies ordered which fail to meet the requirements of applicable specifications, drawings, samples or descriptions; or
- (2) Repair or replace any such Supplies at Seller's expense; or
- (3) Reject any such Supplies, hold them at Seller's risk, subject to Seller's disposal, and require Seller to refund the price of such Supplies.

Seller shall not return rejected Supplies to Buyer unless notification of such past rejection is submitted with the returns and Buyer has consented to such returns. Seller shall maintain an approved inspection system. A Certificate of Conformance, signed by Seller's Quality Assurance organization, shall accompany each shipment hereunder. Each Certificate of Conformance shall refer specifically to the Supplies being shipped.

### 8. PACKING, MARKING AND SHIPPING

Pursuant to any instructions stated in or pursuant to this Order, Seller shall pack, mark and ship all goods and supplies in accordance with the requirements of this Order and so as to be in compliance with all applicable transportation regulations and good commercial practice for protection against damage from weather and shipment, including any applicable federal, state and local laws and regulations for the packaging, labeling, transportation and shipping of hazardous materials. Seller shall secure the most advantageous transportation services and rates consistent therewith. No separate or additional charge shall be payable by Buyer for containers, crating, boxing, handling, storage or any other services unless specifically stated in this Order or otherwise agreed to by Buyer in writing. Any expense incurred by Buyer as a result of improper preservation, packaging, packing, marking or method of shipment shall be reimbursed by Seller. Seller shall mark each container with the number of this Order and shall enclose a packing slip with this Order number in an envelope attached to each container. Any transportation charges paid by Seller for which Seller is entitled to reimbursement shall be shown on Seller's invoice as a separate line item with the receipted freight bill attached to the invoice. If because of Seller's failure to meet the delivery requirements of this



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Order, it becomes necessary to require shipment of any of the Supplies covered by this Order by a method of transportation other than the method originally specified by Buyer, Seller shall reimburse Buyer any amount by which the cost of the more expeditious method of transportation exceeds the cost of the method of transportation originally specified.

### 9. NON-US ORIGIN SHIPMENTS

Buyer Order is being issued to Seller with the expectation that Seller will ship the order to Buyer from a location within the United States. Any shipments originating outside the customs territory of the United States, will import under the terms of sale Delivered Duty Paid (DDP) Buyer Facility Incoterms 2010. Seller shall communicate its customs clearance instructions to its International Third-Party supplier prior to the product's arrival into the United States to avoid any delays in delivery to Buyer. Under no circumstances is Buyer to be listed as the importer of record (or consignee for shipments delivered via courier) on customs documents for any orders shipped directly to Buyer from a foreign location and Seller expressly agrees to accept all liability associated with said customs entries for any such orders.

### 10. PAYMENT

Seller shall be paid, upon submission of valid invoices, for materials and supplies delivered and accepted or for services performed and accepted. Unless otherwise negotiated and stated on the purchase order, payment terms are 2% 30, 1% 45, and Net 60. Seller may request earlier payment on their invoice, but decision to make earlier payment and accept the discounted price is at the sole discretion of the Buyer. The price or prices applicable shall be those specified in the Order and shall include all applicable U.S. Federal, State and local taxes and will not be changed as a result of the failure by Seller to include any applicable tax or as a result of any change in Seller's tax liabilities. Any taxes imposed by U.S. Federal, State or local governments, from which Buyer has not claimed exemption, shall be separately stated on the invoice. Buyer shall not be obligated to pay earlier than the scheduled payment date for materials or supplies delivered earlier than required except by prior agreement.

### 11. TITLE AND RISK OF LOSS

Title to all Supplies to be delivered hereunder shall remain with Seller until such Supplies are delivered and accepted by Buyer at the named delivery point or destination specified elsewhere herein. All risk of loss of, or damage to, Supplies shall remain with Seller until Buyer accepts the Supplies. Seller shall bear all risk of loss of, or damage to, nonconforming Supplies rejected by Buyer, after notice of rejection and until such Supplies are redelivered to Buyer, except for the loss, damage or destruction of such rejected Supplies resulting from the negligence of Buyer, its officers, agents or employees acting within the scope of their employment.

### 12. WARRANTY

Seller expressly warrants that all Supplies ordered to specifications will conform thereto, and to any drawings, samples or other descriptions furnished or adopted by Buyer, or, if not ordered to specifications, that they will be fit and sufficient for the purpose intended and that all Supplies will be of good quality and workmanship and free from defects. Such warranties, together with Seller's service warranties and guarantees, if any, shall survive inspection, test, acceptance of, and payment for the Supplies, and shall run to Buyer, its successors and assigns, customers, purchasers (intermediate and immediate) and agents for a period of twelve months after Buyer's acceptance of the Supplies. Defective or non-conforming Supplies shall be corrected or replaced only upon Buyer's written order. Supplies required to be corrected or replaced shall be subject to the provisions of this clause and the clause hereof entitled "INSPECTION" in the same manner and to the same extent any Supplies originally delivered under this Order, but only as to the corrected or replaced part or parts thereof. This express warranty is in lieu of any and all warranties or representations, expressed or implied, to Buyer or the user of the Supplies.

### 13. CHANGES

- a) Buyer may by written change order make changes in:
  - (i) U. S. Government security requirements as applicable;
  - (ii) Drawings, designs, specifications; or quantities of goods and/or services to be provided hereunder;
  - (iii) The statement of work or description of required services;
  - (iv) Methods of shipment or packaging delivery schedules, and/or place of delivery; and
  - (v) The amount of Buyer-furnished or customer-furnished property or facilities.



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- b) Upon receipt of such change order, Seller shall proceed with performance of this Order as changed by such change order. If any such suspension or change causes a change in the cost of, and/or the time required for performance of this Order, an equitable adjustment shall be made in the price or delivery schedule or both; and this Order shall be modified in writing accordingly. Any claim by Seller for such an adjustment must be made in writing within twenty (20) days from the date of receipt of a written order from Buyer's Purchasing Representative directing such a suspension or change. Failure to agree on any such adjustment shall be a dispute within the meaning of the clause of this Order entitled "DISPUTES".
- c) If this Order is placed under a Government Prime Contract, the pricing of any equitable adjustment hereunder, or of any other adjustment under this Order, shall be in accordance with the cost principles enunciated in Part 31 of the Federal Acquisition Regulation in effect on the date of this Order.
- d) Constructive changes are prohibited under this order. Information, advice, approvals or instructions given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's and Seller's rights and obligations hereunder unless set forth in a writing which is signed by Buyer's Purchasing Representative and which states that it constitutes an amendment or change to this Order.

### 14. NOTICE REGARDING LATE DELIVERY

In the event Seller encounters difficulty in meeting performance requirements, or when Seller anticipates difficulty in complying with the Order delivery schedule or date, Seller shall immediately notify Buyer, in writing, giving all pertinent details; provided, however, that this data shall be informational only in character and this provision shall not be construed as a waiver by Buyer of any delivery schedule or date or of any rights or remedies provided by law or under this Order.

### 15. DELAY AND DEFAULT

- (a) Time is of the essence in the performance of this Order. In the event of material breach by either Party of its obligations hereunder, the aggrieved Party may, but is not required to, terminate this Order for default in whole or in part, and may seek whatever remedies may be available. If Buyer intends to terminate this Order for default in whole or in part pursuant to this Article 15, Buyer shall furnish a written notice to Seller. Seller shall, within ten (10) days after receipt of notice from Buyer, have the opportunity to cure the default or submit a plan acceptable to Buyer to cure the default. Upon failure of Seller to cure the default, or to present a plan satisfactory to Buyer for the cure of the default within the above stated period, the termination shall become effective and shall be subject to the provisions of the paragraph herein entitled DISPUTES.
- (b) If Buyer terminates this Contract pursuant to this paragraph, in addition to, and without prejudice to any other rights Buyer may have, Buyer may require Seller to transfer title, and preserve, protect and deliver to Buyer all supplies and materials, regardless of their state of completion (hereinafter referred to as "Manufacturing Materials"), as Seller shall have manufactured or acquired specifically for the performance of such portion or portions of this Contract as shall have been terminated. Seller shall protect and preserve said Manufacturing Materials and deliver the same pursuant to Buyer direction. Buyer shall pay Seller the costs incurred for Manufacturing Materials accepted by Buyer, and for the protection and preservation of property (in excess of a reasonable time to be allowed Buyer to take delivery of such) within thirty (30) days after delivery. No profit shall be paid thereon. Buyer's liability to Seller upon such termination shall be limited to such reasonable and equitable compensation.

### 16. TERMINATION FOR CONVENIENCE

This Order may be terminated as a result of the Buyer's Prime Contract or Order being similarly terminated for convenience by the Buyer's Customer or the Government; in which case then the rights, duties, and obligations of the parties shall be determined in accordance with the applicable termination for convenience clause incorporated into this Order by the Supplemental Terms and Conditions.

### 17. FORCE MAJEURE

Neither Party shall be liable to the other for damages for any delay resulting from causes beyond its control and without its fault or negligence, including but not limited to acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather. Seller is responsible for delays caused by the delay of a lower tier subcontractor of Seller.



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### 18. DISPUTES

All disputes between Buyer and Seller that cannot be satisfactorily resolved will be referred to the Buyer finally resolved by arbitration in accordance with the rules of the American Arbitration Association. The arbitration will be conducted in the English language in Portsmouth, Virginia, U.S.A. The decision of the arbitrator(s) will be final and binding on the Parties. Each Party shall bear its own costs in respect of the arbitration, and the costs incurred by the arbitrator(s) shall be borne equally by the Parties. Pending resolution of the dispute, both Parties shall continue with timely performance of the Order.

### 19. INDEMNIFICATION

In addition to any other indemnification provision of this Order, Seller shall indemnify, defend and hold harmless Buyer, its officers, directors, and employees, from any and all claims, liabilities, losses, damages, costs, and expenses, including attorneys' fees for:

1. Actual or alleged (a) injury to any person, (b) damage to any property, or (c) violation of any law, ordinance, or regulation, arising from or related to Seller's, or Seller's subcontractors', performance of work in connection with this Order, including, if applicable, Seller's violation of the Truth in Negotiations Act or any implementing or comparable regulation, including FAR Part 15; or
2. Any civil or criminal penalty or fine incurred by Buyer which is caused to any degree or any extent by Seller, its employees, agents, representatives, suppliers, or subcontractors.

### 20. GOVERNING LAW

This Order shall be construed and interpreted accordance with, and governed by, the laws of the Commonwealth of Virginia, U.S.A., without reference to its choice of law rules.

### 21. MODIFICATIONS

No agreement or understanding varying or extending the terms and conditions of this Order will be binding unless in writing signed by a duly authorized officer or representative of Buyer. No conditions stated by the Seller in its acknowledgement of this order will be binding upon Buyer if such conditions are in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless expressly accepted in writing by Buyer.

### 22. ORDER OF PRECEDENCE

In the event of any inconsistency between these General Terms and Conditions of this Order and any other parts of this Order, the special terms and conditions (if any) will govern, followed by these General Terms and Conditions, followed by the applicable drawings or specifications.

### 23. NON-WAIVER

Failure of Buyer to insist upon strict performance of any terms and conditions herein shall not be deemed a waiver of any rights or remedies Buyer shall have and shall not be deemed a waiver of any subsequent default hereunder. Neither the submission by Seller of any written materials required by this Order nor any assistance or advice rendered by Buyer to Seller shall relieve Seller of its obligation under this Order to deliver in a timely manner the purchased Supplies in accordance with the specifications and other provisions of this Order. Shipping or receiving of any Supplies under this Order shall not constitute a waiver of any right of Buyer hereunder or of any obligation of Seller to comply with any of the terms and conditions of this Order.

### 24. PUBLIC RELEASES

Except as required by law or regulation, no news release, public announcement or advertising material concerned with this Order shall be issued by Seller without prior written consent of Buyer.

### 25. ASSIGNMENT AND SUBCONTRACTING

This Order may not be assigned, delegated or subcontracted in whole or in part to a third Party without the prior written consent of Buyer, except that Seller may, without such consent, contract to a third Party work whose value does not exceed twenty-five percent of the price of this Order.

### 26. RESPONSIBILITY FOR PROPERTY OF BUYER



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Any property or materials furnished by or through Buyer to Seller will be deemed to be bailed to Seller, with title to such property or material not passing to Seller unless mutually agreed upon by Buyer and Seller and specifically confirmed by Buyer in writing, regardless of whether such property or material shall be affixed to any structure or promises Buyer may, in its sole and absolute discretion, replace any defective property or material that may be furnished to Seller, it being understood, however, that any such replacement shall not be deemed to be an admission of liability by Buyer. Seller agrees to provide appropriate and necessary maintenance, safeguards and storage of any material or property furnished in accordance with the terms and, unless specifically waived in writing by Buyer, shall provide appropriate insurance coverage in a form satisfactory to Buyer for fire, theft, mysterious disappearance, malicious mischief or vandalism for such items. The materials or property furnished in accordance with the terms hereof shall be disposed of or returned to Buyer, as Buyer in its sole and absolute discretion may determine, in the condition in which received, subject only to consumption in the performance of work under this Order and normal wear and tear.

### **27. USE OF BUYER FURNISHED DATA**

Seller shall not use or disclose any data, designs, or other information belonging to or supplied by or on behalf of Buyer, which is proprietary to Buyer and is so labeled when delivered to Seller (hereinafter in this Clause "Buyer Proprietary Data"). Upon Buyer's request, such Buyer Proprietary Data, and any copies thereof, shall be returned to Buyer.

### **28. TOOLING**

All tools, dies, jigs and fixtures specifically manufactured or procured by Seller for the performance of this Order, whether to the design of Seller, Buyer, or a third Party (herein referred to as "Tools"), shall become, upon acquisition, the property of Buyer, and the cost of such Tools is included in the total price appearing or provided for on the face of this Order. However, Tools made or acquired by Seller for the manufacture of any or all Supplies shall remain the property of Seller if such Tools are standard commercial articles generally and normally sold other than to Buyer.

### **29. INFRINGEMENT**

Seller warrants that, except where articles specified herein are made entirely to a design supplied by Buyer, the Supplies specified herein and the sale or use of them will not infringe any U.S. or foreign patent. Seller will indemnify and hold harmless Buyer and Buyer's vendors, against any and all claims, losses, damages, liabilities or costs, of whatsoever kind or nature, brought or asserted by anyone, alleging that the use, manufacture or sale of the Supplies constitutes an infringement of any U.S. or foreign patent. Seller agrees, if requested by Buyer, to pay all costs royalties and license fees required for the continued use and sale of such Supplies. In the event any action or claims shall be brought or asserted against Buyer or Buyer's vendors, mediate or immediate, in respect of which claim indemnity may be sought against Seller hereunder, Seller, if promptly notified of such action or claim by Buyer, and if requested to do so by Buyer, shall assume the defense thereof, including the employment of counsel and payment of all expenses. Where the Supplies specified herein are made entirely from a design supplied by Buyer, Buyer agrees that, if requested to do so by Seller, it will defend, at its own cost and expense, every action or claim which may be brought against Seller for alleged infringement of any U.S. or foreign patent by reason of the manufacture of such Supplies and, if not so requested, Buyer agrees to pay all costs and damages recoverable in any such action against Seller.

### **30. HEALTH, SAFETY AND ENVIRONMENT**

Seller shall comply with any and all applicable regulations pertaining to safety, health and the environmental protection. Seller further agrees to abide by all safety, health, environmental, and drug and/or alcohol abuse regulations, policies and procedures in effect at all work sites. Further, Seller represents and warrants that all goods are and will be when delivered free of all hazardous substances and that no claim, demand, or notice has been filed nor any proceeding commenced alleging liability of seller in connection with the use of any hazardous substances relating in any way to the manufacture or sale of the goods or the provision of services. Seller shall provide a material safety data sheet for each item or substance containing toxic substances purchased by Buyer from Seller, and Seller shall affix on each container containing toxic substances the chemical name and the appropriate hazard warning for the use and safe handling of the substance, along with any other required markings and legends. Seller shall provide other material safety data sheets relating to the goods upon request.

### **31. CONFLICT MINERALS**

Seller represents, warrants and covenants that, to Seller's knowledge after reasonable investigation, the goods are, and upon delivery will be, DRC Conflict Free (as such term is defined in the US Securities Exchange Act of 1934, as amended by Section



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1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the related rules and regulations of the US Securities and Exchange Commission). Seller shall promptly notify Buyer in writing in the event that Seller is or becomes aware of any reason to believe that the goods are not DRC Conflict Free. To the extent Seller procures gold, tin, tantalum and/or tungsten from a smelter or refiner for incorporation into the goods, Seller represents, warrants and covenants that such materials shall be procured solely from one or more of the smelters or refiners appearing on the applicable compliant smelter and refinery list available at [www.conflictreesmelter.org](http://www.conflictreesmelter.org). Seller shall complete and update as required, Buyer's Conflict Mineral Reporting Template. Buyer's Conflict Mineral Policy is available to Seller upon request.

### **32. ANTI-BRIBERY AND CORRUPTION**

Seller represents, warrants and covenants that it and its Associated Persons have conducted, and will at all times conduct, its and their respective businesses in accordance with applicable laws, rules, regulations, decrees and/or official governmental orders of the United States, United Kingdom and any country in which goods and/or services are provided hereunder relating to anti-bribery, anti-corruption and anti-money laundering. Seller and its Associated Persons shall maintain adequate procedures in furtherance of the foregoing. Seller and its Associated Persons have not made, offered, promised to make or authorized the making of, and shall not make, offer or promise to make, or authorize the making of: (a) any payment or other transfer of anything of value if and to the extent that to do so is or would be in violation of or inconsistent with the principles or requirements of any anti-bribery, anti-corruption or anti-money laundering laws applicable to Buyer or to Seller, or to their respective parent companies, including without limitation, the US Foreign Corrupt Practices Act and, where applicable, the UK Bribery Act (2010); or (b) any so-called "facilitation" or "grease" payments irrespective of local custom and even though in some countries such payments may be lawful. Any failure to comply with this clause shall be a material breach of the Purchase Order not capable of remedy. "Associated Persons" means any person associated with Seller including, but not limited to, Seller's parents, subsidiaries and its and their respective owners, directors, officers, employees, agents, representatives, sub-contractors and suppliers.

### **33. FAR AND OTHER AGENCY FLOW DOWN CLAUSES**

Buyer's supplemental terms and condition attachment identifies the applicable Federal Acquisition Regulation (FAR) and other federal agency acquisition regulation flow down clauses, that are fully incorporated in to this order. Except as modified herein the cited terms shall have the following meaning: "Contractor" means Seller; "Contract" means this order; "Contracting Officer" means Buyer; "Subcontracts" as applied to lower tier subcontracts includes Orders. The FAR and other federal agency clauses incorporated herein shall be those in effect on the date of Buyer's prime contract.