

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS



American Ordnance

We do what we say.®

SPECIAL U.S. GOVERNMENT PROVISIONS. The provisions set forth hereunder shall apply in addition to those attached to the Purchase Order. Seller hereby agrees to flow down the applicable FAR clauses to its lower-tier subcontractors.

- a. **Audits.** Seller agrees that its books and records and its plans or any such part thereof as may be engaged in the performance of this AGREEMENT, shall at all reasonable times be subject to inspection and audit by any person designated by the head of any executive department of the U. S. Government or any representative of buyer.
- b. **Quality Control.** Except as otherwise provided in this AGREEMENT, Seller's system of Quality Control during the performance of this AGREEMENT shall be in accordance with the specifications as are required by Buyer's prime contract or higher tier AGREEMENT.
- c. **Modification.** Seller agrees it will negotiate AGREEMENT modification(s) in good faith to incorporate additions, deletions, and changes to the clauses set forth below if Buyer deems them necessary to comply with Buyer's Contract or modifications to Buyer's Contract. If any such modification to this Purchase Order causes an increase or decrease in the cost, or the time required for the performance, of any part of the work under this AGREEMENT, an equitable adjustment shall be made pursuant to the "Changes" clause of this Purchase Order. Seller shall proceed immediately to perform this AGREEMENT as changed.
- d. **Government/Buyers Property.**
Title to all property furnished to Seller by Buyer or U.S.G., or paid for by Buyer or U.S.G. shall remain with Buyer or U.S.G., as applicable. Seller shall not alter or use such property for any purpose or for any other Party other than that specified by Buyer or U.S.G., without the prior written consent of Buyer or U.S.G. If Buyer or U.S.G. agrees to pay Seller for acquisition of tooling and equipment, either separately or as a stated part of the unit price of Products purchased herein, title to the same shall pass to Buyer or U.S.G., as applicable, upon (i) commencement of processing for use in performance of this Order, or (ii) Buyer payment therefore, whichever occurs first.

Seller shall assume the risk of, and be responsible for, any loss, theft, destruction of or damage to Buyer property while in Seller's possession or control. If Seller damages any property, Seller shall be responsible for making repairs, or replacement, at no cost to Buyer. To the extent Buyer property is delivered to Seller in a condition that is not suitable for use under the Order, Seller may submit a request for equitable adjustment to price and schedule for any impacts attributable to the Buyer. Seller shall not be responsible for any performance delays associated with delays in receipt of any property provided hereunder.

Seller shall assume risk of loss, and be responsible for, any loss, theft, destruction of or damage to U.S.G. property, other than normal wear and tear, while in Seller's possession or control and shall be responsible for making repairs or replacing the item at no cost to the U.S.G. when FAR 52.245-1, Alternate 1, applies to this Order (Reference Section 58 of the terms and conditions for applicability). If FAR 52.245-1 is applicable, then Seller shall have limited risk of loss for lost or damaged U.S.G. property and shall seek relief of accountability to the Buyer in accordance with FAR 52.245-1 (f)(1)(vii).

Upon Buyer's or U.S.G.'s written request to Seller for any property under this clause, if Seller cannot locate Buyer or U.S.G. property within five (5) days, Seller shall notify Buyer or U.S.G. that the item was not located and Seller subsequently has twenty (20) days to find the misplaced property. After such period, if it has not been located, the property shall be deemed "lost" and at Buyer's or U.S.G.'s election, Seller shall either reimburse Buyer or U. S. G. for the replacement and all related delay costs, or remake the lost property at no cost to Buyer or U.S.G., or seek relief of accountability depending the applicable risk of loss provisions of this Order.

Seller shall return all Buyer or U.S.G. owned property in a condition as good as when received except for reasonable wear and tear. Seller shall establish and maintain a property control system approved by Buyer and in accordance with the provisions of FAR 52.245-1 for the control of U.S.G. or Buyer owned property. Seller shall also notify Buyer if its property system is deemed inadequate by the U.S.G. If Seller's property control system is deemed inadequate at the time of award of this Order or becomes disapproved anytime during performance of this Order, then the provisions FAR 52.245 -1 Alternate 1 shall automatically apply and Seller shall assume full risk of loss for U.S.G. property regardless of the contract type of the Order or the basis of award. At all times, Buyer and the U.S.G., as applicable, shall have access to Seller's facilities for the purpose of reviewing its compliance with the management of U.S.G. or Buyer property related to this Order.

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

- e. **FAR Clauses.** The following clauses of the FAR are incorporated herein by reference, as applicable, and made part hereof with the same force and effect as if they were given in full text, including any notes following the clause citations, to this AGREEMENT. The clauses in effect in the Buyer’s Contract on the date of this Purchase Order are incorporated by reference and changes, if necessary, to each such clause, including dates, shall be made to be consistent with the intent of the changes set forth below or as required by Buyer's customer. In the following FAR and DFARS clauses, unless otherwise noted, “Contractor” or “Offeror” shall mean “Seller”, “Government” or “United States” shall mean “Buyer”, “Contract” shall mean this AGREEMENT, and “Contracting Officer”, “Administrative Contracting Officer” and “ACO” shall mean “Buyer’s Representative”, unless otherwise noted.
- f. This Project is subject to FAR 52.211-15. The DPAS Rating for this Project: **DOA6**

Regulatory Cite	Title
52.203-3	GRATUITIES NOTE: As used in this clause, “hearing” means opportunity to be heard, and “in any competent court”, means “pursuant to the Disputes clause contained herein”.
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT
52.203-7	ANTI-KICKBACK PROCEDURES NOTE: The substance of this clause, except subparagraph (c)(1), is applicable to any Order and all lower-tier subcontracts which exceed \$150,000. Seller shall immediately notify Buyer of any alleged violations involving any of Buyer’s or Seller’s employees.
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS
52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT
52.203-14	DISPLAY OF HOTLINE POSTER(S)
52.203-15	WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
52.203-16	PREVENTING PERSONAL CONFLICTS OF INTEREST
52.203-17	CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
52.203-18	PROHIBITION ON CONTRACTING WITH ENTITIES THAT REQUIRE CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS-REPRESENTATION NOTE: This is not applicable to solicitations for a personal services contract with an individual if the services are to be performed entirely by the individual, rather than by an employee of the contractor or a subcontractor.
52.203-19	PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS NOTE: Applicable in all solicitations and resultant contracts, other than personal services contracts with individuals.
52.204-2	SECURITY REQUIREMENTS NOTE: Delete paragraph (c). NOTE: Applicable if this Order involves access to Classified Information.
52.204-9	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL
52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS
52.204-21	BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS NOTE: Applicable to all Orders at any tier for other than commercially available off-the-shelf items.
52.204-23	PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB OR OTHER COVERED ENTITIES
52.204-24	REPRESENTATION REGARDING CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT NOTE: Not including (b)(2) or (d)(2)
52.204-25	PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT NOTE: Pursuant to (e), not including (b)(2).
52.204-27	PROHIBITION ON A BYTEDANCE COVERED APPLICATION

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

52.204-30	FEDERAL ACQUISITION SUPPLY CHAIN SECURITY ACT ORDERS—PROHIBITION
52.209-6	PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
52.211-5	MATERIAL REQUIREMENTS
52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS
52.215-2	AUDIT AND RECORDS – NEGOTIATION
52.215-10	PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA NOTE: Applicable to any Order when cost or pricing data are required.
52.215-11	PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA - MODIFICATIONS NOTE: Applicable if FAR 52.215-10 is not applicable to this Order.
52.215-12	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA NOTE: Applicable to any Order when cost or pricing Data are required.
52.215-13	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA - MODIFICATIONS NOTE: Applicable if FAR 52.215-12 is not applicable to this Order.
52.215-14	INTEGRITY OF UNIT PRICES NOTE: Delete paragraph (b) NOTE: Applicable to any Order greater than the simplified acquisition threshold.
52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS NOTE: Applicable to any Order when cost or pricing Data are required or for which any pre-award or post-award cost determinations will be subject to FAR Part 31.
52.215-16	FACILITIES CAPITAL COST OF MONEY NOTE: Applicable only if this Order is subject to the Cost Principles at FAR Subpart 31.2 and Seller proposed Facilities Capital Cost of Money in its offer.
52.215-17	WAIVER OF FACILITIES CAPITAL COST OF MONEY NOTE: Applicable only if this Order is subject to the Cost Principles at FAR Subpart 31.2 and Seller did not propose Facilities Capital Cost of Money in its offer.
52.215-18	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS NOTE: Applicable to any Order when cost or pricing Data are required or for which any pre-award or post-award cost determinations will be subject to FAR Part 31.
52.215-19	NOTIFICATION OF OWNERSHIP CHANGES NOTE: Applicable to any Order when cost or pricing Data are required or for which any pre-award or post-award cost determinations will be subject to FAR Subpart 31.2.
52.215-20	REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA
52.215-21	REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA – MODIFICATIONS
52.215-23	LIMITATION ON PASS-THROUGH CHARGES NOTE: Applicable to any Order when the total estimated Order value exceeds the threshold for obtaining cost or pricing Data in FAR 15.403-4 and the contemplated contract type is expected to be any contract type except those contract types listed in FAR 15.408(n)(2)(i)(B)(2). Seller shall notify Buyer in writing if: (1) Seller changes the amount of subcontract effort after award such that it exceeds 70 percent of the total cost of work to be performed under this Order. The notification shall identify the revised cost of the subcontract effort and shall include verification that Seller will provide added value; or (2) Any subcontractor changes the amount of lower-tier subcontractor effort such that it exceeds 70 percent of the total cost of the work to be performed under its subcontract. The notification shall identify the revised cost of the subcontract effort and shall include verification that the subcontractor will provide added value as related to the work to be performed by the lower-tier subcontractor(s).
52.216-16	INCENTIVE PRICE REVISION – FIRM TARGET NOTE: Applicable to any FPIF Order or line item.
52.216-17	INCENTIVE PRICE REVISION – SUCCESSIVE TARGETS NOTE: Applicable to any FPIS Order or line item
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

	NOTE: Applicable unless contract is for personal services, or the contract, together with all of its subcontracts, will be performed entirely outside the U.S. and its outlying areas.
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES
52.222-4	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION
52.222-20	CONTRACTS FOR MATERIALS, SUPPLIES, ARTICLES, AND EQUIPMENT EXCEEDING \$15,000
52.222-21	PROHIBITION OF SEGREGATED FACILITIES NOTE: Applicable if Equal Opportunity clause has been determined to apply to this Order.
52.222-26	EQUAL OPPORTUNITY NOTE: Applicable only (i) if this Order is not exempted by Secretary of Labor under Executive Order 11246 as amended per FAR 22.807, and (ii) then only with respect to provisions of subparagraphs (b) (1) through (b)(11) [binding Seller thereto].
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS NOTE: The clause at 41 CFR 60-300.5(a) is incorporated herein by reference. Buyer and Seller shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES NOTE: The clause at 41 CFR 60-741.5(a) is incorporated herein by reference. Buyer and Seller shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals.
52.222-37	EMPLOYMENT REPORTS ON VETERANS
52.222-38	COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS
52.222-40	NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT
52.222-41	SERVICE CONTRACT LABOR STANDARDS NOTE: Applicable only to the extent that such clause is in Buyer's higher-tier contract and this Order is subject to the Service Contract.
52.222-50	CONBATTING TRAFFICKING IN PERSONS
52.222-51	EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS FOR MAINTENANCE, CALIBRATION, OR REPAIR OF CERTAIN EQUIPMENT - REQUIREMENTS
52.222-53	EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS FOR CERTAIN SERVICES – REQUIREMENTS
52.222-54	EMPLOYMENT ELIGIBILITY REQUIREMENTS NOTE: Applicable to any Order greater than \$3,500 with a period of performance of 120 days or greater.
52.222-55	MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 NOTE: Applicable to Orders subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute.
52.222-56	CERTIFICATION REGARDING TRAFFICKING IN PERSONS COMPLIANCE PLAN
52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA NOTE: Entry is considered to be "none" unless Seller explicitly states otherwise within its quotation or proposal. ALT I applies if procurement is for other than the Department of Defense.
52.223-7	NOTICE OF RADIOACTIVE MATERIALS
52.223-11	OZONE-DEPLETING SUBSTANCES AND HIGH GLOBAL WARMING POTENTIAL HYDROFLUOROCARBONS
52.223-18	ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING
52.224-2	PRIVACY ACT
52.225-1	BUY AMERICAN – SUPPLIES

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

52.225-8	DUTY FREE ENTRY NOTE: Applicable only if such clause is contained in Buyer’s higher-tier contract under which any reduced duty-free entry thresholds shall apply. Under paragraph (c)(1), change “20 days” to “30 days.” Under paragraph (c)(2), change “10 days” to “20 days”.
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES NOTE: Clause is applicable if purchased item is other than commercial item or component per clause at FAR 52.244-6.
52.225-26	CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS OUTSIDE THE UNITED STATES
52.227-1	AUTHORIZATION AND CONSENT
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-9	REFUND OF ROYALTIES
52.227-10	FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER
52.227-11	PATENT RIGHTS-RETENTION BY THE CONTRACTOR (SHORT FORM)
52.228-5	INSURANCE – WORK ON A GOVERNMENT INSTALLATION NOTE: Applicable on any Order that requires work on a Government installation.
52.230-2	COST ACCOUNTING STANDARDS
52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES
52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS
52.232-17	INTEREST
52.232-39	UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS
52.232-40	PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS
52.234-1	INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III NOTE: Applicable only if this Order is identified elsewhere herein as stemming from a major system Prime Contract.
52.236-13	ACCIDENT PREVENTION
52.237-2	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION NOTE: Applicable to any work performed on a Government installation. “Government” thereunder means Buyer, Prime Contractor [if not Buyer], and any upper-tier subcontractor.
52.242-13	BANKRUPTCY NOTE: Any such notification shall be to Buyer. After “for all Government contracts,” insert “with Seller”.
52.242-15	STOP-WORK ORDER
52.244-5	COMPETITION IN SUBCONTRACTING
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS
52.245-1	GOVERNMENT PROPERTY or Alternate I NOTE 1: Applicable to any Order if Government property is furnished to Seller. NOTE 2: The basic clause (non-Alt 1 version) applies in most instances except for conditions referenced in Note 3 below. NOTE 3: The Alternate 1 version of FAR 52.245-1 shall apply if; this Order was issued to Seller as a Firm Fixed Price type contracts not awarded on the basis of submission of certified cost or pricing Data, Buyer’s Prime Contract contains the Alternate 1 provisions, or if Seller has a disapproved property control system at the time of Order award. Under the Alternate 1 clause Seller shall assume Full Risk of Loss for Government Property under Seller’s accountability during performance of this Order NOTE: In the phrases “Government Property”, “Government-furnished property”, and in references to title to property, “Government” shall not mean “Buyer”. The following is added as paragraph (n): “Contractor shall provide Buyer immediate notice of any disapproval, withdrawal of approval, or non-acceptance by the Government of its property control system”. In the event of any of the aforementioned conditions Seller shall immediately assume Full Risk

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

	of Loss for all loss or damage to Government property commencing on the day Seller's property system approval was withdrawn or rescinded.”
52.246-2	INSPECTION OF SUPPLIES – FIXED PRICE
52.246-4	INSPECTION OF SERVICES - FIXED-PRICE
52.247-63	PREFERENCE FOR U.S. FLAG AIR CARRIERS
52.247-64	PREFERENCE FOR PRIVATELY OWNED U.S. - FLAG COMMERCIAL VESSELS
52.248-1	VALUE ENGINEERING
252.203-7001	PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES
252.203-7002	REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
252.203-7003	AGENCY OFFICE OF THE INSPECTOR GENERAL NOTE: Applicable when Order contains FAR 52.203-13, Contractor Code of Business Ethics and Conduct.
252.203-7004	DISPLAY OF HOTLINE POSTERS
252.204-7000	DISCLOSURE OF INFORMATION
252.204-7004	ANTI-TERRORISM AWARENESS TRAINING FOR CONTRACTORS NOTE: Applicable when performance requires routine physical access to a Federally-controlled facility or military installation. Information and guidance pertaining to DoD antiterrorism awareness training is available at https://jko.jten.mil/ or as otherwise identified in the performance work statement.
252.204-7009	LIMITATIONS ON THE USE OR DISCLOSURE OF THIRD-PARTY CONTRACTOR REPORTED CYBER INCIDENT INFORMATION
252.204-7012	SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING NOTE: Applicable to all Orders, at any tier, including orders for commercial items, for operationally critical support, or for which performance will involve covered defense information, unless the Order is solely for commercially available off-the-shelf items.
252.204-7014	LIMITATIONS ON THE USE OR DISCLOSURE OF INFORMATION BY LITIGATION SUPPORT CONTRACTORS
252.204-7015	NOTICE OF AUTHORIZED DISCLOSURE OF INFORMATION FOR LITIGATION SUPPORT
252.204-7016	COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES— REPRESENTATION
252.204-7017	PROHIBITION ON THE ACQUISITION OF COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES— REPRESENTATION
252.204-7018	PROHIBITION ON THE ACQUISITION OF COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES
252.204-7019	NOTICE OF NIST SP 800-171 DOD ASSESSMENT REQUIREMENTS
252.204-7020	NIST SP 800-171 DOD ASSESSMENT REQUIREMENTS
252.208-7000	INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT FURNISHED MATERIAL NOTE: Applicable to any Order and all lower-tier subcontracts unless it is known that the item being purchased contains no precious metals.
252.209-7004	SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A COUNTRY THAT IS A STATE SPONSOR OF TERRORISM.
252.211-7000	ACQUISITION STREAMLINING NOTE: Applicable to any Order greater than \$1,500,000 and which stems from a Prime Contract under a systems acquisition program
252.219-7003	SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)
252.222-7006	RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS NOTE: Failure to comply with this provision will be considered a material breach and, at the sole discretion of Buyer, may result in termination for default or cause.
252.223-7001	HAZARD WARNING LABELS NOTE: Applicable to any Order which requires delivery of hazardous materials.
252.223-7002	SAFETY PRECAUTIONS FOR AMMUNITION AND EXPLOSIVES

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

	NOTE: Applicable to any Order involving articles furnished containing ammunition or explosives. Government safety representatives may evaluate Seller compliance.
252.223-7003	CHANGE IN PLACE OF PERFORMANCE - AMMUNITION AND EXPLOSIVES NOTE: Applicable if DFARS 252.223-7002 applies to this Order.
252.223-7006	PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS MATERIALS NOTE: Applicable if prime contract requires, may require, or permits access to a DoD installation.
252.223-7007	SAFEGUARDING SENSITIVE CONVENTIONAL ARMS, AMMUNITION, AND EXPLOSIVES NOTE: Applicable to any Order and all lower-tier subcontracts involving arms, ammunition and explosives.
252.223-7008	PROHIBITION OF HEXAVALENT CHROMIUM NOTE: Applicable to any Order for Products, maintenance and repair Services, or construction materials unless the exceptions listed in DFARS 223.7304 apply.
252.225-7001	BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM
252.225-7002	QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS
252.225-7007	PROHIBITION ON ACQUISITION OF UNITED STATES MUNITIONS LIST ITEMS FROM COMMUNIST CHINESE MILITARY COMPANIES
252.225-7009	RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS NOTE: Exclude paragraphs (d) and (e)(1); paragraph (c)(6) is hereby deleted. NOTE: Upon Seller notification of noncompliance with the terms of this clause and the provision of specific information related to the source of the noncompliance, Buyer will facilitate management of the allowance for up to 2% otherwise noncompliant specialty metal content in the end item. The 2% minimal content exception does not apply to and cannot be used to exempt specialty metals contained in high performance magnets.
252.225-7012	PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES
252.225-7013	DUTY FREE ENTRY
252.225-7015	RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS
252.225-7016	RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS NOTE: Applicable to any Order and all lower-tier subcontracts if Product supplied contains ball or roller bearings.
252.225-7021	TRADE AGREEMENTS
252.225-7025	RESTRICTION ON ACQUISITION OF FORGINGS
252.225-7028	EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS
252.225-7030	RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE
252.225-7033	WAIVER OF UNITED KINGDOM LEVIES
252.225-7036	BUY AMERICAN – FREE TRADE AGREEMENTS – BALANCE OF PAYMENTS PROGRAM
252.225-7040	CONTRACTOR PERSONNEL SUPPORTING U.S. ARMED FORCES DEPLOYED OUTSIDE THE UNITED STATES NOTE: Applicable to all Orders where subcontractor personnel are supporting U.S. Armed Forces deployed outside the U.S.
252.225-7043	ANTITERRORISM/FORCE PROTECTION FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES
252.225-7048	EXPORT CONTROLLED ITEMS
252.225-7052	RESTRICTION ON ACQUISITION OF CERTAIN MAGNETS AND TUNGSTEN
252.226-7001	UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS
252.227-7013	RIGHTS IN TECHNICAL DATA-NONCOMMERCIAL ITEMS
252.227-7014	RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION
252.227-7015	TECHNICAL DATA – COMMERCIAL ITEMS

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

252.227-7016	RIGHTS IN BID AND PROPOSAL INFORMATION
252.227-7019	VALIDATION OF ASSERTED RESTRICTIONS – COMPUTER SOFTWARE
252.227-7025	LIMITATION ON THE USE OR DISCLOSURE OF GOVERNMENT FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS
252.227-7026	DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE
252.227-7027	DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE
252.227-7030	TECHNICAL DATA – WITHHOLDING OF PAYMENT
252.227-7037	VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA
252.227-7038	PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS)
252.227-7039	PATENTS – REPORTING OF SUBJECT INVENTIONS
252.228-7001	GROUND AND FLIGHT RISK NOTE: Applicable if included in Buyer’s higher-tier contract.
252.228-7005	ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES
252.231-7000	SUPPLEMENTAL COST PRINCIPLES
252.235-7003	FREQUENCY AUTHORIZATION and Alternate I NOTE: Authorization shall be through or coordinated with Buyer’s Authorized Representative.
252.239-7000	PROTECTION AGAINST COMPROMISING EMANATIONS NOTE: Applicable to Orders for computer equipment or systems to process Classified Information.
252.239-7010	CLOUD COMPUTING SERVICES
252.239-7016	TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES AND SERVICES
252.243-7001	PRICING OF CONTRACT MODIFICATIONS
252.243-7002	REQUESTS FOR EQUITABLE ADJUSTMENT
252.244-7000	SUBCONTRACTS FOR COMMERCIAL ITEMS
252.246-7001	WARRANTY OF DATA
252.246-7003	NOTIFICATION OF POTENTIAL SAFETY ISSUES
252.246-7007	CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM NOTES: The provision of paragraphs (a) – (e), including its definition of “electronic parts,” are incorporated herein by reference. For orders in support of Northrop Grumman Mission Systems sector, this clause is applicable to all orders for electronic parts or assemblies containing electronic parts. For orders in support of the Northrop Grumman Aerospace Systems sector, this clause is applicable only if standard note X1066 or X1067 is contained within the order. For orders containing electronic parts or assemblies in support of Northrop Grumman Technology Services sector, this clause is applicable to all orders in support of Department of Defense Prime Contracts.
252.246-7008	SOURCES OF ELECTRONIC PARTS NOTES: For orders in support of Northrop Grumman Mission Systems sector, this clause is applicable to all orders for electronic parts or assemblies containing electronic parts. For orders in support of the Northrop Grumman Aerospace Systems sector, this clause is applicable only if standard note X1066 or X1067 is contained within the order. For orders containing electronic parts or assemblies in support of Northrop Grumman Technology Services sector, this clause is applicable to all orders in support of Department of Defense Prime Contracts.
252.247-7023	TRANSPORTATION OF SUPPLIES BY SEA NOTE: Applicable in any Order and all lower-tier subcontracts for ocean transportation of supplies. Paragraphs (f) and (g) shall not apply if this Order or any lower-tier subcontract is at or below the simplified acquisition threshold. NOTE: Paragraph (c), first sentence has been modified as to read “Seller and its subcontractors may request that Buyer obtain Government authorization for shipment...” “45” is changed to “60” days in paragraph (d) and “30” to “20” in paragraph (e). In paragraph (e), delete “and the division of National

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

	Cargo, Office of Market Development, Maritime Administration, U.S. Department of Transportation, Washington, DC 20590.” In paragraph (g) “for the purposes of the Prompt Payment clause of this contract” is deleted. NOTE: Seller agrees to indemnify and hold Buyer harmless against any loss, damage or expense suffered by Buyer as a result of Seller’s failure to comply with the requirements of this clause.
252.249-7002	NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION

SUSPECT/COUNTERFEIT PARTS:

- A. This clause is applicable to all Orders. If DFARS 252.246-7007 and DFARS 252.246-7008 are also applicable to this Order, the provisions of paragraphs (a) – (e) of DFARS 252.246-7007, including its definition of “electronic parts,” are incorporated in this paragraph by reference and “Contracting Officer” shall mean “Buyer”. Seller shall establish and maintain a material authenticity process that ensures the requirements of these clauses or other authenticity requirements in this Order are met. Seller’s obligation to substantiate authenticity shall survive Acceptance of and payment for Products delivered under this Order.
- B. Seller shall not furnish suspect counterfeit or counterfeit parts to Buyer under this Order. All material delivered under this Order shall be authentic and traceable to the original manufacturer. Seller shall provide authenticity and traceability records to Buyer upon request. Electronic parts shall not be acquired from brokers unless approved in advance in writing by Buyer. Seller shall immediately notify Buyer if Seller cannot provide parts, components, and/or assemblies traceable to the original component manufacturer or the original equipment manufacturer. Upon receipt of such notification, Buyer reserves the right to terminate this Order at no cost to Buyer or require specific material validation test and inspection protocol requirements to Seller.
- C. If suspect counterfeit or counterfeit parts are furnished under this Order and are found in any of the Products delivered hereunder, such items will be impounded by Buyer. Seller shall promptly replace such suspect/counterfeit parts with parts acceptable to the Buyer. Seller shall be liable for all costs relating to the removal and replacement of said parts, including without limitation Buyer's external and internal costs of removing such suspect/counterfeit parts, of reinserting replacement parts and of any testing or validation necessitated by the reinstallation of Seller's Products after suspect/counterfeit parts have been exchanged. Buyer’s remedies described herein shall not be limited by any other clause agreed upon between Buyer and Seller in this Order and are in addition to any remedies Buyer may have at law, equity or otherwise under this Order. At Buyer's request, Seller shall return any removed suspect counterfeit or counterfeit parts to Buyer in order that Buyer may turn such parts over to its U.S.G. customer for further investigation. For purposes of this clause, Seller agrees that any U.S.G. directive/information or GIDEP alert, indicating that such parts are suspect counterfeit or counterfeit, shall be deemed definitive evidence that Seller's Products contain suspect counterfeit or counterfeit parts.
- D. Seller agrees to insert the substance of this clause, including this sentence, in any lower tier subcontract.

CONFLICT MINERALS:

If Seller is providing Products to Buyer under this Order, Seller shall use commercially reasonable efforts to:

- A. identify whether such Products contain tin, tantalum, gold or tungsten;
- B. determine whether any such minerals originated in covered countries, as defined in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”); and
- C. perform appropriate due diligence on its supply chain in support of Buyer’s obligations under the Act.

If Seller is providing Products to Buyer under this Order, Seller shall use commercially reasonable efforts to:

In addition, Seller shall, as soon as reasonably practicable following the completion of the calendar year, provide a completed Conflict Minerals Reporting Template, using the form found at <http://www.responsiblemineralsinitiative.org/conflict-minerals-reporting-template/>. If requested, Seller will promptly provide information or representations that Buyer reasonably believes are required to meet Buyer’s conflict minerals compliance obligations.

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’s Authorized Representative and provide all relevant information including, but not limited to, nature of dispute, labor organizations involved, contingency plans regarding the protection of Buyer’s Order, and estimated duration. Seller shall also provide updated reports throughout the dispute duration. Seller agrees to insert the substance of this clause, including this sentence, in any lower– tier subcontract.

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

COMPLIANCE WITH LAWS:

- A. Each Party shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances.
- B. Anti-Corruption Compliance. Each Party represents, that:
 - a. It has not and will not, directly or indirectly, pay, promise, offer, or authorize the payment of any money or anything of value in connection with this Order to: (i) an officer, employee, agent or representative of any government, including any department, agency, or instrumentality thereof or any person acting in an official capacity thereof; (ii) a candidate for political office, any political party or any official of a political party; or (iii) any other person or entity while knowing or having reason to know that all or any portion of such payment or thing of value will be offered, given or promised, directly or indirectly, to any person or entity for the purpose of assisting Buyer in obtaining or retaining business, or an improper business advantage. Without limiting the generality of the foregoing, neither Party shall directly or indirectly, pay, promise, offer, or authorize the payment of any facilitating payment intended to expedite or secure performance of a routine governmental action, such as, customs clearance on behalf of Buyer.
 - b. No gifts, travel expenses, business courtesies, hospitalities or entertainment of any nature have been or will be accepted or made in connection with this Order where the intent of was, or is, to unlawfully influence the recipient of the gift, travel expense, business courtesy, hospitality or entertainment. Seller also represents that any gifts, travel expenses, business courtesies, hospitalities or entertainment offered or provided shall meet the following conditions:
 - i. be permitted under the U.S. Foreign Corrupt Practices Act (FCPA) and the laws and regulations of the country in which this Order will be performed;
 - ii. be consistent with applicable social and ethical standards and accepted business practices;
 - iii. be of such limited value as not to be deemed a bribe, payoff or any other form of improper inducement or payment; and
 - iv. be of such nature that its disclosure will not cause embarrassment for Buyer.
 - c. Breach of any of the foregoing provisions of this clause by either Party shall be considered an irreparable material breach of this Order and shall entitle the other Party to terminate this Order immediately.
- C. Each Party shall comply with the requirements of 41 CFR 60-1.4(a). This regulation applies to all Orders regardless of value of the Order, and shall flow this clause to all lower tier suppliers. This regulation prohibits discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.

RELEASE OF INFORMATION AND ADVERTISING:

- A. Except as required by law, Seller shall not release to anyone outside Seller's organization any information, or confirmation or denial of same, with respect to this Order or the subject matter hereof without the prior written approval of Buyer. Requests for approval shall be made at least fifteen (15) days before the proposed date for release and shall identify the specific information to be released, the medium to be used, and the purpose for the release. Additionally, Seller shall not use the name "Northrop Grumman" or any other Buyer trade name, any Products, parts thereof or replicas of Products, or in any other way identify Buyer in any advertisement, display, news release, or other disclosure without Buyer's prior written consent concerning this Order. The Parties agree that in the event a news release is so approved and made, such news will recognize Buyer and Seller.
- B. The Seller agrees to insert the substance of this clause, including this sentence, in any lower tier subcontract. Seller shall submit requests for authorization to the Buyer.

ANTI-TRAFFICKING IN PERSONS:

- A. The parties prohibited from engaging in activities that support or promote trafficking in persons, including, but not limited to, any of the following:
 - 1. Trafficking in persons, including, but not limited to the following: (a) sex trafficking; or (b) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, debt bondage, or slavery.
 - 2. The procurement of a commercial sex act;
 - 3. The use of forced labor in the performance of company business;
 - 4. The use of misleading or fraudulent recruitment activities;
 - 5. Charging employees recruitment fees;
 - 6. Failing to pay for the return transportation at the end of employment for an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working;
 - 7. Providing or arranging housing that fails to meet the host country housing and safety standards; or
 - 8. If required, failing to provide an employment contract, recruitment agreement, or similar work document in writing, in the individual's native language and prior to the individual departing from his or her country of origin.

American Ordnance Proprietary

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

- B. The Parties represent that they shall abide by and comply with the requirements of this clause. Further, Seller shall require its employees, agents, contract laborers and subcontractors to abide by and comply with the requirements of this clause.
- C. Seller acknowledges that if Seller or any of its employees, agents, contract laborers or subcontractors engages in any of the prohibited activities in this clause, this Order is subject to termination.
- D. Whenever Seller has knowledge, whether substantiated or not, that any actual or suspected violation of this clause has occurred, Seller shall immediately give written notice to Buyer's Authorized Representative and provide all relevant information including, but not limited to, the nature of the actual or suspected violation.
- E. Seller shall provide its full cooperation during any subsequent investigation of the actual or suspected violation by Buyer, Buyer's representative, or cognizant government agency. Seller's cooperation shall include, but not be limited to, permitting inspection of its work sites, offices, and documentation, as necessary to support any investigation.
- F. Seller agrees to insert the substance of this clause, including this sentence, in any lower-tier subcontract.

INSPECTION:

- A. Buyer and its customer may inspect and test material, work in progress, Products and/or Services at mutually agreed times and places (consent shall not be unreasonably withheld) during manufacture and otherwise provided such inspections are required pursuant to Buyer's Prime Contract or required pursuant to mutually agreed upon quality control provisions between Buyer and Seller. No inspection (including source inspection), test, approval (including design approval), or Acceptance of Products or Services, or failure to inspect and Accept or reject Products or Services, shall relieve Seller from responsibility for any defects or other failure to meet the requirements of this Order, or for latent defects, fraud, such gross mistakes that amount to fraud, or Seller's warranty obligations, nor impose liability on Buyer. Buyer's rights under this provision are for the performance of this Order and do not entitle Buyer to access Seller's premises otherwise. Notwithstanding the foregoing, Seller may revoke access to its plants and personnel at any time for business related issues or conflicts of interest; provided it doesn't conflict with Buyer's or Buyer's customer's right to inspect pursuant to Buyer's Prime Contract or the quality control provisions between Buyer and Seller.
- B. Seller shall not substitute materials or accessories, even if Seller believes they are of superior quality, without written consent of Buyer.
- C. Unless otherwise stated in Buyer's specifications, the latest revision of applicable standards, specifications or similar documents as of the date of this Order shall apply. If the Products are specifically manufactured for Buyer in accordance with drawings, designs, or specifications furnished by Buyer: (1) Seller shall provide and maintain an inspection and quality control system and provide access to Seller's facilities and applicable documented information including all lower-tier subcontractors' facilities used in performance of this Order at all reasonable times, and without additional charge, for inspection by Buyer's Customer and any applicable regulatory authority, and shall provide all tools, facilities, and assistance reasonably necessary for inspection relating to the performance of this Order; and (2) Seller shall maintain adequate and authenticated inspection and test documents which relate to work performed under this Order for a period of three (3) years after completion of this Order or as otherwise specified in this Order, and shall make such records available to Buyer upon request; (3) Seller shall supply Buyer with inspection and test reports, affidavits, certifications, or any other documents as may reasonably be requested by Buyer; (4) Seller shall notify Buyer's Authorized Representative in writing of any changes in Product and/or process definition and obtain Buyer's written approval prior to proceeding; and (5) Seller agrees to insert the substance of this clause, including this sentence, in any lower-tier subcontract.
- D. Final inspection and Acceptance by Buyer shall be at point of receipt by Buyer, unless otherwise specified in this Order.
- E. Any proprietary information shared during the inspection or data review process will be held in accordance with the existing applicable NDA.

INFORMATION OF BUYER AND SELLER:

- A. Unless expressly stated otherwise herein, the exchange of information under this Order shall be governed by any mutually agreed to NDA's which supersedes any prior agreement between Buyer and Seller to protect information relating to the purpose of this Order.
- B. Definitions
 - a. "Information" shall mean information disclosed by the Parties to support their performance under this Order.
 - b. "Proprietary Information" shall mean Information which (i) is provided or otherwise made available by the disclosing party (hereinafter the "Disclosing Party") to the receiving party (hereinafter the "Receiving Party"); and, (ii) is marked proprietary or bears a marking of like import 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-

American Ordnance Proprietary

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

14. Information accessed or made available in electronic form shall be considered Proprietary Information if: (A) any display of the Information also displays a proprietary legend or (B) if such Information is accessed or made available to the Receiving Party via a secure website or portal controlled or managed by the Disclosing Party. Orally or visually disclosed Information shall be deemed Proprietary Information only if identified as proprietary at the time of disclosure and summarized and confirmed in a written and labeled description delivered to the Receiving Party within thirty (30) days.

- C. The Receiving Party shall hold all Proprietary Information in confidence and restrict disclosure thereof to only its employees, contract labor and agents who have a need to know so that the Receiving Party may perform its obligations under this Order and are under obligations to hold such information in confidence under terms and conditions at least as restrictive as the terms and conditions of this Order.
- D. Receiving Party agrees to use Disclosing Party's Proprietary Information only for purposes necessary for performing this Order, without first obtaining Disclosing Party's written authorization. Seller further hereby grants to Buyer a non-exclusive, irrevocable, worldwide, right and license to copy, modify, use and disclose to the U.S. Government or any higher tier contractor, any information received from Seller, including Seller's Proprietary Information, solely for the performance of this Order and any higher tier contract from which this Order is issued provided this order is not terminated by Buyer. Seller agrees that Buyer may share Seller's information with other subcontractors under Buyer's higher tier or Prime Contract, if the other subcontractors need to use Seller's information to complete their subcontracts provided that (1) any restrictive markings remain on the information, (2) the other subcontractor is under an obligation of confidentiality and limited use to protect Seller's Proprietary Information to the same degree as provided herein; and, (3) the other subcontractor's use of the information is limited to performance of a subcontract under Buyer's higher tier or Prime Contract related to this Order and not in competition with Seller. If Buyer's higher tier or Prime Contract, under which this Order is issued, is part of a Government program that is implemented through separate contracts between the Government and two or more contractors, one of which is Buyer ("Government Program"), and, if the Government requires Buyer and the other contractors to coordinate or integrate work for this Government Program; then, Seller agrees that Buyer may share Seller's information with the other contractors that need to use Seller's information to complete their contractual obligations for the Government Program, provided that (1) any restrictive markings remain on Seller's information; (2) the contractors are under an obligation to protect Seller's Proprietary Information to the same degree as provided herein; and, (3) the contractor's use of Seller's information is limited to performance of contractor's contract for the Government Program. This clause 24 shall survive termination or expiration of this Order. The Receiving Party agrees to use at least the same degree of care in safeguarding the Disclosing Party's Proprietary Information, including during storage and transmittal, as it uses for its own Proprietary Information, but in no case less than reasonable care. Promptly upon discovery of an unauthorized disclosure, access or use, the Receiving Party shall: (a) notify the Disclosing Party; (b) make reasonable attempts to retrieve the Proprietary Information; (c) comply with any reasonable written requests of Disclosing Party regarding such unauthorized disclosure, access or use; and (d) review and, take other reasonable action as appropriate to prevent any future unauthorized disclosures, accesses or uses. Proprietary Information shall not be copied or reproduced, except for such copies as may reasonably be required for the Receiving Party to perform its obligations under this Order. If the Proprietary Information is copied or reproduced in whole or in part, the copy or reproduction shall carry the same marking as that which appears on the original.
- E. Exceptions. The Receiving Party shall not be liable hereunder for use or disclosure of Proprietary Information which occur after such Proprietary Information:
 - a. is or becomes publicly known through no wrongful act of the Receiving Party; or
 - b. is known to or in the possession of the Receiving Party without restriction on disclosure or use through no wrongful act of the Receiving Party, as evidenced by competent proof; or
 - c. is rightfully received by the Receiving Party from a third party without restriction and without breach of this Agreement; or
 - d. is independently developed by the Receiving Party without the use of or reference to the Proprietary Information.
 - e. In addition, the Receiving Party shall not be liable hereunder for use or disclosure of Proprietary Information if such Proprietary Information is disclosed to satisfy a legal order by a court of competent jurisdiction or United States Government (U.S.G.) action; provided, however, that the Receiving Party shall first advise the Disclosing Party within sufficient time prior to the disclosure so that the Disclosing Party has the opportunity to seek appropriate relief from the court or governmental order, and provided further that the Receiving Party shall disclose only those portions of the Proprietary Information legally required to be disclosed and request confidential treatment of the Proprietary Information by the court or governmental entity.
- F. All documents and other tangible media (excluding Products) transferred from Buyer to Seller in connection with this Order, together with any copies thereof, are and remain the property of Buyer.

American Ordnance Proprietary

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

- G. 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 the Parties or Buyer's customer, except as specifically set forth herein.
- H. The Receiving Party agrees that the Proprietary Information of the Disclosing Party is valuable and unique, and that the loss resulting from unauthorized disclosure thereof may cause irreparable injury to the Disclosing Party, which may not be adequately compensated in money damages. The Receiving Party, therefore, expressly agrees that the Disclosing Party shall be entitled to seek injunctive and/or other equitable relief, in addition to any other remedies available to the Disclosing Party for breach of this clause.
- I. A Party's obligations with respect to information or Data 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.
- J. Notwithstanding the foregoing, nothing in this clause is intended to affect the rights or exercise of rights, if any, obtained by the U.S. Government under the "Rights in Technical Data – Noncommercial Items" clause DFARS 252.227-7013 and "Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation" clause DFARS 252.227-7014, or any similar or successor clauses, or other clauses that may be contained in any contracts or subcontracts between Buyer and Seller and any customer.
- K. Defend Trade Secrets Act provision – applicable only to individuals or to be flowed down to individuals. Pursuant to the Defend Trade Secrets Act of 2016, if Seller is an individual, Seller acknowledges that he/she shall not have criminal or civil liability under any Federal or State trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if Seller files a lawsuit for retaliation by Northrop Grumman for reporting a suspected violation of law, Seller may disclose the trade secret to Seller's attorney and may use the trade secret information in the court proceeding, so long as Seller (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order. Seller agrees to flow down this provision to all contract labor and agents of Seller who are authorized under this Agreement to receive Northrop Grumman Proprietary Information and who are individuals.

NOTIFICATION OF STATUS CHANGES:

- A. By accepting this Order, Seller certifies that all Seller qualification and business information, representations and certifications applicable to this Order remain valid. If Seller's status under any of the applicable representations and certifications has changed, Seller must complete and submit to Buyer's Authorized Representative revised representations and certifications prior to taking any action indicating acceptance as stated on the face of this Order.
- B. Seller agrees to provide prompt notification to Buyer's Authorized Representative of any event or change in circumstances that could affect Seller's performance under this Order such as ineligibility to contract with U.S.G., debarment, assignment of consent agreement, designation under U.S. or foreign sanctions laws and regulations, expiration or cancellation of ITAR registration, potential violation of Export and Sanctions Laws and Regulations (or authorizations issued thereunder), initiation or existence of a U.S.G. investigation, change in place of performance, decrease in manufacturing capacity, diminishing manufacturing sources or material shortages, increase in production requirements, labor reductions, financial or organizational conflicts of interest, and significant financial conditions requiring any of the preceding changes.
- C. Sellers that have provided anti-corruption compliance due diligence information (e.g., related to Seller's ownership and personnel, subsidiaries and third parties, including but not limited to Buyer's due diligence questionnaire, and related certifications) to a Buyer representative or through Buyer's Global Trust website shall provide Buyer with prompt notification and details of any changes to its owners, officers, directors or other information contained in such due diligence materials, and agrees to promptly cooperate with Buyer and provide additional information reasonably requested related to such changed information. In the event of a material change to the owners, offices, directors or other information contained in the due diligence material supplied to Buyer, Buyer reserves the right to suspend performance under this Order by providing written notice to Seller in order for Buyer to conduct anti-corruption due diligence upon such changed circumstances.
- D. Seller shall notify Buyer of any proposed change in Control within thirty (30) days prior to such event, if permitted by any related confidentiality agreement. The notice shall describe in reasonable detail the proposed transaction structure and any proposed changes to management, operations, domicile, key locations, the board of directors and/or ownership (along with a commitment to cooperate with Buyer and provide additional information reasonably requested related to such proposed change in Control). For purposes of this Order, "Control" means the power, directly or indirectly, to (a) vote more than fifty percent of the securities that have ordinary voting power for the election of Seller's directors; or (b) direct, or cause the direction of, the management and policies of Seller whether

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

by voting power, contract, or otherwise. If a Person or Entity obtains "Control" by acquiring more than fifty percent of the securities that have ordinary voting power for the election of Seller's directors, that acquisition may be accomplished by one or multiple transfers. For purposes of this Order, "Person or Entity" means a natural person, corporation, limited partnership, general partnership, limited liability company, limited liability partnership, joint stock company, joint venture, association, company, trust, or other organization, whether or not a legal entity, and a government or agency or political subdivision of that entity.

- E. Seller shall provide written notification to Buyer prior to making any material changes to Seller's tooling, facilities, materials, or processes, and/or shall provide written notification to Buyer upon becoming aware of any such changes by Seller's Subcontractors at any tier, that could affect Seller's performance under this Order. This requirement includes material changes to fabrication, assembly, handling, inspection, Acceptance, testing, manufacturing location, parts, materials, or suppliers. For clarity, "material" for the purposes of this paragraph, means a change that changes the form, fit or function of the deliverable hereunder. Seller shall notify Buyer of any pending or contemplated future action to discontinue Products purchased pursuant to this Order and shall allow Buyer to submit a forecast of expected annual usage prior to Seller finalizing its decision to discontinue the Products. Seller shall provide Buyer with a "Last Time Buy Notice" at least twelve (12) months prior to the actual discontinuance. Seller shall extend opportunities to Buyer to place last time buys of such Products with deliveries not to exceed one hundred eighty (180) days after the last time buy date.

WARRANTY:

- A. Seller expressly warrants that all Product(s) delivered and Service(s) performed hereunder shall be free from defects, shall be of good materials and workmanship, shall conform to all requirements of this Order, and shall be free of any claim of any third party.
- B. If Buyer determines the Product(s) or Service(s) or both do not to meet the warranties and guarantees specified herein, Buyer may, with coordination and concurrence from Seller, return such Product(s) to Seller at Seller's expense, for correction, replacement or credit, plus transportation charges, or refuse to confirm satisfactory completion of Service(s) and require Seller re-perform such Service(s). If repair, replacement, or re-performance of the Product(s) or Service(s) or both is not timely, Buyer may elect to return, repair, replace, or re-procure the non-conforming Work at Seller's expense. Any corrected, replaced, or repaired Product(s) or re-performed Service(s) shall be subject to the provisions of this Clause to the same extent as initially furnished hereunder for the remaining Warranty Period. Should there be a failure of the Product(s) or Service(s) or both after final Acceptance by Buyer, Seller shall reasonably cooperate with Buyer and Buyer's customer in the investigation of the failure or anomaly. Seller consents to provide reasonable information related to the failure. Any proprietary information shared from this investigation will be held in accordance with the existing applicable non-disclosure agreement (NDA). Seller also warrants that it will perform the Services under this Order with the degree of skill and judgment that is normally exercised by recognized firms with in connection with the services of a similar nature. Seller makes no warranty with respect to Government-furnished or Buyer-furnished designs, materials or components, and accepts no warranty responsibility for defects in the Products that may result there from or from any other cause except those expressly noted in the preceding sentence. Seller's warranty shall endure for a period of twenty four (24) months, following the date of final acceptance by Buyer unless otherwise specified in the Order. Seller's sole obligations under this warranty shall be the repair or replacement, of any Products that are shown not to comply with the said warranty, provided (a) the notice of the said defect has been received by Seller during the warranty period and (b) that Seller is given a fair and adequate opportunity to inspect the rejected Product to verify that the Product was indeed defective for one of the reasons covered by the warranty. Any Products required to be repaired or replaced hereunder are subject to inspection and warranty as if originally delivered at the time the Products repaired or replaced were delivered, except that the warranty period shall be only that of the unexpired warranty. Except for any breach of confidentiality, neither Buyer nor Seller shall be responsible for any indirect, special, incidental, consequential or punitive damages. Seller disclaims any other warranty not specifically recited herein, expressed or implied, including "WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE" or warranties that end items are free from defects in Buyer or Government supplied material. These warranties shall survive delivery, inspection, acceptance, and payment.
- C. In addition to the warranties above, if Seller supplies, or incorporates into Products supplied under this Purchase Order, goods that are manufactured by a third-party, Buyer shall have the benefit of warranties if they are extended to Seller by the third-party to the extent they exceed Seller's warranties in scope or duration.
- D. All warranties shall run to Buyer and to Buyer's customer.
- E. With respect to Products found not to be as warranted, Seller shall bear the costs, if any, of inspection, disassembly, reassembly, retesting and any other similar costs incurred in connection with, or as a consequence of, correction, repair or replacement of Seller's Products, including any such costs associated with assemblies into which Products have been incorporated. Any Products corrected or furnished in replacement shall, from the date of delivery of such

ADDITIONAL STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS

corrected or replacement Products, be subject to the provisions of this clause for the same period and to the same extent as Products initially furnished pursuant to this Order.