

**PURCHASE TERMS AND CONDITIONS
UNDER GOVERNMENT CONTRACTS**

1. Acceptance of Purchase Order

Agreement by Seller to furnish the materials, parts, and products (“goods”) or services, including the products resulting from such services, or its commencement of such performance, or acceptance of any payment, shall constitute Seller’s unqualified acceptance of this Purchase Order. Any prices or delivery schedule to which Buyer has not specifically agreed to in writing, or any other terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions herein, shall be void. Modifications or additions to these Purchase Order terms and conditions must be in writing and signed by Buyer’s Purchasing Representative.

2. Shipping Instructions

Seller shall be responsible for ensuring the proper packaging of goods hereunder. Shipping terms are FOB origin.

3. Delivery; Notice of Delay

Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule, but such notice and proposal or Buyer’s receipt or acceptance thereof, shall not constitute a waiver of Buyer’s rights and remedies hereunder.

4. Termination

Buyer, by written notice, may terminate this Purchase Order in whole or in part, prior to Seller’s shipping of purchased goods. In the event of partial termination, Seller shall perform the non-terminated balance of work under the Purchase Order. If Buyer terminates for convenience, Buyer shall be liable to Seller for any non-returnable, non-cancelable Orders.

Buyer may, after providing Seller with ten (10) calendar days written notice of a default, and upon Seller’s failure to cure such default in that ten (10) day period (“Cure Period”), terminate this Purchase Order in whole or in part at any time by notice in writing for (i) breach of any one or more of its terms, (ii) failure to deliver goods or services within the time specified by this Purchase Order or any written extension, (iii) failure to make progress so as to endanger performance of this Purchase Order, or (iv) failure to provide adequate assurance of future performance.

5. Force Majeure

Except for a default of Seller’s subcontractor at any tier, neither Buyer nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence, including acts of God or of the public enemy, acts of the government in its sovereign or contractual capacity (including acts of government related to economic sanctions and embargoes), fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that causes of the type described above (“Force Majeure”) adversely affect performance of this Purchase Order, the Party whose performance is so affected shall so notify the other Party’s authorized representative in writing. Buyer may reasonably adjust the delivery schedule due to the existence of a Force Majeure.

6. Disputes and Governing Law

Prior to pursuing judicial remedies, the Parties’ senior management representatives must first in good faith to negotiate a resolution for a period of no less than ten (10) business days following written notice from the Party claiming dispute.

7. Remedies

Buyer may exercise all rights and remedies at law and in equity, including those set forth in Article 2 of the Uniform Commercial Code for both goods and services ordered hereunder. Failure of either Party to enforce any of its rights shall not constitute a waiver of such rights or of any other rights and shall not be construed as a waiver or relinquishment of any such provisions, rights, or remedies; rather, the same shall remain in full force and effect.

8. Proprietary Rights

- (a) Unless otherwise expressly set forth in this Purchase Order, all specifications, information, data, drawings, software, and other items supplied to Buyer by Seller shall be disclosed to Buyer on a non-proprietary basis and may be used and/or disclosed by Buyer without restriction.
- (b) All specifications, information, data, drawings, software, and other items which are (i) supplied to Seller by Buyer or (ii) obtained or developed by Seller in the performance of this Purchase Order or paid for by Buyer, shall be used only for purposes of providing goods or services to Buyer pursuant to this Purchase Order, and shall not be disclosed to any third party, with the exception of Buyer's customer, without Buyer's express written consent.
- (c) With respect to any applicable FAR and DFARS clauses incorporated into this Purchase Order relating to license rights in noncommercial technical data and noncommercial computer software and / or noncommercial computer software documentation, Seller grants to Buyer the right to use, disclose, transfer, copy, modify, combine, integrate or make derivative works of any such noncommercial technical data, noncommercial computer software and/or noncommercial computer software documentation delivered under this Purchase Order, to the extent necessary, and for such period as is required, for Buyer to complete its performance under Buyer's U.S. Government contract.

9. Release of Information

Without prior written approval of Buyer, Seller shall not (i) publish, distribute, use, or otherwise disclose this Purchase Order, or the existence of this Purchase Order, to any third party for any purposes not required by the express terms of the Purchase Order, or (ii) use the Buyer's or Buyer's customer's name (or the name of any division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating website content, or for goods or service endorsement.

10. Warranty

- (a) Seller warrants that the goods shall be new and free from defects in workmanship, materials, and design and in accordance with all the requirements of this Purchase Order. Seller further warrants that the performance of services shall conform with the requirements of this Purchase Order and to high professional standards.
- (b) These warranty entitlements shall inure to the benefit of both Buyer and Buyer's customers.
- (c) At Buyer's direction, Seller shall promptly repair, replace, correct, or reimburse the purchase price of nonconforming goods or services.

11. Inspection

All goods and services shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during, and after performance and delivery. Buyer may require Seller to repair, replace or reimburse the purchase price of rejected goods.

12. Changes and Equitable Adjustments

Buyer shall have the right by written notice to suspend or stop work or to make changes from time to time in the services or the goods to be furnished by Seller or to the delivery schedule. If such suspension, stoppage, or changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly, and the Purchase Order shall be modified in writing accordingly.

13. Infringement

Seller represents and warrants that all goods and services provided by Seller pursuant to this Purchase Order, which are not of Buyer's design, do not infringe or misappropriate any third-party intellectual property rights and that any use or sale of such items by Buyer or Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and hold Buyer, and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs, expenses, and attorneys' fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions.

14. Assignments

Seller may not assign any rights, delegate any of its obligations due or to become due under this Purchase Order or subcontract all or substantially all of its obligations under this Purchase Order, without the prior written consent of Buyer.

15. Compliance with Law

(a) Seller, in the performance of this Purchase Order, warrants that it shall comply with all relevant laws, orders, rules, ordinances, and regulations (whether federal, state, or local), including but not limited to:

1. all U.S. laws and regulations including:
 - i. the Fair Labor Standards Act of 1938, as amended (the “FLSA”), and the regulations and orders of the United States Department of Labor under the FLSA;
 - ii. the Occupational Safety and Health Act of 1970 (OSHA), as amended;
 - iii. the U.S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations;
2. the laws and regulations of Seller’s place of performance;
3. the applicable domestic and international prohibitions on child labor, human trafficking, and slavery;
4. the United States Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the “FCPA”), and other Anti-Corruption Requirements as defined in paragraph 19(b), below; and
5. the Anti-Kickback Act of 1986.

16. Licenses and registrations

Seller warrants that it has and shall maintain all registrations and licenses and shall obtain permits as required to perform the work hereunder.

17. Federal Acquisition Regulations (FAR)

For Purchase Orders placed in support of and charged to a U.S. Government (“Government”) prime contract or higher-tier subcontract for an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following provisions and clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) shall apply.

The full text of a FAR or DFARS provision or clause may be accessed electronically at these addresses: <http://farsite.hill.af.mil/> or <http://www.acq.osd.mil/dpap/sitemap.html>.

If any of the following FAR or DFARS clauses do not apply to this Purchase Order, such clauses are considered to be self-deleting. Seller shall incorporate into each lower tier contract issued in support of this Purchase Order all applicable FAR and DFARS clauses in accordance with the flow down requirements specified in such clauses.

A. THE FOLLOWING FAR CLAUSES ARE APPLICABLE TO PURCHASE ORDERS FOR COMMERCIAL ITEMS UNDER ALL GOVERNMENT CONTRACTS:

52.203-19 PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS (JAN 2017) (applies to all subcontracts/purchase orders)

52.204-23 PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB AND OTHER COVERED ENTITIES (JUL 2018) (applies to all subcontracts/purchase orders)

52.204-25 PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT DEVIATION 20-05, REV. 1 (AUG 2020) (applies to all subcontracts/purchase orders)

- 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (OCT 2015) (applies to subcontract/purchase order exceeds \$35,000 except for commercially off-the-shelf items)
- 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS-OVERTIME COMPENSATION (MAY 2014) (applies to subcontracts/purchase orders that require or involve the employment of laborers and mechanics)
- 52.222-6 CONSTRUCTION WAGE RATE REQUIREMENTS (MAY 2014) (applies to construction subcontracts/purchase orders in the U.S. that exceed \$2,000)
- 52-222-8 PAYROLLS AND BASIC RECORDS (MAY 2014) (applies to construction subcontracts/purchase orders that exceed \$2,000 in the U.S.)
- 52.222-9 APPRENTICES AND TRAINEES (JUL 2005) (applies to construction subcontracts/purchase orders in the U.S. that exceed \$2,000)
- 52.222-10 COMPLIANCE WITH COPELAND ACT REQUIREMENTS (FEB 1998) (applies to construction subcontracts/purchase orders in the U.S. that exceed \$2,000)
- 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015) (applies to subcontracts/purchase orders subject to U.S. EEOC www.eeoc.gov)
- 52.222-26 EQUAL OPPORTUNITY (SEP 2016) (applies to subcontracts/purchase orders subject to U.S. EEOC www.eeoc.gov)
- 52.222-27 AFFIRMATIVE ACTION COMPLIANCE REQUIREMENTS FOR CONSTRUCTION (APR 2015) (applies to all construction subcontracts/purchase orders exceeding \$10,000)
- 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (OCT 2015) (*applies to all subcontracts/purchase orders that exceed \$150,000*)
- 52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (JUL 2014)) (applies to all subcontracts/purchase orders that exceed \$15,000 unless performed outside U.S.)
- 52.222-37 EMPLOYMENT REPORTS ON VETERANS (FEB 2016) (*applies to all subcontracts/purchase orders that exceed \$150,000*)
- 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010) (applies to all subcontracts/purchase orders performed wholly or partially in the U.S. exceeding \$10,000)
- 52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION (OCT 2015) (applies to all construction subcontracts/purchase orders exceeding \$3,500 in the U.S. excluding commercial services and commercial off-the-shelf items)
- 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2015)(applies to all subcontracts/purchase orders)
- 52.222-62 PAID SICK LEAVE UNDER EXECUTIVE ORDER 13706 (JAN 2017) (applies to all subcontracts/purchase orders)

52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING (AUG 2011) (applies to all subcontracts/purchase orders that exceed the Micro-Purchase Threshold \$10,000)

52.225-1 BUY AMERICAN – SUPPLIES (JAN 2021) (applies to subcontracts/purchase orders exceeding \$10,000 but less than \$25,000, not applicable to commercially available off-the-shelf items (COTS) as defined at FAR 2.101)

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (DEC 2007)(applies to all subcontracts/purchase orders)

52.232-27 PROMPT PAY FOR CONSTRUCTION CONTRACTS (JAN 2017) (applies to all construction subcontracts/purchase orders)

52.232-40 PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS (DEC 2013) (DEVIATION APR 2020)(applies to all subcontracts/purchase orders to small business concerns)

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (NOV 2020) (include full text in all subcontracts/purchase orders)

(a) *Definitions.* As used in this clause—

Commercial item and *commercially available off-the-shelf item* have the meanings contained in Federal Acquisition Regulation (FAR) 2.101.

Subcontract includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or non-developmental items as components of items to be supplied under this contract.

(c) (1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Jun 2020) (41 U.S.C. 3509), if the subcontract exceeds the threshold specified in FAR 3.1004(a) on the date of subcontract award, and has a performance period of more than 120 days. In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.

(ii) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) (Section 1553 of Pub. L. 111-5), if the subcontract is funded under the Recovery Act.

(iii) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Jan 2017).

(iv) 52.204-21, Basic Safeguarding of Covered Contractor Information Systems (Jun 2016), other than subcontracts for commercially available off-the-shelf items, if flow down is required in accordance with paragraph (c) of FAR clause 52.204-21.

(v) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (Jul 2018) (Section 1634 of Pub. L. 115-91).

(vi) 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (Aug 2020) (Section 889(a)(1)(A) of Pub. L. 115-232).

(vii) 52.219-8, Utilization of Small Business Concerns (Oct 2018) (15 U.S.C.637(d)(2) and (3)), if the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds the applicable threshold specified in FAR 19.702(a) on the date of subcontract award, the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(viii) 52.222-21, *Prohibition of Segregated Facilities* (Apr 2015).

(ix) 52.222-26, Equal Opportunity (*Sept 2015*) (E.O.11246).

(x) 52.222-35, Equal Opportunity for Veterans (Jun 2020) (38 U.S.C.4212(a));

- (xi) 52.222-36, Equal Opportunity for Workers with Disabilities (Jun 2020) (29 U.S.C.793).
 - (xii) 52.222-37, Employment Reports on Veterans (Jun 2020) (38 U.S.C.4212).
 - (xiii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496), if flow down is required in accordance with paragraph (f) of FAR clause 52.222-40.
 - (xiv) (A) 52.222-50, Combating Trafficking in Persons (Oct 2020) (22 U.S.C. chapter 78 and E.O. 13627).
 - (B) **Alternate I** (Mar 2015) of 52.222-50(22 U.S.C. chapter 78 and E.O. 13627).
 - (xv) 52.222-55, Minimum Wages under Executive Order 13658 (Dec 2015), if flow down is required in accordance with paragraph (k) of FAR clause 52.222-55.
 - (xvi) 52.222-62, Paid Sick Leave Under Executive Order 13706 (Jan 2017) (E.O. 13706), if flow down is required in accordance with paragraph (m) of FAR clause 52.222-62.
 - (xvii) (A) 52.224-3, Privacy Training (Jan 2017) (5 U.S.C. 552a) if flow down is required in accordance with 52.224-3(f).
 - (B) **Alternate I** (Jan 2017) of 52.224-3, if flow down is required in accordance with 52.224-3(f) and the agency specifies that only its agency-provided training is acceptable).
 - (xviii) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Oct 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).
 - (xix) 52.232-40, Providing Accelerated Payments to Small Business Subcontractors (Dec 2013), if flow down is required in accordance with paragraph (c) of FAR clause 52.232-40.
 - (xx) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. App.1241 and 10 U.S.C.2631), if flow down is required in accordance with paragraph (d) of FAR clause 52.247-64.
- (2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.
- (d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.
- (End of clause)

ONLY Applicable to Purchase Orders over \$250,000

- 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006) (applies to subcontracts/purchase orders exceeding SAT \$250,000)
- 52.203-7 ANTI-KICKBACK PROCEDURES (MAY 2014) (included when subcontract/purchase order exceeds SAT \$250,000)
- 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OCT 2010) (applies to subcontracts/purchase orders exceeding SAT \$250,000)
- 52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (April 2014) (applies to subcontracts/purchase orders exceeding SAT \$250,000)
- 52.215-2 AUDIT AND RECORDS-NEGOTIATION (OCT 2010) (applies to subcontracts that exceed SAT \$250,000)
- 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2018) (applies to subcontracts that exceed SAT \$250,000 or performed outside U.S.)
- 52.227-1 AUTHORIZATION AND CONSENT (DEC 2007) (applies to all subcontracts exceeding SAT \$250,000)
- 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT (DEC 2007) (applies to all subcontracts exceeding SAT \$250,000)

B. Seller agrees to defend, indemnify, and save Buyer harmless from any loss, damage, fine, penalty, or expense that Buyer may suffer because of Seller's failure to comply with the warranties and certifications in this Section

18. Indemnity Against Claims

Seller shall keep all goods supplied by it hereunder free and clear of all liens and encumbrances in any way arising from performance of this Purchase Order by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.

19. Export/Import Controls

Seller shall ensure that any disclosure, export, re-export, transfer, and retransfer of, and access to, any hardware, software, controlled technical data, technology, and/or services under this Purchase Order is undertaken in accordance with U.S. export control laws and regulations. Seller agrees that no items controlled under U.S. export and import laws and regulations in connection with this Purchase Order shall be provided to any person or entity, including non-U.S. person employees, subsidiaries, or affiliates, unless the transfer is expressly permitted by a U.S. Government license or other authorization, or is otherwise in accordance with applicable laws and regulations.

20. Restricted Party List

Seller hereby warrants that neither Seller, nor any immediate or ultimate parent, majority shareholder, subsidiary, affiliate, or lower-tier subcontractor is listed on any Restricted Party List of an agency of the U.S. Government, any applicable non-U.S. Government or international organization, or any applicable state, local government, or municipality, nor are their export privileges denied, suspended, or revoked. For purposes of this provision, "Restricted Party List" is defined to include lists administered by the U.S. Departments of State, Commerce, and Treasury (e.g., Specially Designated Nationals List) or other U.S. government agency and other similar lists that relate to export controls, economic sanctions, or anti-corruption.

21. Severability

If any provision of this Purchase Order or application thereof is found invalid, illegal, or unenforceable by law, the remainder of this Purchase Order will remain valid, enforceable and in full force and effect, and the Parties will negotiate in good faith to substitute a provision of like economic intent and effect.

22. Quality Requirements Flow Down

Seller shall require lower-tier suppliers to comply with quality assurance requirements comparable to those contained in this Purchase Order. Seller shall assume responsibility for the quality of all procured material and workmanship. Seller shall include this clause in its subcontracts with lower-tier suppliers and require lower-tier suppliers to flow down this clause to their lower-tier suppliers.

23. Limitation of Liability

In no event will either party be liable to the other for indirect, incidental, liquidated, special, or consequential damages of any kind.