



**ATTACHMENT A**  
**TERMS AND CONDITIONS OF PURCHASE**

3225 Woburn St.  
Bellingham, WA. 98226  
Phone 360-738-2005  
FAX 360-715-3999

The following Terms and Conditions of Purchase ("Purchasing Contract") which may be set forth in **Safran Cabin Bellingham, Inc.'s** Request For Quotation ("RFQ"), if any, to Seller, shall be the only terms and conditions applicable to the agreement between **Safran Cabin Bellingham, Inc.** ("SCB") and Seller resulting from SCB's acceptance of Seller's quotation, and shall apply to the purchase order ("Order") regardless of any terms and conditions which may appear on Seller's quotation. Acceptance of this Order by Seller is expressly limited to the terms and conditions contained herein. Any term or condition stated by the Seller in any prior proposal is deemed by SCB to be a material alteration of this Order and is hereby objected to by SCB. Any such term or condition shall be totally inapplicable to this Order unless specifically agreed to in writing signed by an authorized representative of SCB. Acceptance of the goods or services covered by this Order will not constitute acceptance by SCB of Seller's terms and conditions. Any of the following acts by Seller shall constitute acceptance of this Order and all of these terms and conditions: (i) signing and returning a copy of this Order; (ii) delivery of any of the goods ordered; (iii) informing SCB in any manner of commencement of performance; or (iv) returning Seller's own form of acknowledgement.

**1. PRICE AND DELIVERY:** Seller shall furnish the goods covered by this Order (the "Goods") or the services covered by this Order (the "Services") in accordance with the prices and delivery schedule stated on the face of this Order. All prices shall include any and all applicable taxes, including but not limited to use, excise, import taxes, duty, import brokerage fee or any similar tax, except sales taxes which are to be separately shown where applicable.

Seller warrants that the prices charged for the Goods or Services ordered will be as low as the lowest prices charged by the Seller to any customers purchasing similar Goods or Services in the same or smaller quantities and under like circumstances. If Seller enters into any agreement with a third party for the supply of any Goods and Services or their substantial equivalents which contains pricing, terms, conditions and services, ("More Favorable Terms", "MFT"), than those in this Purchasing Contract, Seller will promptly notify SCB and SCB shall have the right to retroactively amend this Purchasing Contract to incorporate such MFT's. SCB may return, or store at Seller's expense, any Goods delivered more than five (5) days in advance of the delivery date specified for such Goods. Time is of the essence of this Order.

**2. PACKING AND SHIPPING:** No charge shall be made by Seller for packaging or storage. All Goods shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain lowest shipping rates and in accordance with all applicable federal, state and local packaging and transportation laws and regulations. Seller shall mark on containers handling and loading instructions, shipping information, order number, item and account number, shipment date and names and addresses of Seller and SCB. An itemized list shall accompany each shipment.

**3. F.O.B., TITLE AND RISK OF LOSS:** Unless otherwise specified on the face of this Order, prices are F.C.A. SCB plant, Bellingham, Washington, and Seller shall bear all risk of loss or damage to the Goods, and title shall not shift to SCB until delivery of the Goods to SCB's location. If transportation is F.O.B. Seller's location, Seller shall bear all risk of loss or damage to the Goods, and title shall not shift to SCB until delivery of the Goods to the carrier.

**4. INVOICING AND PAYMENT:** After each shipment of Goods is made or Services are provided under this Order, Seller shall send a separate invoice, including item numbers, in duplicate, accompanied by a bill of lading or express receipt. Payment terms shall be net sixty (60) days from the date of the invoice. However payment of an invoice shall not constitute acceptance of the Goods or Services and shall be subject to appropriate adjustment for failure of Seller to meet the requirements of this Order. SCB may set off any amount owed by Seller or any of its affiliated companies to SCB against any amount owed by SCB to Seller under this Order.

**5. INSPECTION:**

(a) All Goods may be inspected and tested by SCB, its customers, higher tier contractors, and the U.S. Government, at all reasonable times and places. If such inspection or testing is made on Seller's premises, Seller shall provide,

without additional charge, all reasonable facilities and assistance for such inspections and tests. In its internal inspections and testing of the Goods, Seller shall use an inspection or testing of the Goods, Seller shall use an inspection system accepted by SCB in writing. All inspection records relating to the Goods shall be available to SCB during the performance of this contract, and retained for a minimum period of seven (7) years or for such longer periods specified by SCB in its acceptance of the inspection system. Seller must have SCB written approval before disposal/disposition of any records.

(b) Final inspection and acceptance by SCB shall be at SCB's plant or shipping destination unless otherwise specified in this Order. Such inspection shall be in accordance with the customary established inspection procedures. If rejection of a shipment would result from SCB's normal inspection level under such procedures, SCB may, at its option, conduct an above normal level of inspection, up to 100% inspection, and charge the Seller the reasonable costs thereof.

(c) No inspection (including source inspection), tests, approval (including design approval), or acceptance of the Goods shall relieve Seller from responsibility for any defects in the Goods or other failures to meet the requirements of this Order, or for latent defects, fraud, such gross mistakes as amount to fraud, and Seller's warranty obligations. If the Goods are defective or otherwise not in conformity with the requirements of this Order, SCB may, by written notice to Seller: (i) rescind this Order as to such Goods; (ii) accept such Goods at an equitable reduction in price; or (iii) reject such Goods and require the delivery of replacements. Deliveries of replacements shall be accompanied by a written notice specifying that such Goods are replacements. If Seller fails to deliver required replacements promptly, SCB may: (i) replace or correct such Goods and charge the Seller the cost occasioned SCB thereby; or (ii) terminate this Order for cause as provided in Section 19 hereof. Rights granted to SCB under this Section are in addition to any other rights or remedies provided elsewhere in this Order or in law.

**6. WARRANTIES:** In addition to all other express or implied warranties, for a period of five (5) years, the Goods will be (i) free from defects in workmanship and materials; (ii) free from defects in design except to the extent that such Goods comply with the detailed designs provided by SCB; (iii) suitable for intended use and for the purposes, if any, which are stated on the face of this Order; (iv) in conformity with all the other specifications or requirements of this Order; (v) merchantable; and (vi) in compliance with all applicable laws, rules and regulations. If any Goods are found to be defective and SCB notifies the Seller if the defect, then at SCB's option: (i) Seller will repair within thirty (30) days of SCB's notice or replace within fifteen (15) days of SCB's notice the defective Goods at Seller's expense, including all freight, removal and installation costs if the Goods have been installed; or (ii) SCB may return the defective Goods to Seller for a full refund. Goods repaired or replaced during the warranty period will be warranted from the date of installation/delivery of



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the repaired or replaced Goods for a period of, the remainder of the warranty period or one (1) year, whichever is greater.

7. **TOOLS:** If SCB furnishes Seller equipment (such as special dies, molds, jigs, tolls, test equipment, masks, etc.) or pays for such equipment, title thereto shall remain or vest in SCB, and Seller shall identify, maintain and preserve such equipment and shall dispose of it in accordance with SCB's direction. Unless otherwise authorized in writing by SCB, Seller shall use such equipment solely in the performance of purchase Orders for SCB. Seller shall be responsible for any loss, damage, or destruction to such equipment, but Seller shall not include any insurance cost therefore or cost to store in the prices charged under this Order. SCB also reserves the right to request and receive list of SCB's owned tools in suppliers possession and to audit said list against actual tools at supplier's facility. SCB reserves the right, at its sole discretion, to remove any SCB owned tooling, if SCB feels work is in jeopardy.
8. **MATERIALS:** If SCB furnishes any material (such as extrusion, fasteners, bearing, bushings, etc.) for fabrication hereunder Seller agrees (i) not to substitute any other material in such fabrication without SCBs written consent (ii) title to such materials shall not be affected by incorporation in or attachment to any other property, and (iii) all such material (except that which becomes normal industrial waste or is replaced at Sellers expense) will be returned in the form of products or unused material to SCB. In addition Seller shall inspect any SCB furnished material and shall have the right to reject any nonconforming material but in the event of losses or attrition thereafter Seller shall be responsible for replacing such material at Sellers expense. Inaccuracies, out of tolerance conditions, or inadequacies in quantity of materials accepted by the Seller shall not excuse performance in strict accordance with the applicable specifications and/or drawings.
9. **CONFIDENTIAL OR PROPRIETARY INFORMATION AND PROPERTY:** Seller shall keep confidential and otherwise protect from disclosure all information and property obtained from SCB in connection with this Order and identified as confidential or proprietary. Unless otherwise expressly authorized herein or by SCB, Seller shall use such information and property, and the features thereof, only in the performance and for the purpose of the Order. Upon SCB's request, and in any event upon the completion, termination or cancellation of this Order, Seller shall return all such information and property to SCB or make such other disposition thereof as is directed by SCB. Seller shall not sell or dispose of as scrap or otherwise any completed or partially completed or defective proprietary property before receiving written authorization from SCB and before rendering such property unsuitable for use. In all lower tier subcontracts and purchase orders issued by Seller and involving subcontractor receipt of such information or property, Seller shall provide the SCB the same rights and protections as contained in this clause.
10. **SUBCONTRACTS:** Seller shall obtain SCB's prior written consent before issuing any next-tier subcontract under this agreement is (i) the next tier subcontract exceeds twenty-five percent (25%) of the amount of this agreement; or (ii) the prior written consent is otherwise required by other express provision of this agreement.
11. **SUPPORT:** Seller shall keep enough Goods supplied hereunder (including parts and components thereof) in stock to comply with any Aircraft On Ground (AOG), Critical, Emergency and Routine requirements as stated below. If Seller fails in these requirements, it shall reimburse SCB for any charges incurred by SCB to compensate any of SCB's customers for Seller's delay in delivering Goods in accordance therewith.

**Priority Level**

**Response Time**

AOG	Within 4 hrs.
Critical (imminent AOG or work stoppage)	Within 24 hrs.
Expedite (less than published lead time)	Within 7 days
Routine	Normal Lead Time

12. **COMPLIANCE WITH LAWS; REGULATIONS:** Seller represents, covenants and warrants that (a) it will comply, and by its shipment of Goods or Services hereunder that it has complied, with all applicable governmental laws, regulations, standards, procedures and general requirements, as well as currently effective executive orders; (b) the Goods (including parts and/or components thereof) and Services delivered to SCB are not "defense articles" as that term is defined in 22 C.F.R. § 120.6 of the International Traffic in Arms Regulations ("ITAR") and are not "defense services" as that term is defined in 22 C.F.R. § 120.9 of the ITAR and (c) all goods shipped and/or Services rendered to SCB shall be in compliance with (i) the applicable requirements of Fair Labor Standards Act and all regulations and orders issued thereunder by the United States Department of Labor; (ii) the Rehabilitation Act of 1973 (Section 503), Executive Order No. 11246 and the Vietnam Era Readjustment Assistance Act (38 U.S.C. 4212) and their implementing regulations found at 41 CFR Parts 60-1, 60-2, 60-250, 60-741; and (iii) any Conflict Mineral related law including, but not limited to, Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act. Seller agrees to cooperate with SCB in providing, upon request, documentation or other information that supports or confirms these representations, covenants and warranties. Seller, prior to providing any Goods, software, technology or technical data ("Item") under an Order shall, upon request, notify SCB of the Item's Export Control Classification Number ("ECCN") as well as the ECCN of any components or parts thereof if they are different from the ECCN of the item at issue, or any export control classification of Seller's country or any other applicable country, including, but not limited to, countries or states of the European Union. Seller shall implement an environmental management system ("EMS"), meeting the requirements of International Standards Organization (ISO) 14001, and health and safety management system ("HSMS") with respect to its performance under this Order.
13. **LIEN WAIVERS:** Seller shall furnish, upon SCB's request, waivers by Seller and all other persons entitled to assert any lien rights in connection with the performance of this Order.
14. **PATENTS AND COPYRIGHTS:** Nothing in this Purchasing Contract shall convey to Seller any right or license under any present or future patent, trademark, copyright or other intellectual property right owned, controlled or licenses by SCB.  
  
Seller shall defend and indemnify SCB against and hold harmless SCB from all claims, suits, judgments, losses, damages, fines and costs (including reasonable attorneys fees and expenses), resulting from any claim that any product manufactured by Seller hereunder directly infringes any United States patent. If any court of competent jurisdiction holds such a product to constitute infringement, Seller shall pay any costs and damages finally awarded on account of such infringement and, if the use of such product is enjoined, Seller shall, at SCB's sole discretion, either (i) procure for SCB the right to use the product free of any liability for infringement, (ii) replace the product with a non-infringing interchangeable substitute otherwise complying with all the requirements of the purchase order, or (iii) modify the product so that it becomes non-infringing without impairing its performance or interchangeability. Seller shall, at its own expense, defend all claims or suits brought against SCB on the grounds that any product infringes any patent or other intellectual property right.



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Seller shall defend and indemnify SCB against and hold harmless SCB from all claims, suits, judgments, losses, damages, fines and costs (including reasonable attorneys fees and expenses), resulting from any claim that any product manufactured by Seller to SCB's specification, or any unauthorized modified version of the products, or unauthorized combination thereof, directly infringes any United States patent right of a third party provided that Seller (i) immediately delivers to SCB all infringement notices and other papers received by or served upon Seller, (ii) permits SCB to assume or control the defense of such suit, and (iii) provides all information and assistance reasonably required by SCB for the conduct of such defense.

- 15. INDEMNIFICATION:** Seller shall defend, indemnify and hold harmless SCB together with its directors, officers, employees, assignees, agents, and shareholders (hereinafter collectively called the "Indemnified Parties"), from and against all claims, demands, suits, obligations, liabilities, damages, losses and judgments, including costs and expense related thereto, including, but not limited to, reasonable attorney's fees and expenses and obligation or liability for loss of use or any other incidental or consequential damages, and any liability, obligation or claim in tort arising from the negligence, actual or imputed, of Seller which may be asserted against, suffered by, charged to or recoverable from the Indemnified Parties by reason of (i) injury to or death of any person, including, but not limited to, employees of Seller and any passenger on any aircraft upon which the product(s) may be installed or services performed or (ii) loss of or damage to any property, including, but not limited to, aircraft upon which the product(s) may be installed or services performed, and the event causing such injury, death, loss or damage is caused by the product(s) or services furnished hereunder.
- 16. ASSIGNMENT:** Seller shall not assign this Order or any rights under this Order without the prior written consent of SCB, and not purported assignment by Seller shall be binding on SCB without such written consent.
- 17. NOTICE OF LABOR DISPUTES:** Whenever an actual or potential labor dispute delays, or threatens to delay, the timely performance of this Order, Seller shall immediately notify SCB in writing of all relevant
- 18. PUBLICITY:** Seller shall not make or authorize any news release, advertisement, or other disclosure which shall deny or confirm the existence of this Order without the prior written consent of SCB, except as may be required to perform this Order.
- 19. CHANGES:** SCB may, at any time, by written change order, suspend performance of this Order, in whole or in part, make changes in the quantities, drawings, designs, specifications, method of shipment or packing, or time or place of delivery of the Goods; reschedule the Services, or require additional or diminished Services. If any such change causes an increase or decrease in the cost of, or the time required for performance of this Order, and equitable adjustment shall be made in the contract price claim for adjustment under this Section may, at SCB's option, be deemed to be absolutely waived, unless asserted in writing (including the amount of the claim) and delivered to SCB within thirty (30) days from the date of receipt by Seller of the change order. If the cost of property made obsolete or excess as a result of a change is paid by SCB, SCB may prescribe the manner of disposition of such property.
- 20. TERMINATION:** This Purchasing Contract may be terminated as follows:
- (a) At any time by mutual, written agreement of SCB and Seller.
  - (b) Either party may terminate this Purchasing Contract upon fifteen (15) days' prior written notice if either party commits a material breach of this Purchasing Contract, if such breach

has not been cured within the fifteen (15) day period after receipt of written notice thereof.

- (c) In the event that either party becomes insolvent, has any proceedings commenced against it by any persons under any bankruptcy or insolvency law (voluntary or involuntary), is dissolved, liquidated or ceases to do business, makes an assignment for the benefit of creditors, or has a receiver appointed for its business or property, then the other party shall have the right to immediately terminate this Purchasing Contract by written notice to the party in default. Termination of this Purchasing Contract shall not constitute a waiver of any other right or remedy either party may have against the other for breach of this Purchasing Contract.

**21. DEFAULT REMEDIES:**

- (a) SCB may reject or revoke acceptance ("rejection") of any or all Goods, including any tender thereof, which are not strictly in conformance with all of the requirements of this Order, and shall notify Seller of such rejection by notice, rejection tag or other communication. At Seller's risk and expense, all such Goods will be returned to Seller for immediate Seller repair, replacement or other correction and redelivery to SCB; provided, however, that with respect to any or all such Goods, at SCB's election and at Seller's risk and expense, SCB may: (i) hold, retain or return such Goods, without permitting any repair, replacement or other correction by Seller; (ii) hold or retain such Goods for repair by Seller or, at SCB's election, for repair by SCB with such assistance from Seller as SCB may require; (iii) hold such Goods until conforming replacements are obtained from a third party; or (iv) return such Goods with instructions to Seller as to whether the Goods shall be repaired or replaced and as to the manner of redelivery. All repair, replacement and other correction and redelivery shall be completed within such time as SCB may require. All costs and expenses and loss of value incurred as a result of or in connection with nonconformance and repair, replacement or other correction may be recovered from Seller by equitable price reduction, set off or credit against any amounts which may be owed to Seller under this Order or otherwise.
- (b) SCB may, subject to the provisions of Sub article (c) below, by written notice of default to Seller, immediately terminate the whole or any part of this Order in any one of the following circumstances:
  - (i) If Seller fails to make delivery of the Goods or to perform the Services within the time specified herein or any extension thereof; or
  - (ii) If Seller fails to perform any of the other provisions of this Order in accordance with its terms and does not cure such failure within a period of ten (10) days (or such longer period as SCB may authorize in writing) after receipt of notice from SCB specifying such failure.
- (c) In the event SCB terminates this Order in whole or in part as provided in Sub article (b) above, SCB may procure, upon such terms and in such manner as SCB may deem appropriate, Goods or Services similar to those so terminated, and Seller shall be liable to SCB for any excess costs for such similar Goods or Services; provided, that Seller shall continue the performance of this Order as to that portion not terminated under the provisions of this Article.
- (d) If Seller breaches any warranties as described above, or if Seller breaches this Order in any other way, then SCB, in addition to the remedies described herein, shall be entitled to pursue, cumulatively, all remedies provided by law and equity.





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- 22. WAIVER:** The failure of SCB to insist upon the performance of any provision of this Order, or to exercise any right or privilege granted to the SCB under this Order, shall not be constituted as waiving such provision or any privilege granted to the SCB under this Order, shall not be construed as waiving such provision or any other provision of this Order, and the same shall continue in full force and effect. If any provision of this Order is found to be illegal or otherwise unenforceable by any court or other judicial or administrative body, the other provisions of this Order shall not be affected thereby, and shall remain in full force and effect.
- 23. TIME IS OF THE ESSENCE:** Seller acknowledges that time is of the essence in performance of its obligations under the terms of this Order. If Seller fails to make delivery within the time specified, SCB shall have the right to reject all or any portion of the delivery and hold Seller responsible for any loss which SCB sustains because of such failure.
- 24. RIGHT TO AUDIT SELLER'S FINANCIAL HEALTH:** If requested, Seller shall provide financial data, on a quarterly basis or as requested, to SCB for credit and financial condition reviews. Said data shall include, but not be limited to, balance sheets, schedule of accounts payable and receivable, major lines of credit, creditors, income statements (i.e., profit and loss statements), cash flow statements, firm backlog and headcount. Copies of such data are to be made available within seventy-two (72) hours of any written request by SCB. SCB shall treat all such information as confidential. Seller shall maintain a process to evaluate and assess on an on-going basis the financial health of its subcontractors and suppliers and SCB reserves the right to review and evaluate Seller's process. Seller shall include provisions as part of its subcontracts that allow information to be shared with SCB and allow SCB to evaluate and assess the financial health of such subcontractors and suppliers directly.
- 25. APPLICABLE LAW:** This Purchasing Contract shall be governed in accordance with the laws of the State of Washington and by the Uniform Commercial Code as adopted in the State of Washington, as effective and in force on the date hereof. Wherever a term defined by said Uniform Commercial Code is used herein the definition contained in the Uniform Commercial Code is to control.
- 26. DISPUTES/JURISDICTION & VENUE:** SCB and Seller shall use their best reasonable efforts to resolve any and all disputes, controversies, claims, or differences between SCB and Seller, arising out of or relating in any way to this Contract or its performance, including, but not limited to, any questions regarding the existence, validity or termination hereof ("Disputes"), through negotiation only upon failure by SCB and Seller to resolve the Dispute through such negotiation may either Party institute legal action. Any dispute arising under this Order which is not disposed of by agreement of the parties shall be decided by a court proceeding. The jurisdiction and venue of any dispute shall be submitted to the King County Superior Court, State of Washington and each party submits to the jurisdiction of that court for such purpose. Any removal to Federal Court shall be to the Western District, Seattle, Washington. Pending settlement of final decision of any such dispute, Seller shall proceed diligently with the performance of this Order in accordance with SCB's direction.
- 27. SPECIAL U.S. GOVERNMENT PROVISIONS:** If the Purchasing Contract is for procurement under a U.S. Government contract, the terms and conditions contained in the attached Exhibit 2 may be applicable.
- 28. COMPLETE AGREEMENT:** This Order, and any supplemental sheets and riders annexed hereto by SCB, contains the complete and entire agreement between the parties as to the subject matter hereof, and replaces and supersedes any prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect to such subject matter.
- 29. ANTI-KICKBACK:** Seller warrants that it is in full compliance with the provisions of the Anti-Kickback Act of 1986, 41 U.S.C. 51-58 and shall indemnify, protect, defend and hold SCB harmless from any liabilities or monetary loss SCB may suffer as a result from failure of such compliance by Seller.
- 30. ON-SITE WORK:** Prior to Seller performing work at SCB's facility, a completed Contractor Service Agreement (Form P450 latest edition) is required and incorporated herein by reference.
- 31. AUTHORIZED AGENT:** All SCB's contractual directions (including, but not limited to, pricing, delivery, and configuration changes) shall be authorized in writing by Purchasing Agent only.
- 32. HAZARDOUS MATERIAL:** Where applicable all materials required by this purchase order shall meet applicable OSHA requirements as specified in 29 CFR 1910.1200 including providing complete and accurate material safety data sheets (MSDS's). Additionally, MSDS's shall identify chemicals by their chemical abstract system (CAS) numbers.
- 33. SUPERSEDING AGREEMENT:** The terms and conditions of this Purchasing Contract will be superseded if SCB and Seller enter into a General Terms Agreement or other agreement, upon the mutual agreement of the parties.
- 34. FLOW DOWN CLAUSES:** Terms and conditions of additional agreements that are applicable to this Purchasing Contract are listed in the attached EXHIBIT 1



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**EXHIBIT 1**  
**FLOW DOWN CLAUSES**

N/A



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**EXHIBIT 2**

**FEDERAL CONTRACT ADDITIONAL TERMS AND CONDITIONS**

The provisions set forth in this exhibit shall apply only if this Order bears a U.S. Government contract number. Such orders will be construed and interpreted according to the Federal law of Government Contracts as enunciated and applied by Federal judicial bodies and Boards of Contract Appeals, and other judicial and quasi-judicial agencies of the Federal Government. To the extent that the Federal law of Government Contracts is not determinative, recourse shall be had first to the Federal law of sales applying the Uniform Commercial Code, and then to the laws of the state shown on SCB's address on this Order.

- (a) **Audit:** Seller agrees that its books and records and its plants, or such part thereof as may be engaged in the performance of this Order, 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.
- (b) **Subcontracts:** Seller agrees that no subcontract placed under this Order shall provide for payment on a cost plus percentage of cost basis.
- (c) **Quality Control:** Except as otherwise provided in this Order, Seller's system of Quality Control during the performance of this Order shall be in accordance with the specifications incorporated herein by reference or other Quality Control Specifications as are required by SCB's prime contract or higher tier order.
- (d) **FAR Regulations:** The following clauses of the Federal Acquisition Regulations (FAR), Department of Defense FAR Supplements, and clauses in the Defense Acquisition Regulations which are equivalent to the following FAR clauses, incorporated herein by reference and made a part hereof to the extent same are required by statute, regulation or SCB's prime contract: 52.225-11, Certain Communist Areas; 52.222-4, Contract Work Hours and Safety Standards Act — Overtime Compensation; 52.222.20, Walsh-Healy Public Contracts Act; 52.222.26, Equal Opportunity; 52.227.2, Notice and Assistance regarding Patent and Copyright Infringement; 52.215-7000, Pricing of Adjustments; 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era; 52.222-36, Affirmative Action for Handicapped Workers; 52.223-2, Clean Air and Water; 52.227-3, Patent Indemnity, 52-227.10., Filing of Patent Applications; 52.227-9, Refund of royalties; 52.227-7013, Rights in Technical Data and Computer Software; 52.227.7030 Technical Data — Withholding of Payment; 52.246-7001, Warranty of Technical Data; 52 227.7018, Restrictive Markings on Technical Data; 52.2842, Military Security Requirements; 52.219-8, Utilization of Small Business and Small Disadvantaged Business Concerns; 52.215-I, Examination of Records by Comptroller General; 52.212-8, Priorities, Allocations and Allotments; 52 220-3, Utilization of Labor Surplus Area Concerns; 52 208-I, Required Source for Jewel Bearings and Related Items; 52 208 7000, Required Sources for Miniature and Instrument Ball Bearings; 52.215-2, Audit Negotiation; 52-208-7001, Required Sources of Precision Components for Mechanical Time Devices; 52.210.5, New Material; 52-219-13, Utilization of Women Owned Business Concerns; 52 225-7011, Preference for Domestic Specialty Metals; 52 227-12, Patent Rights. Retention by the contractor. If this purchase Order exceeds \$100,000 or \$500,000, depending upon the requirements of the SCB's higher tier contract, and/or a Certificate of Cost or Pricing Data has been furnished, the following are incorporated herein by reference: 52.215-24, Subcontractor Cost and Pricing Data, 52.215-22, Price Reduction for Defective Cost or Pricing Data; 52230-3, Cost Accounting Standards; and 52.230-4, Administration of Cost Accounting Standards. In all foregoing FAR clauses, the term "Contractor" shall mean "Seller," the term "Contract" shall mean this Order, and the term "Contracting Officer" shall mean the Contracting Officer for the U.S. Government prime contract except that in FAR Clauses 52227-7013, 52-227-7030, 52.246-7001, 52'215-22, 52-208-1, 52.208-7000, 52.206-7001 and 52.210-5 the term "Contracting Officer" shall mean the "SCB" any reference to a "Default" clause in the above FAR clauses shall mean the "Termination With Cause" clause hereof.
- (e) **Government Property:** Seller shall maintain and administer, in accordance with sound industrial practices, a program for the maintenance, repair, protection, and preservation of Government property. Seller shall comply with the provisions of FAR subpart 45.5 "Management of Government Property in Possession of Contractors" as in effect on the date of this Order, which subpart is hereby incorporated by reference and made a part of this Order. Seller assumes risk of and shall be responsible for any loss or damage to Government property, except for reasonable wear and tear and except to the extent that such property is incorporated in the Goods delivered under this Order. Upon completion of this Order or at such earlier times as SCB may request, Seller shall submit, in acceptable form, inventory schedules covering all items of Government property pertaining to this Order. To the extent that such use will not interfere with Seller's performance of this or other orders from SCB, this clause shall not limit the use by the Seller of property to which the Government has title in the production of end items on direct Government orders; however, nothing herein will be deemed to contravene the rights of the Government under FAR 45.106 or FAR 52.245.2.
- (f) **NASA Regulations:** Under any individual procurement which references a NASA prime contract, NASAPR9.203.2, Rights in Data-General, and NASAPR 9.203.2, Optional Data Requirements, are incorporated by reference in addition, in any procurement which references a NASA prime contract and which involves performance of research, experimental, design, engineering, or development work, NASAPR 9.107.5, New Technology, is incorporated by reference. All NASA orders are subject to NASAPR 7.104-42(a), Audit by NASA.