

PURCHASE ORDER - TERMS AND CONDITIONS

1) ACCEPTANCE:

THIS PURCHASE ORDER CONSTITUTES A CONTRACT FOR INNOVATIVE SOLUTIONS AND SUPPORT, INC. (HEREINAFTER "BUYER") TO PURCHASE AND SELLER TO SELL THE GOODS DESIGNATED ON THE FACE OF THIS CONTRACT, AND HAS BEEN ACCEPTED BY SELLER ON THE EXACT TERMS AND CONDITIONS SET FORTH HEREIN, AND MAY NOT BE CHANGED IN ANY RESPECT WITHOUT BUYER'S WRITTEN CONSENT, ANY PROVISION IN SELLER'S ORDERS OR OTHER DOCUMENTATION TO THE CONTRARY NOTWITHSTANDING. IF THIS PURCHASE ORDER IS IN SUPPORT OF A SUBCONTRACT AGREEMENT WITH THE SELLER, THE PROVISIONS OF THIS PURCHASE ORDER SHALL BE IN ADDITION TO THE TERMS AND CONDITIONS OF THE SUBCONTRACT AGREEMENT AND THIS PURCHASE ORDER SHALL BE DEEMED TO BE PART OF THE SUBCONTRACT AGREEMENT.

2) DELIVERIES:

- A. DELIVERY OF THE GOODS DESIGNATED ON THE FACE OF THIS ORDER SHALL BE MADE TO BUYER'S PLACE OF BUSINESS, AT THE ADDRESS NOTED HEREON UNLESS SPECIFIC INSTRUCTIONS TO THE CONTRARY ARE NOTED ON THE FACE OF THIS CONTRACT.
- B. SHOULD DELIVERY NOT TAKE PLACE, OR IT BECOMES REASONABLY APPARENT THAT DELIVERY IS NOT LIKELY TO OCCUR, ON THE AGREED UPON DATE, BUYER MAY REQUIRE ADEQUATE ASSURANCES IN WRITING FROM SELLER THAT DELIVERY IS FORTHCOMING WITHIN A COMMERCIALY REASONABLE TIME, OR BUYER MAY CANCEL PURCHASE OF THE GOODS LISTED ON THE FACE HEREOF WITHOUT INCURRING ANY LIABILITY.
- C. IF AN ORDER OF BUYER HEREUNDER SPECIFIES MORE THAN ONE ITEM OR DELIVERY DATE, SELLER'S OBLIGATION WITH RESPECT TO EACH ITEM AND DELIVERY DATE SHALL BE SEPARATE AND DISTINCT. SELLER'S FAILURE TO MAKE DELIVERY OF ANY ITEM, OR TO MEET ANY DELIVERY DATE, SHALL NOT AFFECT ANY OF THE SELLER'S OBLIGATIONS WITH RESPECT TO THE REMAINING ITEMS OR DELIVERIES SPECIFIED IN THIS ORDER UNLESS SELLER'S FAILURE TO MAKE DELIVERY OF ANY ITEM OR MEET ANY DELIVERY DATE SHALL CAUSE BUYER'S OR BUYER'S CUSTOMER'S PRIME UNITED STATES GOVERNMENT CONTRACT OR COMMERCIAL ORDER TO BE TERMINATED, IN WHICH CASE BUYER MAY CANCEL THE BALANCE OF THIS AGREEMENT. IN THE EVENT SELLER FAILS TO MAKE DELIVERY OF ANY ITEM OR FAILS TO MEET ANY DELIVERY DATE, BUYER MAY BY WRITTEN REQUEST REQUIRE SELLER TO DELIVER SUCH GOODS AT A MUTUALLY AGREED REVISED DELIVERY DATE, SUCH DELIVERY DATE TO BE HONORED BY SELLER.
- D. IN THE EVENT THAT THIS PURCHASE ORDER IS IN SUPPORT OF A UNITED STATES GOVERNMENT PRIME CONTRACT AND THE UNITED STATES GOVERNMENT SHOULD DETERMINE TO INVOKE GOVERNMENT SOURCE INSPECTION (GSI) WITH REGARD TO SOME OR ALL OF THE GOODS BEING PURCHASED HEREUNDER, DELIVERY SHALL NOT BE MADE UNTIL AFTER GOVERNMENT APPROVAL FOR GOODS SUBJECT TO GSI HAS BEEN RECEIVED, AND ANY DELAY IN DELIVERY DUE TO GOVERNMENT DELAY IN TESTING THE GOODS SUBJECT TO GSI SHALL BE DEEMED EXCUSABLE TO SELLER. HOWEVER, IF THE GOODS ARE TESTED MORE THAN ONCE AND IF THE CAUSE FOR SUCH ADDITIONAL TESTING IS ATTRIBUTABLE TO SELLER, SELLER SHALL BE RESPONSIBLE TO REIMBURSE BUYER FOR ANY COSTS INCURRED BY BUYER AND OWING TO THE UNITED STATES GOVERNMENT FOR SUCH RETEST(S) AND/OR PRIME CONTRACT DELIVERY SCHEDULE EXTENSION(S).

3) PAYMENT:

- A. PAYMENT SHALL BE MADE IN U.S. DOLLARS.
- B. PAYMENT SHALL BE MADE IN ACCORDANCE WITH THE TERMS SET FORTH ON THE FACE HEREOF. IN THE EVENT NO TERMS ARE SET FORTH ON THE FACE HEREOF, PAYMENT SHALL BE NET 30 DAYS.
- C. SELLER MAY NOT ALTER THE CREDIT LIMIT, REQUIRE PAYMENT BEFORE DELIVERY, OR REQUIRE PREPAYMENT OF OUTSTANDING INVOICES NOTWITHSTANDING THE TERMS PRINTED THEREON UNLESS BUYER SPECIFICALLY AGREES IN WRITING TO SUCH CONDITIONS

4) TITLE:

SELLER HEREBY ACKNOWLEDGES THAT IT HAS NO CLAIMS OF TITLE TO, OR ANY LIENS ON, ANY MATERIAL DELIVERED BY IT UNDER THIS ORDER AND IT IS UNDERSTOOD THAT TITLE TO ALL SAID MATERIALS AT ALL TIMES IS VESTED IN BUYER. FURTHERMORE, IN THE EVENT THE UNITED STATES GOVERNMENT HAS PAID PARTIAL PAYMENTS OR COMPLETE PAYMENTS UNDER ANY CONTRACT IN SUPPORT OF WHICH THIS ORDER WAS PLACED, SELLER HEREBY ACKNOWLEDGES THAT IS HAS CLEAR TITLE, AT ALL TIMES, TO ALL GOODS, INCLUDING ALL MATERIALS AND WORK-IN-PROCESS, IDENTIFIED TO THIS ORDER, AND SELLER HEREBY TRANSFERS AND RELEASES TO BUYER ALL RIGHTS AND TITLE TO SAID GOODS, INCLUDING ITS RIGHTS AND TITLE TO ALL SUCH MATERIALS AND WORK-IN-PROCESS. SELLER UNDERSTANDS AND ACKNOWLEDGES THAT PURSUANT TO THE TITLE PASSAGE PROVISIONS OF FAR 52.232-16 AND/OR ANY SUCCESSOR PROVISION THERETO, TITLE TO SUCH GOODS, MATERIALS AND WORK-IN-PROCESS ARE TRANSFERRED BY BUYER TO THE UNITED STATES GOVERNMENT. SELLER FURTHER AGREES THAT IT WILL CONFORM WITH THE PROVISIONS OF FAR 52.232.16 AND/OR ANY SUCCESSOR PROVISION THERETO AND WILL OBTAIN LIKE ASSURANCE OF TITLE PASSAGE FROM ITS SUPPLIERS, VENDORS, AND SUBCONTRACTORS WITH REGARD TO THIS ORDER.

5) TRANSPORT:

THE TRANSPORT OF GOODS IDENTIFIED ON THE FACE OF THIS ORDER SHALL CONFORM TO THE SHIPPING INSTRUCTIONS SET FORTH ON THE FACE OF THIS ORDER, AND IN THE ABSENCE OF ANY SUCH INSTRUCTIONS, SHALL CONFORM TO COMMERCIALY REASONABLE STANDARDS OF TRANSPORTATION ESTABLISHED BY THE INDUSTRY WHICH MANUFACTURES THE TYPE OF GOODS REQUIRED TO BE DELIVERED UNDER THIS ORDER.

6) RISK OF LOSS:

ALL RISK OF LOSS SHALL REMAIN WITH SELLER UNTIL BUYER HAS TAKEN POSSESSION OF THE GOODS DELIVERED ACCORDING TO THE TERMS SET FORTH ON THE FACE OF THIS ORDER.

7) INSURANCE:

SELLER SHALL CARRY PRODUCT LIABILITY INSURANCE COVERING THE GOODS DELIVERED PURSUANT TO THIS ORDER IN ORDER TO PROTECT AGAINST ANY PRODUCT LIABILITY CLAIMS ARISING OUT OF THE USE OF SAID GOODS EITHER IN THEIR DELIVERED STATE OR AS PROCESSED, WHERE BUYER'S PROCESS HAS NOT CAUSED ANY DEFECT IN THE GOODS. BUYER SHALL BE NAMED AS AN INDEMNITEE WITH REGARD TO SAID INSURANCE, AND AT BUYER'S REQUEST, SELLER SHALL DELIVER TO BUYER CERTIFICATE(S) OF SUCH INSURANCE. SELLER FURTHER AGREES THAT IT WILL INDEMNIFY AND HOLD BUYER HARMLESS FROM ANY PRODUCT LIABILITY WHICH MAY ARISE FROM THE USE OF SAID GOODS

PURCHASE ORDER - TERMS AND CONDITIONS**8) WARRANTIES:**

SELLER WARRANTS THAT MERCHANDISE DELIVERED HEREUNDER SHALL CONFORM WITH THE SPECIFICATIONS AND/OR DESCRIPTIONS AND/OR APPLICABLE MILSPEC REFERENCED ON THE COVER OF THIS ORDER EXCEPT FOR VARIATIONS THEREFROM PERMITTED TO SELLER BY BUYER OR BUYER'S CUSTOMER. ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE APPLICABLE TO THE MERCHANDISE DELIVERED HEREUNDER BY SELLER. SELLER'S WARRANTIES HEREUNDER SHALL EXTEND FOR TWO YEARS FROM DELIVERY OF THE MERCHANDISE TO BUYER OR FOR THE PERIOD OF BUYER'S REQUIRED WARRANTY TO THE U.S. GOVERNMENT PURSUANT TO THE U.S. GOVERNMENT CONTRACT IN SUPPORT OF WHICH THIS ORDER IS PLACED, WHICHEVER IS LONGER. SELLER HEREBY ASSUMES ALL LIABILITY FOR AND INDEMNIFIES, PROTECTS AND AGREES TO KEEP AND HOLD HARMLESS, BUYER, ITS AGENTS, EMPLOYEES, OFFICERS, DIRECTORS, SUCCESSORS, AND ASSIGNS FROM AND AGAINST, ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, INJURIES, CLAIMS, DEMANDS, PENALTIES, ACTIONS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, OF WHATSOEVER KIND AND NATURE ARISING OUT OF THE NEGLIGENCE AND/OR FAILURE OF SELLER, ITS AGENTS, EMPLOYEES, OFFICERS, DIRECTORS, WORKMEN, SUCCESSORS, AND/OR ASSIGNS, TO PROVIDE GOODS THAT CONFORM TO THE SPECIFICATIONS AND/OR DESCRIPTIONS AND/OR APPLICABLE MILSPEC REFERENCED ON THE COVER OF THIS ORDER.

9) MODIFICATION AND TERMINATION:

THIS ORDER MAY NOT BE MODIFIED OR TERMINATED ORALLY. NO CLAIMED MODIFICATION, TERMINATION OR WAIVER OF ANY OF ITS PROVISIONS SHALL BE VALID UNLESS IN WRITING SIGNED BY BUYER. THIS ORDER MAY BE TERMINATED AT ANY TIME BY THE MUTUAL AGREEMENT OF THE PARTIES, WHICH AGREEMENT SHALL SPECIFY THEIR RESPECTIVE REMAINING RIGHTS AND DUTIES. THIS ORDER MAY BE UNILATERALLY TERMINATED BY BUYER FOR DEFAULT BY SELLER WITHOUT PREJUDICE TO ANY CLAIM FOR DAMAGES OR OTHER RELIEF ARISING OUT OF SUCH DEFAULT. THIS ORDER OR, AT THE OPTION OF THE BUYER, INDIVIDUAL ORDERS PLACED HEREUNDER MAY BE TERMINATED IN WHOLE OR IN PART BY BUYER FOR ITS CONVENIENCE OR BECAUSE OF TERMINATION OF A RELEVANT UNITED STATES GOVERNMENT PRIME CONTRACT. IN THE EVENT THIS ORDER IS TERMINATED BY BUYER DUE TO THE TERMINATION OF A RELEVANT UNITED STATES PRIME CONTRACT, SELLER'S DAMAGES SHALL BE LIMITED TO THOSE DAMAGES WHICH BUYER IS ABLE TO RECOVER FROM THE U.S. GOVERNMENT.

10) DEFAULT:

SELLER SHALL BE IN DEFAULT UNDER THIS ORDER IF SELLER EITHER FAILS TO DELIVER THE GOODS LISTED ON THE FACE HEREOF OR DELIVERS GOODS OF A QUALITY DIFFERING FROM OR INFERIOR TO THE REFERENCED APPLICABLE SPECIFICATIONS AND/OR REQUIREMENTS.

11) ARBITRATION:

ALL CONTROVERSIES ARISING OUT OF OR RELATING TO THIS ORDER, OR THE BREACH THEREOF, SHALL BE SETTLED SOLELY BY ARBITRATION IN PHILADELPHIA, PA IN ACCORDANCE WITH THE RULES THEN OBTAINING OF THE AMERICAN ARBITRATION ASSOCIATION. JUDGMENT UPON ANY AWARD THEREON MAY BE ENTERED IN ANY OF THE U.S. DISTRICT COURTS HAVING JURISDICTION OVER THE LOSING PARTY. ANY DEMAND FOR ARBITRATION HEREUNDER SHALL BE MADE NOT LATER THAN TWENTY FOUR (24) MONTHS AFTER EITHER DELIVERY OF THE GOODS WHICH HAVE GIVEN RISE TO THE DISPUTE OR, IF SUCH DISPUTE DOES NOT RELATE TO SPECIFIC GOODS, A DISPUTE BETWEEN THE PARTIES ARISES. THE PARTIES AGREE THAT ANY PROCESS OR NOTICE OF MOTION OR OTHER APPLICATION TO ANY OF SAID COURTS, AND ANY PAPER IN CONNECTION WITH ARBITRATION, MAY BE SERVED BY CERTIFIED MAIL OR BY PERSONAL SERVICE OR IN SUCH OTHER MANNER AS MAY BE PERMISSIBLE UNDER THE RULES OF THE APPLICABLE COURT OR ARBITRATION.

12) GOVERNMENT CONTRACT CONDITIONS:

IF BUYER ENTERS THIS ORDER IN SUPPORT OF A UNITED STATES GOVERNMENT CONTRACT OR SUBCONTRACT THEREUNDER, SUCH BEING INDICATED BY DESIGNATION OF A UNITED STATES GOVERNMENT CONTRACT NUMBER ON THE FACE OF THIS ORDER, THIS ORDER IS SUBJECT TO THE FOLLOWING ADDITIONAL PROVISIONS:

- A. THE TERMS AND CONDITIONS OF THE UNITED STATES GOVERNMENT CONTRACT;
- B. INSPECTION AT SOURCE: BUYER RESERVES THE RIGHT TO REQUEST GOVERNMENT INSPECTION AT SOURCE. IN THE EVENT THIS RIGHT IS EXERCISED, SELLER SHALL MAKE ALL NECESSARY ARRANGEMENTS WITH THE APPROPRIATE GOVERNMENT AGENCY FOR SUCH INSPECTION AND SHALL PROMPTLY FURNISH BUYER WITH THE RESULTANT INSPECTION CERTIFICATE(S); AND
- C. GOVERNMENT REGULATIONS: THE PROVISIONS OF THE FEDERAL ACQUISITION REGULATIONS AND DEFENSE DEPARTMENT SUPPLEMENT THERETO ARE INCORPORATED HEREIN BY REFERENCE AS ATTACHED HERETO AT ATTACHMENT "A." WHERE NECESSARY TO MAKE THE CONTEXT OF THESE PROVISIONS APPLICABLE TO THIS ORDER, THE TERM "GOVERNMENT" AND EQUIVALENT PHRASES SHALL INCLUDE BUYER, THE TERM "CONTRACTOR" SHALL INCLUDE SELLER, AND THE TERM "CONTRACT" SHALL REFER TO THIS ORDER. WHERE ANY REFERENCE ABOVE CONTAINS ALTERNATIVE CLAUSES, THAT ALTERNATIVE SHALL APPLY WHICH IS REQUIRED BY OR MOST CONSISTENT WITH BUYER'S PRIME OR SUBCONTRACT PURSUANT TO WHICH THIS ORDER IS ISSUED. THE CLAUSES SET FORTH ABOVE SHALL BE INTERPRETED AS REFERRING TO THE FAR OR DFAR CLAUSE WITH THE SAME OR SIMILAR NAME IN EFFECT (INCLUDING REVISION BY DEFENSE ACQUISITION CIRCULAR) AS OF THE DATE SET FORTH ON BUYER'S PRIME OR SUBCONTRACT REGARDLESS OF TITLE OR FAR/DFAR NUMBERING. IN THE EVENT THAT THIS ORDER IS PLACED FOR A "COMMERCIAL" PRODUCT(S) AS DEFINED IN FAR 52.202-1, ONLY THE PROVISIONS OF THE FEDERAL ACQUISITION REGULATIONS AND DEFENSE DEPARTMENT SUPPLEMENT THERETO SET FORTH AT ATTACHMENT "A" HERETO WHICH ARE APPLICABLE TO COMMERCIAL ITEM ACQUISITIONS SHALL BE APPLICABLE HERETO. SEE IN GENERAL FAR 52.244-6 AND DFAR 252.225.7012. BUYER RESERVES THE RIGHT TO AMEND OR SUPPLEMENT THESE PROVISIONS AS REQUIRED BY APPLICABLE FEDERAL REGULATIONS AND/OR THE TERMS OF THE PRIME UNITED STATES CONTRACT APPLICABLE TO THIS PURCHASE ORDER

13) CONFIDENTIALITY:

NON-DISCLOSURE; NON-USE: BUT NOT LIMITED TO TRADE SECRETS OF BUYER (HEREIN THE "CONFIDENTIAL INFORMATION") TO SELLER, SELLER AGREES THAT ALL SUCH CONFIDENTIAL INFORMATION IS CONFIDENTIAL AND PROPRIETARY TO BUYER AND IS THE SOLE PROPERTY OF BUYER. SELLER ACKNOWLEDGES THAT IT HAS NO RIGHTS IN SUCH CONFIDENTIAL INFORMATION OTHER THAN FOR THE PURPOSES OF

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CARRYING OUT ITS OBLIGATIONS PURSUANT TO THIS PURCHASE ORDER. SELLER AGREES TO HOLD ALL SUCH CONFIDENTIAL INFORMATION IN CONFIDENCE AND FURTHER AGREES THAT IT WILL NOT DISCLOSE, PUBLISH OR MAKE ANY USE OF SUCH CONFIDENTIAL INFORMATION OTHER THAN FOR THE SPECIFIC PURPOSE OF CARRYING OUT ITS OBLIGATIONS UNDER THIS PURCHASE ORDER WITHOUT THE EXPRESS WRITTEN PERMISSION OF BUYER. SELLER AGREES ONLY TO PERMIT THOSE OF ITS EMPLOYEES AND/OR OTHER PERSONNEL WHO HAVE A NEED TO KNOW SUCH CONFIDENTIAL INFORMATION TO HAVE ACCESS TO SUCH CONFIDENTIAL INFORMATION AND TO ADVISE SUCH OF ITS NEED-TO-KNOW EMPLOYEES THAT THE CONFIDENTIAL INFORMATION IS CONFIDENTIAL AND PROPRIETARY TO BUYER AND TO OBTAIN LIKE ASSURANCES FROM SUCH NEED-TO-KNOW EMPLOYEES AND OTHER PERSONNEL THAT THEY WILL ALSO HOLD SUCH CONFIDENTIAL INFORMATION IN CONFIDENCE AND WILL NOT DISCLOSE, PUBLISH OR OTHERWISE IN ANY WAY USE SUCH CONFIDENTIAL INFORMATION OTHER THAN FOR THE SPECIFIC PURPOSE OF PERMITTING SELLER TO CARRY OUT ITS OBLIGATIONS UNDER THIS PURCHASE ORDER. SELLER AGREES TO RETURN ALL CONFIDENTIAL INFORMATION INCLUDING ALL COPIES THEREOF TO BUYER AT SUCH TIME AS THIS PURCHASE ORDER IS CONCLUDED OR TERMINATED.

WITHOUT LIMITING THE RIGHTS OF BUYER HEREUNDER AND IN ADDITION TO THE REMEDIES PROVISION CONTAINED HEREIN, IT IS EXPRESSLY AGREED BY SELLER THAT ANY BREACH OF THIS PROVISION BY SELLER AND/OR ITS EMPLOYEES OR OTHER PERSONNEL MAY NOT BE ABLE TO BE REDRESSED BY THE ARBITRATION PROVISIONS HEREIN AND THAT BUYER SHALL BE ENTITLED TO INJUNCTIVE RELIEF AGAINST SELLER AND/OR ITS EMPLOYEES AND OTHER PERSONNEL TO PREVENT ANY VIOLATION OF THIS PROVISION. SELLER AGREES THAT THIS RIGHT OF BUYER IS IN ADDITION TO AND NOT IN LIEU OF ANY OTHER RIGHTS OR REMEDIES AVAILABLE TO BUYER IN THE EVENT OF ANY BREACH OF THIS PURCHASE ORDER.

14) INSPECTION; QUALITY CONTROL:

THIS ORDER SHALL BE SUBJECT TO INSPECTION BY BUYER IN ACCORDANCE WITH BUYER'S INSPECTION AND QUALITY CONTROL SYSTEM THEN IN PLACE AND IN ACCORDANCE WITH THE REQUIREMENTS OF ISO 9000 AND 9002. SELLER AGREES TO MAINTAIN AN INSPECTION AND QUALITY CONTROL SYSTEM ACCEPTABLE TO BUYER AND ACCEPTABLE UNDER ISO 9000 AND 9002 STANDARDS. SELLER AGREES TO PERMIT BUYER TO INSPECT ITS PRODUCTION, INCLUDING WORK-IN-PROCESS, FOR THIS ORDER. BUYER MAY REJECT ANY NON-CONFORMING GOODS, INCLUDING NON-CONFORMING WORK-IN-PROCESS.

15) SUCCESSORS AND ASSIGNS:

THIS ORDER SHALL INURE TO THE BENEFIT OF AND BE BINDING UPON THE SUCCESSORS AND PERMITTED ASSIGNS OF THE PARTIES HERETO. IT SHALL NOT BE ASSIGNED IN WHOLE OR IN PART BY EITHER PARTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD.

16) FORCE MAJEURE:

IN THE EVENT EITHER PARTY IS PREVENTED FROM PERFORMING THIS ORDER BY CIRCUMSTANCES BEYOND ITS CONTROL, INCLUDING, BUT NOT LIMITED TO FIRE, EXPLOSION, FLOOD, ACTS OF GOD, WAR, TERRORISM OR OTHER HOSTILITIES, CIVIL COMMOTION, OR DOMESTIC OR FOREIGN GOVERNMENTAL ACTS, ORDERS OR REGULATIONS, THE OBLIGATION OF SELLER TO DELIVER AND THE OBLIGATION OF BUYER TO ACCEPT DELIVERY OF THE GOODS DURING THE PERIOD OF SUCH DISABILITY SHALL BE SUSPENDED. HOWEVER, IN THE EVENT BUYER INCURS DAMAGES OWING TO THE UNITED STATES GOVERNMENT, EITHER DIRECTLY OR INDIRECTLY, UNDER BUYER'S PRIME UNITED STATES GOVERNMENT CONTRACT OR SUBCONTRACT DUE TO SUCH CAUSE(S), BUYER SHALL PROMPTLY NOTIFY SELLER OF SUCH DAMAGES AND AFFORD SELLER FULL COOPERATION IN DEFENDING AGAINST OR OTHERWISE LAWFULLY COMPROMISING SUCH DAMAGES. SELLER SHALL BE RESPONSIBLE TO BUYER FOR ALL SUCH DAMAGES INCURRED BY BUYER AS A RESULT OF SUCH CIRCUMSTANCES EXPERIENCED BY SELLER.

17) APPLICABLE LAW:

THIS CONTRACT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA.

18) SEVERABILITY:

IF ANY TERM, CONDITION, CLAUSE OR PROVISION OF THIS ORDER SHALL BE DETERMINED OR DECLARED TO BE VOID OR INVALID IN LAW OR OTHERWISE, THEN ONLY THAT TERM, CONDITION, CLAUSE OR PROVISION SHALL BE STRICKEN FROM THIS ORDER AND IN ALL OTHER RESPECTS THIS ORDER SHALL BE VALID AND CONTINUE IN FULL FORCE, EFFECT AND OPERATION.

19) WAIVER:

THE FAILURE OF BUYER AT ANY TIME TO INSIST ON PERFORMANCE OF ANY PROVISION OF THIS ORDER SHALL NOT BE CONSTRUED AS A WAIVER OF THAT PROVISION IN ANY LATER INSTANCE, NOR SHALL IT BE CONSTRUED AS A WAIVER OF ANY OTHER PROVISION OF THIS ORDER.

20) ATTORNEY'S FEES FOR ENFORCEMENT:

IN THE EVENT THAT SELLER BREACHES ANY PROVISION OF THIS ORDER, AND BUYER RETAINS COUNSEL TO ASSIST IN ENFORCING THE TERMS THEREOF, THE PARTIES HEREBY AGREE THAT SELLER SHALL PAY ALL ATTORNEYS' FEES, COURT AND/OR ARBITRATION COSTS AND EXPENSES INCURRED BY BUYER IN ENFORCING THIS ORDER.

21) EQUAL OPPORTUNITY:

SELLER AGREES DURING THE PERFORMANCE OF THIS ORDER, PURSUANT TO 41 CFR §60-1.4, UNLESS OTHERWISE EXEMPTED BY LAW, RULES, REGULATIONS, OR ORDERS OF THE UNITED STATES GOVERNMENT:

- A. THE SELLER WILL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN. THE SELLER WILL TAKE AFFIRMATIVE ACTION TO ENSURE THAT APPLICANTS ARE EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT WITHOUT REGARD TO THEIR RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN. SUCH ACTION SHALL INCLUDE, BUT NOT BE LIMITED TO THE FOLLOWING: EMPLOYMENT, UPGRADING, DEMOTION, OR TRANSFER,

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RECRUITMENT OR RECRUITMENT ADVERTISING; LAYOFF OR TERMINATION; RATES OF PAY OR OTHER FORMS OF COMPENSATION; AND SELECTION FOR TRAINING, INCLUDING APPRENTICESHIP. THE SELLER AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES TO BE PROVIDED BY THE CONTRACTING OFFICER SETTING FORTH THE PROVISIONS OF THIS NON-DISCRIMINATION CLAUSE.

- B. THE SELLER WILL, IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE SELLER, STATE THAT ALL QUALIFIED APPLICANTS WILL RECEIVE CONSIDERATION FOR EMPLOYMENT WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX OR NATIONAL ORIGIN.
- C. THE SELLER WILL SEND TO EACH LABOR UNION OR REPRESENTATIVE OF WORKERS WITH WHICH IT HAS A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT OR UNDERSTANDING, A NOTICE TO BE PROVIDED BY THE AGENCY CONTRACTING OFFICER ADVISING THE LABOR UNION OR WORKER'S REPRESENTATIVE OF THE SELLER'S COMMITMENTS UNDER SECTION 202 OF EXECUTIVE ORDER 11246 OF SEPTEMBER 24, 1965, AND SHALL POST COPIES OF THE NOTICE IN CONSPICUOUS PLACES AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT.
- D. THE SELLER WILL COMPLY WITH ALL PROVISIONS OF EXECUTIVE ORDER 11246 OF SEPTEMBER 24, 1965, AND OF THE RULES, REGULATIONS, AND RELEVANT ORDERS OF THE SECRETARY OF LABOR.
- E. THE SELLER WILL FURNISH ALL INFORMATION AND REPORTS REQUIRED BY EXECUTIVE ORDER 11246 OF SEPTEMBER 24, 1964, AND BY THE RULES, REGULATIONS, AND ORDERS OF THE SECRETARY OF LABOR, OR PURSUANT THERETO, AND WILL PERMIT ACCESS TO ITS BOOKS, RECORDS, AND ACCOUNTS BY THE CONTRACTING AGENCY AND THE SECRETARY OF LABOR FOR PURPOSES OF INVESTIGATION TO ASCERTAIN COMPLIANCE WITH SUCH RULES REGULATIONS, AND ORDERS.
- F. IN THE EVENT OF THE SELLER'S NON-COMPLIANCE WITH THE NONDISCRIMINATION CLAUSES OF THIS ORDER OR WITH ANY OF SUCH RULES, REGULATIONS, OR ORDERS, THIS ORDER MAY BE CANCELED, TERMINATED OR SUSPENDED IN WHOLE OR IN PART AND THE SELLER MAY BE DECLARED INELIGIBLE FOR FURTHER GOVERNMENT CONTRACTS IN ACCORDANCE WITH PROCEDURES AUTHORIZED IN EXECUTIVE ORDER 11246 OF SEPTEMBER 24, 1965, AND SUCH OTHER SANCTIONS MAY BE IMPOSED AND REMEDIES INVOKED AS PROVIDED IN EXECUTIVE ORDER 11246 OF SEPTEMBER 24, 1965, OR BY RULE, REGULATION, OR ORDER OF THE SECRETARY OF LABOR, OR AS OTHERWISE PROVIDED BY LAW.
- G. THE SELLER WILL INCLUDE THE PROVISIONS OF PARAGRAPHS (1) THROUGH (7) IN EVERY SUBCONTRACT OR PURCHASE ORDER UNLESS EXEMPTED BY RULES, REGULATIONS, OR ORDERS OF THE SECRETARY OF LABOR ISSUED PURSUANT TO SECTION 204 OF EXECUTIVE ORDER 11246 OF SEPTEMBER 24, 1965, SO THAT SUCH PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR. THE SELLER WILL TAKE SUCH ACTION WITH RESPECT TO ANY SUBCONTRACT OR PURCHASE ORDER AS MAY BE DIRECTED BY THE SECRETARY OF LABOR AS A MEANS OF ENFORCING SUCH PROVISIONS INCLUDING SANCTIONS FOR NONCOMPLIANCE: PROVIDED, HOWEVER, THAT IN THE EVENT THE SELLER BECOMES INVOLVED, IN, OR IS THREATENED WITH, LITIGATION WITH A SUBCONTRACTOR OR VENDOR AS A RESULT OF SUCH DIRECTION, THE SELLER MAY REQUEST THE UNITED STATES TO ENTER INTO SUCH LITIGATION TO PROTECT THE INTERESTS OF THE UNITED STATES.

22) SEGREGATED FACILITIES:

SELLER HEREBY CERTIFIES THAT SELLER DOES NOT AND WILL NOT MAINTAIN ANY FACILITIES SELLER PROVIDES FOR ITS EMPLOYEES IN A SEGREGATED MANNER, OR PERMIT ITS EMPLOYEES TO PERFORM THEIR SERVICES OF ANY LOCATION, UNDER SELLER'S CONTROL, WHERE SEGREGATED FACILITIES ARE MAINTAINED; AND SELLER WILL PROVIDE FURTHER CERTIFICATION OF SAME AS MAY BE REQUIRED BY THE DIRECTOR OF THE OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS (OFCCP).

23) SMALL / DISADVANTAGED / WOMAN-OWNED BUSINESS:

BUYER SUBSCRIBES TO AND PARTICIPATES IN SMALL BUSINESS AND LABOR SURPLUS AREA SUB-CONTRACTING PROGRAMS IN ACCORDANCE WITH DEPARTMENT OF DEFENSE POLICY AND REGULATIONS. BUYER IS REQUIRED UNDER THE REGULATIONS OF THE DEFENSE SMALL BUSINESS SUB-CONTRACTING PROGRAM TO MAKE QUARTERLY REPORTS TO THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE INDICATING THE DOLLAR VALUE OF BUYER'S PURCHASE COMMITMENTS MADE TO "SMALL BUSINESS," "SMALL DISADVANTAGED," "SMALL WOMAN-OWNED" AND TO "LARGE BUSINESS" CONCERNS.

24) FALSE STATEMENTS:

SELLER ACKNOWLEDGES THAT WHOEVER KNOWINGLY AND WILLFULLY MAKES ANY FALSE, FICTITIOUS OR FRAUDULENT REPRESENTATIONS TO THE UNITED STATES GOVERNMENT EITHER DIRECTLY OR INDIRECTLY MAY BE LIABLE TO CRIMINAL PROSECUTION UNDER 18 U.S.C. 1001.

25) INTEGRATION:

THIS ORDER CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES, AND NO MODIFICATION OF IT SHALL BE BINDING, UNLESS IN WRITING, SIGNED BY THE PARTY AGAINST WHOM ENFORCEMENT OF THE SAME IS SOUGHT. THESE TERMS MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY PRIOR AGREEMENT OR OF A CONTEMPORANEOUS ORAL AGREEMENT AND MAY ONLY BE EXPLAINED OR SUPPLEMENTED BY A WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BOTH PARTIES. THIS CONTRACT EMBODYING THE TERMS ON THE FACE AND ON THE REVERSE SIDE HEREOF IS HEREBY ACKNOWLEDGED TO BE CORRECT BY THE SELLER.

26) DEPARTMENT OF DEFENSE RATED ORDER PROVISIONS:

IF INDICATED ON THE FACE OF THIS ORDER, THIS ORDER IS A RATED ORDER CONTRACT AND UNLESS OTHERWISE INDICATED HAS A PRIORITY RATING DO-C-9 CERTIFIED FOR NATIONAL DEFENSE USE UNDER DMS REGULATION 1. YOU ARE REQUIRED TO FOLLOW ALL PROVISIONS OF THE DEFENSE PRIORITIES SYSTEM, 15 CFR 700 ET.SEQ.

27) CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT AND OTHER RESPONSIBILITY MATTERS:

IN THE EVENT THIS ORDER IS PLACED IN SUPPORT OF A UNITED STATES GOVERNMENT PRIME OR SUBCONTRACT, SELLER HERewith CERTIFIES TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THAT IT AND/OR ANY OF ITS PRINCIPALS

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- (I.) ARE () ARE NOT () PRESENTLY DEBARRED, SUSPENDED, PROPOSED FOR DEBARMENT, OR DECLARED INELIGIBLE FOR THE AWARD OF CONTRACTS BY A FEDERAL AGENCY;
- (II.) HAVE () HAVE NOT (), WITHIN A THREE YEAR PERIOD PRECEDING THIS OFFER, BEEN CONVICTED OF OR HAD A CIVIL JUDGMENT RENDERED AGAINST THEM FOR: COMMISSION OF FRAUD OR A CRIMINAL OFFENSE IN CONNECTION WITH OBTAINING, ATTEMPTING TO OBTAIN, OR PERFORMING A PUBLIC (FEDERAL, STATE OR LOCAL) CONTRACT OR SUBCONTRACT; VIOLATION OF FEDERAL OR STATE ANTITRUST STATUTES RELATING TO THE SUBMISSION OF OFFERS; OR COMMISSION OF EMBEZZLEMENT, THEFT, FORGERY, BRIBERY, FALSIFICATION OR DESTRUCTIONS OF RECORDS, MAKING FALSE STATEMENTS, OR RECEIVING STOLEN PROPERTY; AND
- (III.) ARE () ARE NOT () PRESENTLY INDICTED FOR, OR OTHERWISE CRIMINALLY OR CIVILLY CHARGED BY A GOVERNMENT ENTITY WITH, COMMISSION OF ANY OF THE OFFENSES ENUMERATED ABOVE.
- (IV.) THE SELLER HAS () HAS NOT (), WITHIN A THREE YEAR PERIOD PRECEDING THIS OFFER, HAD ONE OR MORE CONTRACTS TERMINATED FOR DEFAULT BY ANY FEDERAL AGENCY.

"PRINCIPALS," FOR THE PURPOSES OF THIS CERTIFICATION, MEANS OFFICERS, DIRECTORS, OWNERS, PARTNERS AND PERSONS HAVING PRIMARY MANAGEMENT OR SUPERVISORY RESPONSIBILITIES WITHIN A BUSINESS ENTITY (E.G. GENERAL MANAGER, PLANT MANAGER, HEAD OF A SUBSIDIARY, DIVISION OR BUSINESS SEGMENT, AND SIMILAR POSITIONS).

BY: _____

TITLE: _____

DATE: _____