** ***Standard Terms and Conditions***

1. ***WARRANTY***

*Seller warrants that all goods sold hereunder will be first quality, new, and free from defects in material and workmanship and that such goods will perform in ordinary service for a period of at least one year from the date placed in service by the Buyer’s customer without loss of function or material degradation, ordinary wear and tear excepted. Seller will pass through any warranties received by it. Any implied warranty of fitness for a particular purpose is expressly disclaimed. Seller warrants that any services performed hereunder will be performed in accordance with the Sellers highest standards, but in no event lower than the standards customary in the trade. Seller will repair or replace any goods and perform any services that fail to conform to the above warranties without charge to the Buyer and will incur any reasonable expense in doing so to minimize the inconvenience and expense to Buyer or its customer.*

1. ***CHANGES***

*Seller shall effect no change in 1) the form, fit, or function of the goods being purchased on this contract, 2) suppliers, or 3) manufacturing facility locations without notifying Buyer of its intent to make such changes, and such changes shall be accomplished only with the written approval of Buyer.*

1. ***QUALITY MANAGEMENT SYSTEM***

*Seller shall establish and maintain a quality control system acceptable to Buyer for the Goods purchased under this contract. Seller shall permit Buyer to review procedures, practices, processes and related documents to determine such acceptability. Seller shall have a continuing obligation to promptly notify Buyer of any violation of or deviation from Seller’s approved inspection/quality control system and to advise Buyer promptly of the quantity and specific identity of any Goods delivered to Buyer during the period of any such violation or deviation.*

*The supplier is responsible to provide the Buyer with notification of any changes in their quality certification, registration or accreditation within (5) business days of receiving notification of the change or finding. Examples of changes in registration include new certification, suspension, or expiration.*

1. ***INSPECTION***

*Seller shall comply with any specifications required on the face of, or by reference in, or attachment to the order and with any applicable US military or government specifications or industry standards. Seller shall maintain an inspection system acceptable to the Buyer. The Seller shall, upon request, furnish the Buyer with a report of details of materials and workmanship inspections, certified by an authorized representative of the Seller.*

1. ***NONCONFORMING PRODUCT***

*Seller must have a system in place for the prompt reporting to Buyer of product determined to be nonconforming that may affect form, fit, function, reliability or safety. The Seller must obtain Buyer’s approval for disposition of nonconforming material. The Buyer may, with respect to any Goods that do not conform in any respect to the Order: reject all or a portion of such nonconforming Goods: accept all or a portion of such nonconforming Goods with a price reduction for the cost of repair or the diminution value: or accept any nonconforming goods and reject the rest.*

1. ***CORRECTIVE ACTION***

*In the event that Seller ships nonconforming Goods to Buyer, within thirty (30) days of Seller’s receipt of Buyer’s notification of nonconforming Goods, Supplier shall investigate the nonconformity, deliver to Buyer a written report of its investigation and conclusions, and formulate a corrective action plan acceptable to Buyer.*

1. ***QUALIFIED PERSONNEL***

*Seller’s Quality System must ensure that all Purchase Order requirements are met, and that all processes affecting the final quality of the product in the Purchase Order were performed by qualified personnel.*

1. ***RIGHT OF ACCESS***

*Buyer and representatives of Buyer’s customers shall have the right to inspect and test all material and workmanship at all times and places, including, when practicable, during manufacture. If any such inspection or test is made on the premises of the Seller, the Seller shall furnish without additional charge all reasonable facilities and assistance for a safe and convenient inspection or test.*

1. ***CERTIFICATE OF CONFORMANCE***

*Certificates of Conformance are required for all processes and materials. Buyer’s part number and drawing number are required on all process C of C’s. Seller shall furnish a copy of any regular inspection report required with all shipments.*

1. ***FLOW DOWN REQUIREMENTS***

*The Seller shall assure all relevant Purchase Order requirements are flowed down to its sub-tier suppliers. The Seller’s sub-tier suppliers are required to comply with the same specifications and requirements found in this contract. The Seller shall flow down to the supply chain the applicable requirements including customer requirements.*

1. ***RECORD RETENTION REQUIREMENTS***

*All records generated as a result of this contract shall be retained at the Seller’s, and its sub-tier supplier’s facilities, for at least 5 years from the date of completion of the contract.*

1. ***FORCE MAJEURE***

*Seller shall be liable for any failure or delay in performance in connection with the contract, except where such failure or delay results from causes that are, at one and the same time, unforeseeable, unavoidable, outside of its control, and without its fault or negligence, provided Seller gives Buyer, within three (3) days of Seller’s learning of such cause, written notice to the effect that a failure or delay by the Seller will occur or has occurred (an “Excusable Delay”). If a failure or delay in performance is caused by an event affecting any of the Seller’s sub-tier suppliers, such failure or delay shall not be excusable except unless such event is an Excusable Delay as defined above and the good or service to be provided by such sub-tier supplier is not obtainable by Seller from other sources in time for timely delivery of the goods to the Buyer. Buyer may cancel without liability to Seller its purchase of any Goods affected by Seller’s failure or delay in performance and, if the delay is expected to last for a period that could impact deliveries to Buyer’s Customers, Buyer may cancel, without liability, any portion of or the entire order.*

1. ***DISPUTES***

*Any dispute that arises under or is related to this contract that cannot be settled by mutual agreement of the Parties may be decided by a court of competent jurisdiction. Each Party shall continue performing its obligations under the Order pending resolution of the dispute. The dispute resolution procedures set forth herein do not supersede, delay or otherwise affect any rights of termination that are expressly set forth in these Terms and Conditions.*

1. ***OBSOLESCENCE MANAGEMENT***

*Seller shall maintain, at its own expense, an obsolescence management program that includes an on-going review and identification of actual and potential obsolescence issues, including but not limited to, obsolescence of components, assemblies, sub-assemblies, and material for the Goods. Seller shall perform all testing, qualification, non-recurring activities, and engineering services required for maintaining an Obsolescence Management Program. In no event shall remedying any obsolescence issue: entitle Seller to a price increase: entitle Seller to make a claim for equitable adjustment, or waive, relieve or release Seller from fulfilling all its duties under the Order including, without limitation, compliance with Specifications and Delivery Dates.*

1. ***DELIVERY; NOTICE OF DELAY***

*Delivery is to be made both in quantities and at times specified herein. If Seller’s delivery shall fail to meet schedule, Buyer, without limiting its other rights or remedies, may direct expedited routing, and any excess cost incurred thereby shall be debited to Seller’s account. Buyer shall not be liable for Seller’s commitments or production arrangements in excess of the amount, or in advance of the time, necessary to meet Buyer’s delivery schedule. Goods delivered in advance of schedule may, at Buyer’s option: be returned at Seller’s expense for proper delivery, or: have payment therefore withheld by Buyer until the date that goods are actually scheduled for delivery, 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 to Buyer’s rights and remedies hereunder.*

1. ***ASSIGNMENT***

*Seller’s rights and duties under this order may not be assigned or delegated except as provided below. Seller shall not enter into a subcontract for the procurement of items covered by this order in completed or subsequently completed form. Seller may assign its interest or a security interest in the proceeds of this order pursuant to a bona fide financing arrangement, provided that Buyer receives timely notice, that only one such assignment is made, that the interest so assigned shall not be subject to re-assignment, and that any such assignment is expressly made subject to set off any indebtedness or other claim Buyer may have against Seller.*

1. ***PROPRIETARY DRAWINGS AND DATA***

*Seller shall keep confidential all information, drawings, specifications, or data and return, upon request, all documents furnished by Buyer, and shall not divulge or use such information, drawings, specifications, or data for the benefit of any other party. Except as required for the efficient performance of this purchase order, Seller shall not make copies or permit copies to be made without the prior written consent of Buyer. Seller shall thereafter make no further use, either directly or indirectly, of any such data or any information derived therefrom without obtaining Buyer’s written consent. The obligations of this clause shall survive in perpetuity.*

1. ***PATENT INDEMNITY***

*The Seller agrees to defend, indemnify and save harmless the Buyer and each subsequent purchaser or user of the goods sold to the Buyer under this order, except as to goods manufactured according to a design furnished by the Buyer, for any suit, action, or other claim alleging that the manufacture, use or sale of said goods infringes upon any United States patent. The Buyer agrees to give the Seller notice of any such suit or action promptly after notice is received by the Buyer. The Buyer may, at its own election and expense, at any time supersede the Seller in any defense of a claim in which event the Seller shall thereby be released from its obligation hereunder.*

1. ***TERMINATION FOR CONVENIENCE***

*Buyer may cancel this order in whole or in part for convenience only if and to the extent that Buyer’s customer cancels Buyer’s order for convenience, and subject to Buyer’s payment to Seller of an equitable portion of any compensation for such termination received by Buyer from its customer.*

1. ***TERMINATION FOR DEFAULT***

*Buyer may, by written notice, terminate the Order, or any portion thereof, for default without any liability or obligation whatsoever to Seller for the portion terminated, in the following circumstances: Seller fails to perform any obligation hereunder, including a delivery obligation; when Buyer has reasonable grounds for insecurity, and Seller fails to provide adequate assurances of performance within ten (10) days following Buyer’s demand therefore.*

1. ***BANKRUPTCY***

*In the event of any proceeding, voluntary or involuntary, in bankruptcy or insolvency by or against the Seller, including any proceeding under the United States bankruptcy laws, or in the event of the appointment, with or without Seller’s consent, of a receiver of an assignee for the benefit of creditors, Buyer shall be entitled to cancel any unfilled part of this order without any liability whatsoever.*

1. ***PACKAGING AND SHIPMENT***

*(a)Seller shall pack the Goods to prevent damage and deterioration.*

*(b)Packing peanuts are not to be used for any shipments due to FOD (foreign object debris) concerns.*

*(c)A complete packing list shall be enclosed with all shipments*

*(d)Seller shall mark containers or packages with necessary lifting, loading, and shipping information.*

1. ***MATERIAL AND EQUIPMENT***

*If provision is made on the face of this order for the furnishing by the Buyer to the Seller of any materials to be used in connection with the performance of this order, such materials will be delivered to the Seller in sufficient time to enable it to meet the delivery dates for the articles to be furnished to the Buyer under this order. The Buyer shall have no liability to the Seller by reason of any delay in delivery or failure to deliver such materials. Title to any material furnished by the Buyer to the Seller shall remain in the Buyer. The risk of loss or damage to such materials from any other cause from the time of delivery to the Seller to the time of redelivery to the Buyer shall be borne by the Seller. Upon completion of this order, any of the materials furnished by the Buyer and not consumed in performance of the order, shall be disposed of in accordance with instructions from the Buyer. When the Buyer furnishes any material, in whole or in part, for the manufacture of parts or assemblies, the Seller shall not substitute material from any other source nor shall the Seller alter its physical or chemical properties except in accordance with applicable Buyer specifications or except with the Buyers written approval. All Electrostatic Discharge Sensitive Devices must be properly marked and labeled as such. Failure to comply will result in rejection of the parts upon receipt.*

1. ***COMPLIANCE***

*All goods supplied hereunder shall be manufactured substantially in the United States. Seller shall comply with all applicable laws in the performance of its duties hereunder, including, without limitations, all laws and regulations relating to employment and specifically to wage levels and payment of wages (including Walsh-Healey requirements if applicable), working conditions, child labor laws, and equal opportunity in employment. Seller shall maintain no segregated facilities. Seller shall maintain a Drug-Free Workplace and will post or otherwise provide all applicable notices to its employees*

1. ***OTHER RIGHTS AND REMEDIES AND APPLICABLE LAW***

*The rights and remedies herein reserved to the Buyer shall be cumulative and additional to any other or further rights and remedies provided in law or equity and all the rights and obligations of the parties shall be governed and construed by the laws of the State of Vermont.*

1. ***ORDER OF PRECEDENCE***

*In the event of any inconsistencies among documents applicable to this order, the inconsistency will be resolved by giving precedence in the following order: the specifications or drawings; and the printed terms of this Purchase Order, including all clauses incorporated by reference.*

1. ***EXPORT CONTROL***

*Seller shall comply with all applicable United States export control laws and regulations, including, but not limited to, the requirements of the Arms Export Control Act, (22 U.S.C. 2778), International Traffic In Arms Regulations (ITAR; 22 C.F.R. Chapter I, Subchapter M Parts 120-130), Export Administration Act (Pub.L.96-72), and applicable Export Administration Regulations.*

1. ***GOVERNMENT PROVISIONS***

*If this order is placed pursuant to a Government prime contract, or subcontract, the following contract clauses as set forth in the Federal Acquisition Regulations (FARs) and the Defense Federal Acquisition Regulations (DFARs) are incorporated herein and are applicable as determined by the type of subcontract, except for those contract clauses from which the Seller is expressly exempt. The term Contractor shall mean Seller, the term Contract shall mean this order, and the terms Government, Contracting Officer, and equivalent phrases shall mean Buyer. All referenced provisions refer to current revisions in effect as of the date of the respective Government contract including any modifications to the prime contract in effect at the time of this purchase order.*

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| ***FAR Part 52*** |  |
| ***Clause*** | ***Title*** |
| **202-1** | Definitions |
| **203-3** | Gratuities |
| **203-5** | Covenant Against Contingent Fees |
| **203-6** | Restrictions on Subcontractor Sales to the Government |
| **203-7** | Anti-Kickback Procedures |
| **203-8** | Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity |
| **203-10** | Price or Fee Adjustment for Illegal or Improper Activity |
| **203-11** | Certification and Disclosure Regarding Payments to Influence Certain Trade Transactions |
| **204-2** | Security Requirements |
| **209-6** | Protecting the Government’s Interest when Subcontracting with Contractors Debarred, Suspended, or proposed for debarment |
| **211-5** | New Material |
| **211-15** | Defense Priority and Allocation Requirements |
| **215-2** | Audit and Records— Negotiation |
| **215-10**  | Price Reduction for Defective Cost or Pricing Data |
| **215-11** | Price Reduction for Defective Cost or Pricing Data-Modifications |
| **215-12** | Subcontractor Cost or Pricing Data |
| **215-13** | Subcontractor Cost or Pricing Data-Modifications |
| **215-14** | Integrity of Unit Prices |
| **215-15** | Pension Adjustments and Asset Reversions |
| **215-18** | Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions |
| **215-19** | Notification of Ownership Changes |
| **215-20** | Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data |
| **215-21** | Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data |
| **219-8** | Utilization of Small Business Concerns |
| **219-9** | Small Business Subcontracting Plan |
| **222-4** | Contract Work Hours and Safety Standards Act |
| **222-20** | Walsh-Healy Public Contracts |
| **222-21** | Non-Segregated Facilities |
| **222-26** | Equal Opportunity  |
| **222-35** | Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era |
| **222-36** | Affirmative Action for Workers with disabilities |
| **222-43** | Fair Labor Standards Act and Service Contract Act- Price Adjustment (Multiply Year and Option Contracts) |
| **223-3** | Hazardous Material Identification and Material Safety Data |
| **223-6** | Drug-Free Workplace |
| **223-11** | Ozone Depleting Substances |
| **223-14** | Toxic Chemical Release Reporting |
| **223-37** | Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and other Eligible Veterans |
| **225-10** | Duty-Free Entry |
| **227-1** | Authorization & Consent |
| **227-2** | Notice and Assistance Regarding Patent and Copyright Infringement |
| **227-10**  | Filing of Patent Applications- Classified Subject Matter |
| **230-2** | Cost Accounting Standards |
| **230-3**  | Disclosure and Consistency of Accounting Practices |
| **230-4**  | Consistency in Cost Accounting Practices |
| **232-1** | Payments |
| **232-17** | Interest |
| **233-1** | Disputes |
| **242-15** | Stop Work Order |
| **246-2** | Inspection of Supplies  |
| **246-16** | Responsibility for Supplies |
| **246-23** | Limitation of Liability |
| **246-24** | Limitation of Liability- High Value Items |
| **247-29** | FOB Origin |
| **248-1** | Value Engineering |
| **249-2** | Termination for Convenience of the Government (Fixed-Price) |
| **249-6** | Termination (Cost- Reimbursement) |
| ***DFARS*** |  |
| ***Part***  | ***Title*** |
| **203.570** | Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies |
| **203.7001** | Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies |
| **204.7000** | Disclosure of Information |
| **215.7000** | Pricing Adjustment |
| **225** | Buy American Act |
| **226.7001** | Utilization of Indian Organizations and Indian-Owned Economic Enterprises |
| **227.7013** | Rights in Technical Data-Noncommercial Items |
| **227.7014** | Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation |
| **227.7015** | Technical Data-Commercial Items |
| **227.7016**  | Rights to Bid or Proposal Information |
| **227.7017** | Identification and Assertion of Use, Release, or Disclosure Restrictions |
| **227.7019** | Validation of Asserted Restrictions-Computer Software |
| **227.7026**  | Deferred Delivery Technical Data or Computer Software |
| **227.7027** | Deferred Ordering of Technical Data or Computer Software |
| **227.7030** | Technical Data-Withholding of Payment |
| **227.7036** | Declaration of Technical Data Conformity |
| **227.7037**  | Validation of Restrictive Markings on Technical Data |
| **244.7000**  | Subcontracts for Commercial Items and Commercial Components |
| **244.9000**  | Subcontracts for Commercial Items |
| **245.7001** | Reports of Government Property |
| **246.7001** | Warranty of Data |
| **252.225** | Preference for Domestic Specialty Metals |