

## WILLIAMS AEROSPACE & MANUFACTURING, INC. TERMS AND CONDITIONS OF PURCHASE ORDER

### 1. ACCEPTANCE OF CONTRACT/ TERMS AND CONDITION:

- a. Unless otherwise specifically agreed to in writing, the following terms and conditions shall apply to the SELLER's acceptance of the Purchase Order and Williams Aerospace & Manufacturing, Inc.'s (WAM's) acceptance of ordered items.
- b. The acceptance of WAM's purchase order by SELLER shall be conclusive evidence of the SELLER's approval of, and consent to, the terms and conditions herein contained.
- c. If SELLER accepts an order in any other manner, any additional or differing terms stated in SELLER's acceptance shall be of no effect.

### 2. CONFIRMATION OF ORDER:

The SELLER must acknowledge the order and accept WAM's offer within 8 days after SELLER's receipt.

### 3. MODIFICATION:

- a. No modification of this Contract, including any addition, deletion, or other modification proposed in SELLER's acceptance shall be binding on WAM unless agreed to by WAM's authorized Purchasing Representative in writing.
- b. However, WAM reserves the right to obtain a quote for the cost and/or delivery impact of the change prior to making the change. If such changes cause a need for price modification or will adversely impact delivery, equitable adjustments shall be negotiated and the Contract shall be modified in writing accordingly. SELLER shall proceed to perform the Contract as changed.
- c. Where the cost of property made obsolete or excess as the result of a change is included in SELLER's claim for adjustment, WAM shall have the right to prescribe the manner of disposition of such property. Nothing in this clause shall excuse SELLER from proceeding with the Contract as changed.

### 4. DELAY IN DELIVERY:

- a. If SELLER becomes aware of any circumstance that is likely to give rise to delay in delivery, SELLER shall immediately notify WAM in writing stating the reason for the delay and a new time of delivery.
- b. In case of delay in delivery, WAM reserves the right to cancel the purchase order without liability. WAM reserves the right to cancel the order should WAM expedited notices not be responded to by the SELLER.

### 5. TERMINATION:

- a. WAM may, subject to the provisions of subparagraph (c) below, by written notice of default to SELLER, terminate the whole or any part of this Contract in any one of the following circumstances: if SELLER fails to perform any of the other provisions of this Contract, or so fails to make progress as to endanger performance of this Contract in accordance with its terms, and does not cure such failure within a period of ten (10) days (or longer period as WAM may authorize in writing) after receipt of notice from WAM specifying such failure.
- b. In the event WAM terminates this Contract in whole or in part as provided in subparagraph (a) above, WAM may procure, upon such terms and in such manner as WAM may deem appropriate, supplies or services similar to those so terminated, and SELLER shall be liable to WAM for any excess costs for the same, including without limitation all costs and expenses of the type specified in the "Supplier's Warranties" paragraph of this Contract; provided, that SELLER shall continue the performance of this Contract to the extent not terminated hereunder.
- c. Except with respect to defaults of subcontractors, WAM shall not be liable for any excess costs if the failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of SELLER. Such causes may include, but are not limited to, acts of God, or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, flood, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of SELLER. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both SELLER and the subcontractor, and without the fault or negligence of either of them, SELLER shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit SELLER to meet the required delivery schedule. The term(s) "subcontractor(s)" shall mean subcontractor(s) at any tier.
- d. If this Contract is terminated as provided in subparagraph (a) above, WAM, in addition to any other rights provided in this Contract, may require SELLER to transfer title and deliver to WAM, in the manner and to the extent directed

by WAM, (i) any completed goods, and (ii) such partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and Contract rights (hereinafter called "manufacturing materials") as SELLER has specifically produced or specifically acquired for the performance of such part of this Contract as has been terminated; and SELLER shall, upon direction of WAM, protect and preserve property in the possession of SELLER in which WAM has an interest. Payment for completed goods delivered to and accepted by WAM shall be at the Contract price. Payment for manufacturing materials delivered to and accepted by WAM and for the protection and preservation of property shall be in an amount agreed upon by WAM and SELLER. WAM may withhold from amounts otherwise due SELLER for such completed supplies or manufacturing materials such sum as WAM determines to be necessary to protect WAM against loss because of outstanding liens or claims of former lien holders or for damages otherwise caused by SELLER's failure to perform its obligations under this Contract.

- e. The rights and remedies of WAM provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### 6. ARBITRATION:

- a. Any and all disputes, controversies, differences or claims arising out of or relating to this order, which cannot be settled through the mutual consultation of WAM and the SELLER shall, under the then Arbitration Association, be settled by one or more arbitrators selected in accordance with such rules.
- b. Arbitration proceedings shall be held in San Diego, California. The award rendered by the arbitrator(s) shall be binding, and judgment upon such award may be entered in any court having jurisdiction thereof.

#### 7. COMPLIANCE WITH LAW:

- a. The purchase order and this Contract shall be governed and construed under the laws of the state of California without regard to its conflicts of law's provisions.
- b. SELLER shall comply with all applicable provisions of Federal, state, and local laws; ordinances and all lawful orders; FAA, DOT and other transportation regulations and Hazard Communication Standards promulgated pursuant to the Occupational Health and Safety Act.
- c. SELLER shall control the dissemination of and access to technical data, information and other items received under this Contract in accordance with U.S. export control laws and regulations.
- d. It is SELLER's responsibility to identify, locate, review, understand and ensure compliance with the latest revision of any law.
- e. SELLER submission of a proposal and/or acceptance of the purchase order is considered SELLER's certification of compliance with law.

#### 8. ETHICAL BEHAVIOR:

- a. SELLER is responsible for clarifying ethical policy and behavior to its employees and subcontractors, if applicable. SELLER is responsible for ensuring its employees and subcontractors, if applicable, are aware of ethical behavior's influence(s) on product conformity, product safety, and business functions.
- b. WAM and SELLER agree to not engage in, but not limited to:
  - i. Activity that results in conflicts of interests
  - ii. Acceptance or proposals of gifts, invitations, or favors
  - iii. Intentional failure to communicate product, law, or regulation non-compliance, or intentionally providing incorrect information

#### 9. GOVERNMENT CONTRACTS:

In support of US Government Contracts;

- a. WAM Appendixes 1 and 2 list clauses set forth in the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS).
- b. Such clauses are incorporated by reference as if set forth at length herein. It is SELLER's responsibility to locate, review, understand and ensure compliance with the latest revision of any clause.
- c. In all clauses listed, the terms "Government", "Contracting Officer" and "Contractor" shall be revised to suitably identify the contracting parties herein and affect the proper intent of the provision except where further clarified or modified in WAM Appendixes 1 and 2. "Subcontractor", however, shall mean "SELLER's Subcontractor" in the purchase order.
- d. SELLER submission of a proposal and/or acceptance of the purchase order is considered SELLER certification of compliance with this term.

- e. SELLER agrees to flow-down, as required, FAR and DFAR clauses to its lower-tier suppliers. SELLER further agrees that all notifications and other communications required by these clauses shall be made through WAM's Purchasing Representative, unless the Purchase Order specifically provides otherwise.

10. ASSIGNMENTS:

- a. No assignment of any rights, including rights to monies due to become due hereunder, or delegation of any duties under this Contract shall be binding upon WAM until written consent thereto has been obtained.
- b. SELLER shall not assign, sell, or sublet this purchase order, or any part thereof, without WAM's written consent.

11. PATENT AND COPYRIGHT INDEMNIFICATION:

SELLER agrees that it will defend at its own expense any and all suits against WAM for infringement of any United States patent or copyright.

12. QUALITY CONTROL:

- a. While executing this Contract, unless otherwise specified in the body of the purchase order, SELLER is responsible for implementing and maintaining on-going compliance with requirements of the current revision of the Quality Management System standard listed below, as applicable given the SELLER's activities and design authority for the type of product, process or service provided to WAM. SAE AS9100 "d)" is the applicable Quality Management System standard for any SELLER that is not specifically authorized by WAM in writing to use either the SAE AS9120 "b)" or SAE AS9003 "c)" standards.
- b. SAE AS9120 - "Quality Management Systems - Aerospace - Requirements for Stock-list Distributors" is the minimum by quality management system requirement, and may be used by SELLERS that only procure parts, materials and assemblies and sell these products to WAM. This includes organizations that procure products and repackage/redistribute them into smaller quantities. This does not include organizations that perform any work that affects or could affect conformance of any specified part, material or assembly characteristic, or organizations that perform any processing in accordance with a specification called out in this Contract.
- c. SAE AS9003 - "Inspection and Test Quality System" is the minimum quality management system requirement to be used by SELLERS that manufacture parts and assemblies, provide materials and/or perform processing to a specification for WAM. This standard is intended for organizations that do not have design control over products or processes provided to WAM.
- d. SAE AS9100 - "Quality Management Systems - Aerospace and Defense - Requirements" shall be used by SELLERS that have design control over all or some portion of the products and services provided to WAM. SELLER may at their option, and at no additional cost to WAM, elect to implement and maintain Quality Management Systems or procedures that meet higher-level requirements than those specified above, and/or establish and maintain certification to a standard through a third-party registration body. SELLER shall fully document and communicate to WAM changes that may affect the scope or effectiveness of the SELLER's QMS within ten (10) days of occurrence. Examples of changes requiring WAM notification:
  - i. Ownership
  - ii. Senior Management
  - iii. Industry focus
  - iv. Renewal or cancellation of any third party QMS registration
  - v. Change in status or scope of NADCAP certification(s)
- e. When prime contractor is identified as Lockheed Martin Aeronautics Company (LMAC), SELLER will comply with quality requirements of LMAC (QA022-01) and clauses located online:  
<https://www.lockheedmartin.com/content/dam/lockheed-martin/aero/documents/scm/Quality-Requirements/Supplier-Quality-Management-System/aero-QA022-01.pdf>
- f. Processing to be accomplished in performance of this purchase order is directly related to a Lockheed Martin Aeronautics Company purchase order and must be accomplished in accordance with process specification(s) on this purchase order and Lockheed Martin Aeronautics Company Appendix QJ and Appendix QX. All "sub-tier Process Source must submit a Certificate of Conformance ("C of C") with a unique certification number in accordance with paragraph F "Certificate of Conformance." Appendix QJ and Appendix QX are located at <http://www.lockheedmartin.com/material-management/>. For Lockheed Martin Aeronautics Sustainment Services (LMASS), SELLER will comply with quality requirements of LMASS clauses and appendixes (e.g. QX & QJ) located online:  
<https://www.lockheedmartin.com/en-us/suppliers/business-area-procurement/aeronautics/quality-requirements/quality-appendices.html>

13. FOREIGN OBJECT DEBRIS / DAMAGE (FOD) PREVENTION:

- a. SELLER shall maintain a FOD prevention program in accordance with National Aerospace Standard NAS-412.
- b. SELLER shall ensure that applicable Lockheed Martin quality clause Q4R (location ref. in Clause 11, e.) and or NAS 412 FOD requirements are followed and flowed down to SELLER's subcontractors at every tier.

14. RIGHT OF ACCESS:

- a. WAM or a representative of WAM shall be afforded the right to verify at the source that purchased products or services conform to the specified requirements.
- b. When SELLER manufactures parts for WAM under this Contract, parts shall be available for inspection and test by WAM at all times and places, when practicable, during manufacture.
- c. Any audit, inspection, or test made on the premises of the SELLER or its supplier shall be without additional charge.
- d. The SELLER shall provide all reasonable facilities and assistance for the safety and convenience of the auditor/inspectors in the performance of their duties.
- e. The SELLER shall allow right of entry to any place necessary to determine and verify the quality of contracted work, records and materials.
- f. All audits, inspections, and tests on the premises of the SELLER or its supplier shall be performed in such a manner as not to unduly delay work. WAM's Customer(s) and applicable regulatory agencies shall also be afforded this right of entry.
- g. Proprietary processes may be exempt from this clause if negotiated in advance with WAM.

15. SUBCONTRACTING:

- a. No product, processing or service to be delivered under this Contract shall be procured by SELLER from a third party without WAM's prior written consent.
- b. Should the SELLER be permitted to subcontract, the SELLER must use WAM's approved subcontractors.

16. SOFTWARE QUALITY PROGRAM:

Deliverable and Non-Deliverable;

- a. SELLER shall implement and maintain a Software Quality program or methodology acceptable to WAM for engineering design, development, testing and products with embedded programs.
- b. Software Quality Program shall meet the requirements of SAE AS9115 for deliverable and SAE AS9005 for non-deliverable.
- c. For Lockheed Martin Contracts, SELLER shall implement and maintain a Software Quality Program applicable to Q6R to insure all non-deliverable software is placed under configuration control and are defined with objective evidence, that such software performs the required functions (location ref. in Clause 11, e.).

17. CERTIFICATE OF CONFORMITY/ CONFORMANCE:

- a. All items must conform to the Original Component Manufacturer (OCM)/ Original Equipment Manufacturer (OEM) specifications and tests.
- b. Certification of Conformity of said items must accompany the items from SELLER's facility including a statement of the condition of the item, back up data on file for inspection, and be signed by an authorized representative of the SELLER.
- c. The C of C must state that goods, processing and/or services provided to WAM meet all purchase order and specification requirements, and include WAM's purchase order number, and line number if applicable, the part number, the engineering change revision level of all applicable drawings and specifications, the part nomenclature, the part serial numbers (if applicable), and the quantity represented by the C of C.
- d. C of C must specify supply chain traceability to the OCM or aftermarket manufacturer that identifies the name and location of all the supply chain intermediaries from the part manufacturer to the direct source of product for the SELLER.
- e. Items shall be labeled as one of the following two conditions: "New" – factory new or "NS" – new surplus.
- f. WAM reserves the right to be supplied with and/or audit certification on all new items purchased. This may require traceability and full source documentation. All raw material, machining, and processing certifications shall be supplied at no cost, if requested.
- g. Should certification not accompany the shipment, items will be held in quarantine and no payment will be processed until the proper certification is received.

18. HAZARDOUS MATERIAL:

If a Material Safety Data Sheet (M.S.D.S.) is required for this material, the SELLER shall include one copy of the M.S.D.S., and it shall be identifiable with each shipment of the items furnished under this order.

19. RAW MATERIAL CERTIFICATION AND CONTROL:

- a. With each shipment of Raw Material, SELLER must provide the actual Mill Certification. This Certification must include the Country of Origin, Melt, and/or Manufacture, the material specification from WAM's purchase order including the applicable revision level, and the actual test data required by the specification.
- b. The Certification must also bear the printed name, title and signature of the person authorizing release of the shipment, unless a C of C is provided including that information.
- c. The Certification must be attached to the shipping documents, or incorporate sufficient information to match it with the pertinent purchase order and specific shipment.
- d. Under this Contract all material in each shipment must come from one raw material heat lot, unless otherwise allowed in writing by WAM. Whenever so allowed, different heat lots of raw material, parts, or castings and forgings made from different heat lots of material must be kept separate and clearly identified throughout SELLER's operations, and must be segregated and clearly identified within packaging and documents shipped to WAM.

20. CALIBRATION SYSTEM:

- a. Unless otherwise specified in this Contract SELLER's calibration system must comply with ISO 17025, ISO 10012-1, or ANSI-Z540 current revision, or an equivalent calibration system standard.
- b. SELLER shall provide certification of this compliance to WAM with shipment as required.

21. INSPECTION REQUIREMENTS:

- a. When SELLER manufactures parts for WAM under this Contract, WAM may require that a first article must be submitted for WAM's approval prior to commencement of the production run of product. If WAM requires a first article, the requirement will be stated on the WAM Contract.
- b. When WAM requires that SELLER submit a first article piece for approval, the first delivery of each part number(s) must include first article inspection report (FAIR) traceable to an individually identified part in that lot.
- c. Subsequent lots of the same part number must be certified to meet all Contract requirements. FAIR must conform to the requirements of AS9102. SELLER may obtain copies of AS9102 from:  
<https://www.sae.org/iaqg/forms/index.htm>  
For Lockheed Martin contracts FAIR must conform to quality clause Q2R (location ref. clause 11, e.).
- d. If the revision level of any part is changed during the life of this Contract, or there is any change in the process or equipment used to produce any part, a new first article traceable to an individual part shall be performed on any features affected by the revision of the product, or by the process or equipment change.
- e. When SELLER manufactures parts or provides special processing for WAM under this Contract, SELLER shall notify WAM of any significant changes in product or process that may affect the quality of the product or process purchased in the Contract.
- f. Unless otherwise specified in writing by WAM, when SELLER manufactures parts for WAM under this Contract, SELLER shall perform in-process inspection of the parts, and supply the inspection data to WAM.
- g. When inspection sampling is used as a means of product acceptance, the plan shall be statistically valid and appropriate for use. The plan shall preclude acceptance of lots whose samples have known nonconformities.
- h. Inspection plan shall conform to ASQ / ANSI Z1.4 & Z1.9 or equivalent.

22. PRODUCT ACCEPTANCE:

- a. All purchased products and services will be subject to WAM's final inspection and approval within a reasonable time after delivery, irrespective of payment date.
- b. Verification by WAM shall not absolve the SELLER of the responsibility to provide conforming product, nor shall it preclude subsequent rejection by WAM.
- c. Items and processes supplied shall meet the requirements in the technical specifications and documentation (drawings, specifications, standards, etc.). It shall be the sole responsibility of SELLER to monitor that the technical specifications regarding materials, methods, form, fitness, and function are observed, whether or not the items have been manufactured by SELLER or by SELLER's subcontractors.
- d. All life limited items must have 80% of the life remaining upon receipt as per limits established by SAE AS1993 and SAE ARP5316, if applicable.
- e. WAM may reject goods not in accordance with the instructions, specifications, drawings, data or SELLER's warranty (expressed or implied).



- f. WAM may return rejected goods to SELLER at SELLER's expense and WAM shall have no further obligation for such goods.
- g. Payment for any article shall not be deemed acceptance and in no event shall WAM incur liability for payment for rejected goods. SELLER shall assume responsibility for and will pay any and all loss, cost, damage, or expense, including attorney fees, and cost of replacement incurred by WAM attributed to WAM's rejection of goods due to nonconformance to specifications or untimely late delivery. WAM shall submit payment for goods only after goods are deemed to meet all purchase order and drawing requirements.
- h. If goods are found to be nonconforming for any reason after payment has been made, WAM shall debit SELLER'S account on the next WAM payment cycle. If SELLER's account payable amount is less than the debit memo then SELLER shall reimburse WAM in full with a check for the debit amount.
- i. All applicable hardware on this purchase order for WAM must conform to MIL-S-7742 (Superseded by SAE AS8879), and/or, AN, MS, NAS Prints and Specifications. An airworthiness release, including tear down and final test reports are required with all overhauled components. Where applicable, a current calibration tag and date are required. Pull test reports are required with all cables, and pressure test reports are required with all hoses. A kit list is required with all kits.

#### 23. NONCONFORMING PRODUCT:

- a. Under no circumstance shall SELLER knowingly ship any nonconforming product to WAM without express written permission from WAM allowing the shipment.
- b. SELLER shall conform to requirements regarding the need for the supplier to notify WAM of nonconforming product, obtain WAM approval for nonconforming product disposition, notify WAM of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, and flow down to the supply chain the applicable requirements including prime contractor requirements (e.g. QA022-01 and QX referenced in clause 11, e.).
- c. After delivery has started, if the SELLER detects nonconforming product, the SELLER shall notify Buyer within 24 hours or the next business day. Notification shall include a clear description of the nonconformity, part numbers, quantities, and delivery dates of all possibly affected product.
- d. The SELLER is liable for concealed defects, even if they are recognizable only upon processing, and this is not subject to any time limit for claim by WAM. The SELLER is also liable for concealed defects which are recognized only when the items are being put into use.

#### 24. SPECIAL PROCESSES:

- a. A special process is defined as the application of chemical, metallurgical, nondestructive or any other manufacturing, joining, or inspection process that is controlled by Government, Military, Industry, or any other specification (e.g. NADCAP, QA022-01 and QJ referenced in Clause 11, e.).
- b. When SELLER supplies product to WAM upon which special processes have been performed by SELLER or any subcontractor, processes must be performed and certified in strict accordance with clauses 14 and 16 of this document, and with requirements stated in the body of WAM's purchase order.

#### 25. COUNTERFEIT PARTS PROTECTION:

- a. SELLER agrees and ensures that counterfeit products or work is not delivered to WAM. In the event counterfeit products or work is delivered, SELLER shall immediately notify WAM with the facts if SELLER becomes aware or suspects that it has produced counterfeit products or work.
- b. SELLER shall only purchase products to be delivered or incorporated in this Contract to WAM from the OCM/OEM or through an authorized distributor.
- c. Products or work delivered under this contract constitutes or includes counterfeit products or work, SELLER shall be liable for all expense relating to replacement, retest, and removal of counterfeit products with genuine product or work.
- d. This purchase order and activities hereunder are within the jurisdiction of the United States Government. Any knowingly and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this order may be punishable in accordance with applicable Federal statutes.
- e. SELLER shall include all elements of this contract or equivalent provisions to maintain a Counterfeit Prevention plan (ref. AS5553 and AS6174) and flow down to SELLER's sub-tiers.

#### 26. PACKAGING AND SHIPPING:

- a. SELLER shall prepare all goods for shipment, and package to prevent damage or deterioration, and comply with carrier tariffs requirements.
- b. No additional charges will be allowed for containers, crating, boxing, bundling, dunnage, drayage, storage or transportation thereof, unless stated in this purchase order.
- c. Container and purchase order numbers shall be indicated on bill of lading. One copy of packing sheet, C of C, and material certificate (as required) showing purchase order and item number, shall be attached to No. 1 container of each shipment.
- d. The packaging, labeling, and shipping of all hazardous materials must comply with all applicable laws and regulations. Hazardous materials shipped in cans must have lid-locking devices. UN number required with hazardous materials as per IAT regulations.
- e. Bearings must be individually packaged in original manufacturer package.
- f. All rubber products must be individually packaged per SAE AMS2817.
- g. Protective coating is required with sheet metal shipments.
- h. Unless otherwise indicated, transportation and pricing will be FOB shipping point. Contact WAM before shipping orders weighing more than 40 lbs. or 5 cubic feet. Orders less than 40 lbs. or 5 cubic feet must be shipped via UPS or Fed-Ex. Excess charges resulting from non-compliance with this requirement shall be deducted from invoice.
- i. WAM will insure the items for transport from SELLER to WAM. Any transport insurance taken out by the SELLER will be deducted from SELLER's invoice by WAM.

27. PRODUCT SAFETY AND AWARENESS:

- a. "Product Safety" is defined by AS9100 as: The state in which a product is able to perform to its designed or intended purpose without causing unacceptable risk of harm to persons or damage to property.
- b. By accepting this order, the SELLER acknowledges that it is aware of all risks associated with provision of products and/or services to WAM.
- c. SELLER acknowledges that it shall consider ethical behavior, hazardous material, and proper packaging and shipping to prevent harm to persons and property.

28. PAYMENT:

- a. All prices are stated in US Dollars.
- b. Payment will be made within 30 days after the receipt and acceptance of items or invoice, whichever is later.
- c. If the requirements are not met, payment will be delayed a corresponding amount of time until such requirements are met.

29. SELLER'S PERFORMANCE:

Since the impact upon quality varies from product to product, the requirements will also vary from SELLER to SELLER. However, the following requirements apply to all SELLERS;

- a. Delivery Performance: WAM expects 100% on-time delivery, and SELLER will be rated by this standard.
- b. Quality Performance: WAM expects 100% quality. SELLER's manufactured parts will be checked by inspection. Paperwork is also checked for completeness, including all required certifications.
- c. Responsiveness: SELLER will be judged by how quickly and effectively SELLER responds to requests and quality problems, including Requests for Quotations and special requests such as short lead-time orders or other issues, and to nonconformance reports and requests for corrective action.

30. RESPONSIBILITY FOR TECHNICAL DATA AND TOOLING:

- a. Drawings, samples, data carriers and other documents provided by WAM, or developed on behalf of WAM in compliance with a WAM purchase order do not become the SELLER's property and may not be delivered to, or used for or by third parties.
- b. WAM's technical documents are protected by copyright, must remain confidential, and may not be copied or reproduced without WAM's written consent.
- c. Items manufactured to technical specifications/drawings furnished by WAM required for special fixtures, tooling, or particular procedures developed under this order will remain the property of WAM and, unless otherwise instructed, are to be retained in SELLER's possession for use exclusively in filling orders for WAM.
- d. The SELLER may not scrap, sell, or cede such tools, fixtures and technical documents without WAM's written consent.
- e. Unless there is legal transfer of title or other legally binding agreement to the contrary, SELLER shall be financially responsible for loss or damage to any materials, parts, tooling, or any other real property provided to SELLER by WAM for use in executing this Contract.

- f. Upon completion of this Contract SELLER agrees to return WAM's property, except material consumed in production of parts for WAM's Contract, in like condition as received, less reasonable wear and tear.

31. RECORD AVAILABILITY AND RETENTION:

- a. When the records demonstrating product conformity for this Contract are retained by SELLER who certifies their product, SELLER shall make records available to WAM within 48 hours of receiving a written request from WAM.
- b. In the event that SELLER ceases to do business prior to the end of the record retention period, the records are to be forwarded to WAM via the best available method, as agreed by both parties.
- c. SELLER shall maintain these records in a way that minimizes deterioration or damage, and ensure that they are legible, retrievable, and identifiable to shipments made to WAM, and to pertinent suppliers, products, and/or processes, for a period of 10 years after the last delivery on this Contract.
- d. After the retention time, paper records are to be destroyed by shredding and recycling or burning, and electronic records are to be permanently deleted. Radiographic records may be recycled or otherwise destroyed by the best available method.

32. EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION: The SELLER will comply with all provisions of executive order 11246 as amended, the provisions found in 41 C.F.R. SEC. 60-741.4 (handicapped persons) and SEC. 60-250.4 (veterans), and all relevant rules, regulations, and orders of the Secretary of Labor.

33. WARRANTY:

- a. SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to applicable specifications, drawings, samples, descriptions, and other requirements of this Contract and be free from defects in design, material, and workmanship.
- b. This warranty shall begin upon final acceptance and extend for a period of one (1) year.
- c. If any nonconforming Work is identified within the warranty period, SELLER, at WAM's option, shall promptly repair, replace or credit the Work.
- d. If repair, or replacement return of nonconforming Work, and re-performance of Work shall be at SELLER's expense.
- e. All warranties shall run to WAM and its customers.



## APPENDIX 1

The following FAR clauses apply to this Contract:

- 52.202-1 DEFINITIONS (NOV 2013)
- 52.203-3 GRATUITIES (APR 1984)
- 52.203-5 COVENANT AGAINST CONTINGENT FEES (MAY 2014)
- 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
- 52.203-7 ANTI-KICKBACK PROCEDURES (MAY 2014)
- 52.203-8 CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (MAY 2014)
- 52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (MAY 2014)
- 52.203-12 LIMITATIONS ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OCT 2010)
- 52.203-19 PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGEEMENTS OR STATEMENTS (JAN 2017)
- 52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON POSTCONSUMER FIBER CONTENT PAPER (MAY 2011)
- 52.204-7 CENTRAL CONTRACTOR REGISTRATION (AUG 2012)
- 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (OCT 2018)
- 52.204-13 SYSTEMS FOR AWARD MANAGEMENT MAINTENANCE (OCT 2018)
- 52.204-14 SERVICE CONTRACT REPORTING REQUIREMENTS (OCT 2016)
- 52.204-15 SERVICE CONTRACT REPORTING REQUIRMENTS FOR INDEFINITE-DELIVERY CONTRACTS (OCT 2016)
- 52.204-16 COMMERCIAL AND GOVERNMENT ENTITY CODE REPORTING (JUL 2016)
- 52.204-18 COMMERCIAL AND GOVERNMENT ENTITY CODE MAINTENANCE (AUG 2020)
- 52.204-19 INCORPORATION BY REFERENCE OF REPRESENTATIONS AND CERTIFICATIONS (DEC 2014)
- 52.204-20 PREDECESSOR OF OFFEROR (JUL 2016)
- 52.204-21 BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS (JUN 2016)
- 52.204-23 PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB AND OTHER COVERED ENTITIES (JUL 2018)
- 52.204-25 PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020)

- 52.209-3 FIRST ARTICLE APPROVAL- CONTRACTOR TESTING (SEP1989)
- 52.209-4 FIRST ARTICLE APPROVAL- GOVERNMENT TESTING (SEP 1989), ALT I (JAN 1997)
- 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR SUSPENSION (JUN 2020)
- 52.209-7000 DISCLOSURE OF INFORMATION (AUG 2013)
- 52.211-5 MATERIAL REQUIREMENTS (AUG 2000)
- 52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (APR 2008)
- 52.211-16 VARIATION IN QUANTITY (OCT 2020)
- 52.211-17 DELIVERY OF EXCESS QUANTITIES (SEP 1989)
- 52.213-4 TERMS AND CONDITIONS- SIMPLIFIED ACQUISITIONS (OTHER THAN COMMERCIAL ITEMS) (FEB 2021)
- 52.215-8 ORDER OF PRECEDENCE-UNIFORM CONTRACT FORMAT (OCT 1997)
- 52.216-19 ORDER LIMITATIONS (OCT 1995)
- 52.216-22 INDEFINITE QUALITY (OCT 1995)
- 52.219-6 NOTICE OF SMALL BUSINESS SET-ASIDE (DEVIATION 2019-00003) (MAR 2020)
- 52.219-28 POST AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (NOV 2020)
- 52.222-3 CONVICT LABOR (JUN 2003)
- 52.222-19 CHILD LABOR-COOPERATION WITH AUTHORITIES AND REMEDIES (JULY 2020)
- 52.222-20 CONTRACTS FOR MATERIALS, SUPPLIES, ARTICLES, AND EQUIPMENT EXCEEDING \$15,000 (OCT 2020)
- 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015)
- 52.222-26 EQUAL OPPORTUNITY (SEPT 2016)
- 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (JUN 2020)
- 52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (OCT 2020)
- 52.222-37 EMPLOYMENT REPORTS ON VETERANS (FEB 2016)
- 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010)
- 52.222-41 SERVICE CONTRACT LABOR STANDARDS (MAY 2014)
- 52.222-50 COMBATTING TRAFFICKING IN PERSONS (JAN 2019)
- 52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (DEC 2015)
- 52.222-62 PAID SICK LEAVE UNDER EXECUTIVE ORDER 13706 (JAN 2017)

52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (FEB 2021) (FAR)

52.223-5 POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION (MAY 2011)

52.223-6 DRUG-FREE WORKPLACE (MAY 2001)

52.223-7 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997)

52.223-11 OZONE-DEPLETING SUBSTANCES AND HIGH GLOBAL WARMING POTENTIAL  
HYDROFLUOROCARBONS (JUN 2016)

52.223-12 MAINTENANCE, SERVICE, REPAIR, OR DISPOSAL OF REFRIGERATION EQUIPMENT AND AIR  
CONDITIONERS (JUN 2016)

52.223-15 ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS (DEC 2007)

52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING  
(OCT 2020)

52.223-20 AEROSOLS (JUN 2016)

52.223-21 FOAMS (JUN 2016)

52.225-1 BUY AMERICAN- SUPPLIES (MAY 2014)

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)

52.226-6 PROMOTING EXCESS FOOD DONATION TO NONPROFIT ORGANIZATIONS (MAY 2014)

52.227-1 AUTHORIZATION AND CONSENT (DEC 2007)

52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (DEC 2007)

52.229-3 FEDERAL, STATE, AND LOCAL TAXES (FEB 2013)

52.232-1 PAYMENTS (APR 1984)

52.232-8 DISCOUNTS FOR PROMPT PAYMENT (FEB 2002)

52.232-11 EXTRAS ( APR 1984)

52.232-17 INTEREST (MAY 2014)

52.232-23 ASSIGNMENT OF CLAIMS (MAY 2014)

52.232-25 PROMPT PAYMENT ( JAN 2017)

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER-SYSTEM FOR AWARD MANAGEMENT (OCT 2018)

52.232-34 PAYMENT BY ELECTRONIC FUND TRANSFER- OTHER THAN SYSTEM FOR AWARD MANAGEMENT  
(JULY 2013)

52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (DEC 2013)

52.232-40 PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS (DEC 2013)

52.233-1 DISPUTES (MAY 2014)

52.233-3 PROTEST AFTER AWARD (AUG 1996)

52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)

52.233-9001 DISPUTES – AGREEMENT TO USE ALTERNATIVE DISPUTE RESOLUTION (DEC 2016)

52.242-13 BANKRUPTCY (JUL 1995)

52.242-15 STOP-WORK ORDER (AUG 1989)

52.242-17 GOVERNMENT DELAY OF WORK (APR 1984)

52.243-1 CHANGES- FIXED PRICE (AUG 1987)

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (OCT 2020)

52.246-2 INSPECTION OF SUPPLIES FIXED PRICE (AUG 1996)

52.246-11 HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT (DEC 2014)

52.246-15 CERTIFICATE OF CONFORMANCE (APR 1984)

52.246-16 RESPONSIBILITY FOR SUPPLIES (APR 1984)

52.246-17 WARRANTY OF SUPPLIES OF A NONCOMPLEX NATURE (JUN 2003)

52.246-9008 INSPECTION AND ACCEPTANCE AT ORIGIN (AUG 2007)

52.247-1 COMMERCIAL BILL OF LADING NOTATIONS (FEB 2006)

52.247-29 F.O.B. ORIGIN (FEB 2006)

52.247-30 F.O.B. ORIGIN, CONTRACTOR’S FACILITY (FEB 2006)

52.247-34 F.O.B. DESTINATION (NOV 1991)

52.247-48 F.O.B. DESTINATION-EVIDENCE OF SHIPMENT (FEB 1999)

52.247-61 F.O.B. ORIGIN- MINIMUM SIZE OF SHIPMENTS (APR 1984)

52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S. – FLAG COMMERCIAL VESSELS (FEB 2006)

52.247-65 F.O.B. ORIGIN, PREPAID FREIGHT- SMALL PACKAGE SHIPMENTS (JAN 1991)

52.248-1 VALUE ENGINEERING (OCT 2010)

52.249-1 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED PRICE) SHORT FORM) (APR 1984)

52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (APR 2012)

52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984)

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)



757 Main St., Suite 102  
Chula Vista, CA 91911

COMPUTER GENERATED FORMS (JAN 1991)



## APPENDIX 2

The following DFARS clauses apply to this Contract:

- 252.203-7000 REQUIREMENTS RELATING TO COMPENSATION OF FORMER DOD OFFICIALS (OCT 2016)
- 252.203-7001 PROHIBITIONS ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES (DEC 2008)
- 252.203-7002 REQUIREMENTS TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEPT 2013)
- 252.204-7000 DISCLOSURE OF INFORMATION (OCT 2016)
- 252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR 1992)
- 252.204-7004 ALTERNATE A, CENTRAL CONTRACTOR REGISTRATION (FEB 2019)
- 252.204-7008 EXPORT-CONTROLLED ITEMS (APR 2010)
- 252.204-7009 LIMITATIONS ON THE USE OR DISCLOSURE OF THE THIRD-PARTY CONTRACTOR REPORTED CYBER INCIDENT INFORMATION (OCT 2016)
- 252.204-7012 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING (DEC 2019)
- 252.204-7015 NOTICE OF AUTHORIZED DISCLOSURE OF INFORMATION TO LITIGATION SUPPORT CONTRACTORS (MAY 2016)
- 252.204-7016 COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES – REPRESENTATION (DEC 2019)
- 252.204-7018 PROHIBITION ON THE ACQUISITION OF COVERED DEFENSE TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (JAN 2021)
- 252.204-7020 NIST SP 800-171 DOD ASSESSMENT REQUIREMENTS (NOV 2020)
- 252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY (DEC 2014)
- 252.211-7003 ITEM IDENTIFICATION AND VALUATION (MAR 2016)
- 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (NOV 2005)
- 252.211-7006 PASSIVE RADIO FREQUENCY IDENTIFICATION (DEC 2019)
- 252.211-7008 USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS (SEPT. 2010)
- 252.215-7014 EXCEPTION FROM CERTIFIED COST OR PRICING DATA REQUIREMENTS FOR FOREIGN MILITARY SALES INDIRECT OFFSETS (JUN 2018)
- 252.216-7006 ORDERING (MAY 2011)
- 252.223-7001 HAZARD WARNING LABELS (DEC 1991)

- 252.223-7006 PROHIBITION ON STORAGE, TREATMENT, AND DISPOSAL OF TOXIC OR HAZARDOUS MATERIALS – BASIC ALT I (SEPT 2014)
- 252.223-7006 ALT I PROHIBITION ON STORAGE, TREATMENT, AND DISPOSAL OF TOXIC OR HAZARDOUS MATERIALS – BASIC ALT I (SEPT 2014)
- 252.223-7008 PROHIBITION OF HEXAVALENT CHROMIUM (JUN 2013)
- 252.225-7001 BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM (DEC 2017)
- 252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS (DEC 2016)
- 252.225-7007 PROHIBITION ON ACQUISITION OF UNITED STATES MUNITIONS LIST ITEMS FROM COMMUNIST CHINESE MILITARY COMPANIES (SEP 2006) DFARS (DEC 2018) DFARS
- 252.225-7013 DUTY-FREE ENTRY (MAY 2016)
- 252.225-7036 BUY AMERICAN- FREE TRADE AGREEMENTS- BALANCE OF PAYMENTS PROGRAM ( DEC 2016)
- 252.225-7048 EXPORT-CONTROLLOED ITEMS (JUN 2013)
- 252.225-7051 PROHIBITION ON ACQUISITION OF CERTAIN FOREIGN COMMERCIAL SATELITTE SERVICES (DEC 2018)
- 252.225-7052 RESTRICTION ON THE ACQUISITION OF CERTAIN MAGNETS AND TUNGSTEN (FEB 2020)
- 252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (SEP 2004)
- 252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS AND RECEIVING REPORTS (DEC 2018)
- 252.232-7006 WIDE AREA WORKFLOW PAYMENT INSTRUCTIONS (DEC 2018)
- 252.232-7010 LEVIES ON CONTRACT PAYMENTS (DEC 2006)
- 252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)
- 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENTS (DEC 2012)
- 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS (OCT 2020)
- 252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (MAR 2008)
- 252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES (JUN 2013)
- 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA ( FEB 2019)