

General Provisions – TC-001 (04/02)

1. **Acceptance of Purchase Order**

Agreement by Seller to furnish the materials or services hereby ordered, or its commencement of such performance, shall constitute acceptance by Seller of this Purchase Order subject to these terms and conditions. In the event that this Purchase Order does not state price or delivery, Buyer will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions of purchase herein contained shall be void and of no effect unless specifically agreed to by Buyer. Modifications hereof or additions hereto, to be effective, must be made in writing and be signed by Buyer's purchasing representative. These terms and conditions, together with such modifications, information relating to price and delivery, and attachments and exhibits to the Purchase Order as are accepted in writing by Buyer, constitute the entire agreement between the parties; and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

2. **Shipping Instructions**

- (a) Seller shall be responsible for ensuring the proper packaging of materials hereunder.
- (b) Unless otherwise directed, all items shipped in one day from and to a single location must be consolidated on one bill of lading or airbill, as appropriate. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order or any authorized changes thereto.
- (c) For material purchased F.O.B. origin, the Seller shall not insure and not declare a value except when transportation rates are based on "released value," in which instance the Seller shall annotate on the bill of lading the lowest released value provided in applicable tariffs.
- (d) Seller shall at all times comply with Buyer's written shipping instructions. Seller shall submit all required shipping papers to Buyer prior to final payment.
- (e) The Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, airbills, and invoices.

3. **Delivery; Notice of Delay**

- (a) Time is and shall remain a material element of this Purchase Order, and no acts of Buyer, including without limitation modifications of this Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Seller's risk and expense shipments made in excess of Buyer's orders or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.
- (b) Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order and such notice shall include a revised schedule and shall not constitute a waiver to Buyer's rights and remedies hereunder.

4. **Termination for Convenience**

- (a) Buyer may by notice in writing direct Seller to terminate this Purchase Order or work under this Purchase Order in whole or in part, at any time, and such termination shall not constitute default. In such event, unless Seller shall have defaulted or been in default in performance hereof, Buyer and Seller shall have all rights and obligations accruing to it both at law or in equity, including Buyer's rights to title and possession of goods paid for.
- (b) Seller shall be reimbursed for actual, reasonable, substantiated and allowable costs, plus a reasonable profit for work performed to date of termination. Buyer may take immediate possession of all work so performed upon written notice of termination to Seller.
- (c) Seller's obligations under the warranty, intellectual property, and confidentiality provisions of this Purchase Order shall survive such termination.

5. **Termination for Default**

- (a) Buyer may, by notice in writing, direct Seller to terminate this Purchase Order or work under this Purchase Order in whole or in part at any time for breach of any one or more of its terms.
- (b) In the event of Seller's default hereunder, the Buyer may exercise any or all rights accruing to it, both at law, including those set forth in Article 2 of the Uniform Commercial Code, or in equity.
- (c) Seller's obligations under the warranty, intellectual property, and confidentiality provisions of this Purchase Order shall survive such termination.
- (d) Except for defaults of subcontractors at any tier, Seller shall not be liable for any failure to perform due to any cause beyond its control and without its fault or

negligence. Such causes include acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

6. **Disputes**

- (a) Any controversy or claim arising out of or relating to this Purchase Order or the breach thereof maybe settled at Buyer's sole discretion either by submitting the claim to (i) a court of competent jurisdiction or (ii) binding arbitration, before a single arbitrator, in the state and under the laws of the state from which this Purchase Order is issued, without resort to said State's Conflicts of Law Rules in accordance with the commercial arbitration rules of the American Arbitration Association. The appointing authority shall be the President of the American Arbitration Association. Judgment upon the award rendered by the Arbitrator may be entered in any Court having jurisdiction thereof. The Arbitrators' award may include compensatory damages against either party but under no circumstances will the Arbitrator be authorized to nor shall the Arbitrator award punitive damages or multiple damages against either party. Notwithstanding the above, either party may seek injunctive relief in any court of competent jurisdiction against improper use or disclosure of proprietary information. Buyer reserves the right to abandon arbitration and pursue any available legal or equitable remedy in the event that Seller does not comply with a demand for arbitration within sixty (60) days of notice.
- (b) Pending resolution or settlement of any dispute arising under this Purchase Order, Seller will proceed diligently as directed by Buyer with the performance of this Purchase Order. Irrespective of the place of performance, this Purchase Order will be construed and interpreted according to the laws of the State from which the Purchase Order is issued, without resort to said State's Conflicts of Law Rules.

7. **Remedies**

The rights of both parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of either party to enforce any of its rights shall not constitute a waiver of such rights or of any other rights.

8. **Proprietary Rights**

- (a) Unless otherwise expressly agreed in writing to the contrary, all specifications, information, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a non-proprietary basis and may be used and/or disclosed by Buyer without restriction.
- (b) Unless otherwise expressly agreed in writing to the contrary, all specifications, information, data, drawings, software and other items which are (i) supplied to Seller by Buyer or (ii) obtained by Seller and paid for by Buyer in the performance of this Purchase Order shall be maintained as proprietary to Buyer by Seller, shall be used only for purposes of providing goods or services to Buyer pursuant to this Purchase Order, and shall not be disclosed to any third party without Buyer's express written consent. All such items supplied by Buyer shall be promptly returned to it on request or upon completion of this Purchase Order.

9. **Buyer's Property**

- (a) All information plus all drawings, tools, jigs, dies, fixtures, materials, and other items supplied or paid for by Buyer shall be and remain the property of Buyer; and Buyer shall have the right to enter Seller's premises and remove any such property at any time without being liable for trespass for damages of any sort.
- (b) All such items shall be used only in the performance of work under this Purchase Order unless Buyer consents otherwise in writing.
- (c) Material made in accordance with Buyer's specifications and drawings shall not be furnished or quoted by Seller to any other person or concern without Buyer's prior written consent.
- (d) Seller shall have the obligation to maintain any and all property furnished by Buyer to Seller and shall be responsible for all loss or damage to said property except for normal wear and tear.

10. **Release Of Information**

Seller shall not publish, distribute, or use any information developed under or about the existence of the purchase order, or use the Raytheon Company name (or the name of any division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for products or service endorsement without prior written approval of Buyer.

11. **Order Of Precedence**

- (a) In the event of any inconsistency or conflict between or among the provisions of this Purchase Order, such inconsistency or conflict shall be resolved by the following descending order of preference: 1. Typed provisions set forth in this Purchase Order; 2. Documents incorporated by reference on the face page(s) of this Purchase Order;

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3. Preprinted or standard terms and conditions either referenced herein and/or set forth on the reverse side of the face page(s) of this Purchase Order; 4. Statement of Work; and 5. Specifications attached hereto or incorporated by reference. Buyer's specifications shall prevail over those of the United States Government, and both of the foregoing shall prevail over specifications of Seller.

- (b) In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer, and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or other requirements of this Purchase Order, Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

**12. Warranty**

- (a) Seller warrants the materials delivered or services rendered on this Purchase Order to be new, free from defects in workmanship, materials, and design and to be in accordance with all the requirements of this Purchase Order. These warranties shall survive final acceptance and payment.
- (b) This warranty entitlement shall enure to the benefit of both Buyer and Buyer's customers.
- (c) Seller shall be liable for and save Buyer harmless from any loss, damage, or expense whatsoever that Buyer may suffer from breach of any of these warranties. Remedies include repair, replacement or reimbursement of the purchase price of nonconforming goods at Buyer's election.

**13. Inspection**

- (a) All material and workmanship shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during and after performance and delivery. The Buyer may require Seller to repair, replace or reimburse the purchase price of rejected material or Buyer may accept any materials and upon discovery of nonconformance, may reject or keep and rework any such materials not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or reinspection by Buyer shall be at Seller's expense.
- (b) If inspection and test are made on the premises of Seller or Seller's lower tier subcontractors, Seller shall furnish without additional charge all reasonable facilities and assistance for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Article are supplementary to and not in lieu of the provisions of (a) above.
- (c) Buyer's failure to inspect does not relieve Seller of any responsibility to perform according to the terms of the Purchase Order.

**14. Changes**

- (a) Buyer shall have the right by written order to suspend work or to make changes from time to time in the services to be rendered or the materials to be furnished by Seller hereunder or the delivery date. If such suspension or changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted in writing within twenty (20) days from the date of receipt by Seller of notification of the change or suspension and shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse the Seller from proceeding with this Purchase Order as changed pending resolution of the claim.
- (b) Information, advice, approvals or instructions given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's and Seller's rights and obligations hereunder unless set forth in a writing which is signed by Buyer's purchasing representative and which states it constitutes an amendment or change to this Purchase Order.

**15. Intellectual Property**

- (a) Seller warrants that the sale, use, or incorporation into manufactured products of all machines, parts, components, services, devices, material, and rights furnished or licensed hereunder which are not of Buyer's design, composition, or manufacture shall be free and clear of infringement of any valid patent, copyright, trade mark, or other proprietary rights. Seller shall indemnify and save Buyer and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs and expenses including attorneys' fees) growing out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller, hereby, agrees to defend. Seller may replace or modify infringing goods with comparable goods acceptable to Buyer of substantially same form, fit, and function so as to remove the source of infringement, and shall extend this provision thereto. If the use or sale of

any of the above items is enjoined as a result of such claim, suit or action, Seller, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said item.

- (b) Any invention or intellectual property first made or conceived by Seller in the performance of this Purchase Order or which is derived from or based on the use of information supplied by Buyer shall be considered to be the property of Buyer; and Seller shall execute such documents necessary to perfect Buyer's title thereto.

**16. Taxes**

Prices set forth in this purchase order are inclusive of all taxes, except Sales taxes. Sales taxes may be listed separately on Seller's invoice, however, Buyer shall reimburse Seller only in those cases where it does not have a valid exemption certificate.

**17. Assignments**

Seller may not assign any rights or obligations due or to become due under this Purchase Order without the prior written consent of Buyer. Any purported assignment by Seller without such consent shall be void. Buyer may assign this Purchase Order to (i) any affiliated company, (ii) any successor in interest, or (iii) Buyer's customer. Buyer shall have the right at any time to set off any amount owing from Seller to Buyer or Buyer's subsidiaries and/or affiliates against any amount due and owing to Seller or any of its subsidiaries pursuant to this Purchase Order or any other contractual agreement between Buyer and Seller or their respective subsidiaries and/or affiliates.

**18. Compliance with Law**

- (a) Seller warrants that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, and used in compliance with all relevant federal, state, local laws and regulations and applicable international prohibitions on child labor. Seller certifies that with respect to the production of the articles and/or the performance of the services covered by this Purchase Order, it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof.

- (b) Seller warrants that all equipment and materials delivered under this Purchase Order are in conformance with the latest OSHA requirements.

- (c) The Seller warrants that in the performance of this Purchase Order, it will comply with all applicable U. S. Department of Transportation regulations on hazardous materials and any other pertinent Federal, state, or local statutes, laws, rules, or regulations; and Seller further agrees to save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with this certification. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order.

- (d) Seller warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986 with a view toward securing any business from Buyer or influencing such person with respect to the terms, conditions, or performance of any contract with or Purchase Order from Buyer. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

- (e) For orders placed in support of and charged to a U.S. Government Prime Contract procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of the Prime Contract are incorporated herein by reference. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under the Purchase Order.

1. Utilization of Small Business Concerns	52.219-8
2. Equal Opportunity	52.222-26
3. Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era	52.222-35
4. Affirmative Action for Workers with Disabilities	52.222-36
5. Subcontracts for Commercial Items and Commercial Components	52.244-6
6. Preference for Domestic Specialty Metals, Alternate 1 (DoD Contracts)	252.225-7014
7. Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	252.244-7000
8. Transportation of Supplies by Sea (DoD Contracts)	252.247-7023
9. Notification of Transportation of Supplies by Sea (DoD Contracts)	252.247-7024

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19. Insurance and Indemnity against Claims

- (a) Seller shall be responsible for the actions and failure to act of all parties retained by, through, or under Seller in connection with the performance of this Purchase Order. Seller shall also maintain such General Liability, Property Damage, Employer's Liability, and Worker's Compensation Insurance and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as are specified in this Purchase Order or if none are specified, such amount as will protect Seller (and its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes including the Occupational Safety and Health Act.
- (b) Seller shall without limitation as to time, indemnify and save Buyer harmless from all claims which may be asserted against property covered hereunder, including without limitation mechanic's liens or claims arising under Worker's Compensation or Occupational Disease laws and from all claims for injury to persons or property arising out of or related to such property unless the same are caused solely and directly by Buyer's negligence.

20. International Transactions

- (a) Payment will be in United States dollars unless otherwise agreed to by specific reference in the Purchase Order.
- (b) Seller agrees that the Buyer or its designees may exclusively use the value of the Purchase Order to satisfy any of its international offset obligations with Seller's country, subject to the offset qualifying laws, rules and regulations of that country.

21. Export/Import Controls

- (a) Seller shall control the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the International Traffic in Arms Regulations (ITAR). Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller.
- (b) Information furnished to Seller under this Purchase Order may contain technical data, as defined in ITAR 120.10. Seller is advised and hereby acknowledges that such technical data, relating to export controlled items appearing on the U.S. Munitions List (USML) at ITAR Part 121, may not be exported, disclosed or transferred, as defined in ITAR 120.17, to any foreign person (whether in the United States or abroad), as defined in ITAR 120.16, without first complying with all relevant requirements of ITAR Parts 120-130 (22 CFR 120-130), including the requirement for obtaining any written export authorization from the U.S. Department of State, Office of Defense Trade Controls (ODTC), or otherwise make and document the determination that an ITAR licensing exemption applies, as the case may be. A downloadable copy of the ITAR is accessible at the ODTC web site at [www.pmdtc.org](http://www.pmdtc.org).
- (c) If performance under this Purchase order requires Seller to export, as defined in ITAR 120.17, temporarily import into the U.S., as defined in ITAR 120.18, or reexport or retransfer, as defined in ITAR 120.19, defense articles, as defined in ITAR 120.6, or to export defense services, as defined in ITAR 120.9, relating to items appearing on the USML at ITAR Part 121, to a foreign person (whether in the United States or abroad), as defined in ITAR 120.16, Seller is advised and hereby acknowledges that such defense articles may not be exported, temporarily imported, reexported or retransferred and such defense services may not be exported to a foreign person in the U.S. or abroad without complying with all relevant requirements of ITAR Parts 120-130, including the requirement to obtain any written export, temporary import or reexport or retransfer authorization from ODTC, or otherwise make and document the determination that an ITAR licensing exemption applies, as the case may be.
- (d) Seller is further advised that if it engages in the United States in the business of either manufacturing or exporting defense articles as defined in ITAR 120.6 or defense services as defined in ITAR 120.9, then Seller is required by ITAR Part 122 to register with the U.S. Department of State, Office of Defense Trade Controls (ODTC) using forms accessible at the ODTC web site at [www.pmdtc.org](http://www.pmdtc.org). Manufacturers of defense articles who do not engage in exporting of same must nevertheless register with ODTC. Registration does not by itself confer export rights or privileges, but is generally a precondition to the issuance of any license or other approval by ODTC.
- (e) Information furnished to Seller under this Purchase Order, if not regulated by the ITAR, may contain technical data, as defined in the U.S. Department of Commerce,

Bureau of Export Administration (BXA), Export Administration Regulations (EAR) Part 772 (15 CFR 772) relating to export controlled items appearing on the Commerce Control List (CCL) at EAR Part 774 (15 CFR 774). Seller is advised and acknowledges that such technical data may not be exported out of the U.S. or to a foreign national in the U.S., as defined in EAR Part 772, without complying with all relevant requirements of EAR Parts 730-774(15 CFR 730-774), including the requirement to obtain any written export authorization from BXA, or to otherwise make and document the determination that a licensing exception applies, as the case may be. A downloadable copy of the EAR is accessible at the BXA web site at [www.bxa.doc.gov](http://www.bxa.doc.gov).

- (f) If performance under this Purchase order requires Seller to export or reexport, as defined in EAR Part 772, commodities, technology or software as defined in EAR Part 772, that do not relate to items appearing on the USML, but do relate to items appearing on the CCL, Seller is advised and hereby acknowledges that such commodities, technology or software may not be exported out of the U.S., reexported from one foreign country to another foreign country or to a foreign national outside the U.S. without complying with all relevant requirements of EAR Parts 730-774, including the requirement to obtain any written export authorization from BXA, or to otherwise make and document the determination that a licensing exception applies, as the case may be.
- (g) If performance under this Purchase Order requires the Seller to permanently import into the U.S. articles appearing on the U.S. Treasury Department, Bureau of Alcohol, Tobacco & Firearms (BATF) U.S. Munitions Import List at 27 CFR Part 21, Seller is advised and hereby acknowledges that such items may not be permanently imported into the U.S. without an approved import permit issued by BATF pursuant to 27 CFR Part 47, Subpart E, unless an exemption applies. Additionally, if Seller is engaged in the business, in the U.S., of importing articles appearing on the U.S. Munitions Import List, Seller must register with BATF pursuant to 27 CFR Part 47, Subpart D. Downloadable copies of the BATF regulations and forms are accessible at the BATF web site at [www.atf.treas.gov](http://www.atf.treas.gov).
- (h) If performance under this Purchase Order requires the Seller to export out of the U.S. machineguns, destructive devices, explosives and certain other firearms, as defined in 27 CFR Part 179, Subpart B, Seller is advised and hereby acknowledges that such items may not be exported out of the U.S. without an approved export permit issued by BATF pursuant to 27 CFR Part 178, Subpart K and 27 CFR Part 179, Subpart H. Seller is also advised that an approved export license issued by the U.S. Department of State, Office of Defense Trade Controls (ODTC) may also be required pursuant to the relevant requirements of the ITAR.

## General Terms and Conditions of Purchase

Raytheon Company

## Supplement 1 – Government Contract Provisions from the Federal Acquisition Regulation (FAR) – TC002 (6/02)

1.	When the materials or products furnished are for use in connection with a Government Contract or subcontract, in addition to the General Provisions, the following provisions shall apply, as required by the terms of the prime contract or by operation of law or regulation. In the event of a conflict between these FAR provisions and the General Provisions, the FAR provisions shall control	
2.	The following clauses set forth in the FAR in effect as of the date of the prime contract are incorporated herein by reference. In all cases listed herein, the terms "Government", "Contracting Officer" and "Contractor" shall be revised to suitably identify the contracting parties herein and effect the proper intent of the provision except where further clarified or modified below. "Subcontractor", however, shall mean "Seller's Subcontractor" under this Purchase Order:	
A.	APPLICABLE TO ALL ORDERS:	
1	Security Requirements	52.204-2
2	Material Requirements	52.211-5
3	Defense Priority and Allocation Requirements	52.211-15
4	Utilization of Small Business Concerns	52.219-8
5	Notice to the Government of Labor Disputes	52.222-1
6	Hazardous Material Identification and Material Safety Data – "Government" means "Government and Buyer"	52.223-3
7	Notice of Radioactive Materials	2.223-7
8	Ozone-Depleting Substances	52.223-11
9	Privacy Act	52.224-2
10	Buy American Act- Balance of Payments Program – Supplies	52.225-1
11	Duty Free Entry	52.225-8
12	Restrictions on Certain Foreign Purchases	52.225-13
13	Authorization and Consent – Alternate 1	52.227-1
14	Refund of Royalties	52.227-9
15	Filing of Patent Applications – Classified Subject Matter	52.227-10
16	Patent Rights – Retention by the Contractor (Short Form)	52.227-11
17	Patent Rights – Retention by the Contractor (Long Form)	52.227-12
18	Rights in Data – General	52.227-14
19	Commercial Computer Software – Restricted Rights	52.227-19
20	Insurance – Work on A Government Installation	52.228-5
21	Industrial Resources Developed Under Defense Production Act Title III	52.234-1
22	Accident Prevention	52.236-13
23	Protection of Government Buildings, Equipment, and Vegetation	52.237-2
24	Competition in Subcontracting	52.244-5
25	Subcontracts for Commercial Items and Commercial Components	52.244-6
26	Government Property (Fixed Price Contracts) "Government" means "Government" and/or "Buyer". The fourth sentence of paragraph (h) is changed to read: "Neither the Government nor the Buyer shall be liable..."	52.245-2
27	Special Tooling – In paragraph (c) "Government" means "Government or Buyer"	52.245-17
28	Special Test Equipment – In paragraph (b)(4) "Government" means "Government or Buyer"	52.245-18
29	Government Property Furnished "As Is"	52.245-19
30	Inspection of Supplies – Fixed Price	52.246-2
31	Responsibility for Supplies	52.246-16
32	Preference for U.S. – Flag Air Carriers	52.247-63
33	Termination for Convenience of the Government (Fixed Price) "Government" shall mean "Buyer". In (d) the term "45 days" is changed to "90 days". The term "one year" in paragraph (c) is changed to "six months". The term "90 Days" in paragraph (f) is changed to "forty five days."	52.249-2
B.	ORDER OVER \$10,000 ALSO INCLUDE THE FOLLOWING:	
1	Walsh-Healy Public Contracts Act	52.222-20
2	Prohibition of Segregated Facilities	52.222-21
3	Equal Opportunity	52.222-26(h)
4	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era	52.222-35
5	Affirmative Action for Workers with Disabilities	52.222-36
6	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era	52.222-37
C.	ORDERS OVER \$100,000 ALSO INCLUDE THE FOLLOWING:	
1	Restrictions of Subcontractor Sales to the Government	52.203-6
2	Anti-Kickback Procedures (less paragraph (c)(1))	52.203-7
3	Limitation on Payments to Influence Certain Federal Transactions	52.203-12
4	Audit and Records – Negotiation	52.215-2
5	Integrity of Unit Prices (less paragraph b)	52.215-14
6	Contract Work Hours and Safety Standards Act – Overtime Compensation	52.222-4
7	Toxic Chemical Release reporting (less paragraph (e))	52.223-14
8	Notice and Assistance Regarding Patent and Copyright Infringement	52.227-2
9	Preference for Privately Owned U.S. – Flag Commercial Vessels	52.247-64
10	Value Engineering	52.248-1
11	Executive Order 13201 (2/17/01) –Notification of Employee Rights Concerning Payment of Union Dues or Fees	
D.	ORDERS OVER \$500,000 AND/OR THE APPLICABLE COST OR PRICING DATA THRESHOLD:	
1	Pension Adjustments and Asset Revisions	52.215-15
2	Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other Than Pensions	52.215-18
3	Notification of Ownership Changes	52.215-19
4	Small Business Subcontracting Plan - (Note to Seller: This clause requires adoption of small business subcontracting plan and reporting)	52.219-9
E.	UNLESS OTHERWISE EXEMPT ALSO INCLUDE THE FOLLOWING:	
1	Price Reduction for Defective Cost or Pricing Data	52.215-10
2	Price Reduction for Defective Cost or Pricing Data Modification	52.215-11
3	Subcontractor Cost or Pricing Data	52.215-12
4	Subcontractor Cost or Pricing Data Modifications	52.215-13
5	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data	52.215-20
6	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data Modifications	52.215-21
F.	APPLICABLE TO COST REIMBURSEMENT, TIME & MATERIAL OR LABOR HOURS ORDERS:	
1	Facilities Capital Cost of Money	52.215-16
2	Allowable Cost and Payment (Cost Reimbursement) – Seller agrees to execute assignment documents in order to meeting subsection (h)	52.216-7
3	Fixed Fee – applicable if this is a cost plus fixed fee order	52.216-8
4	Incentive Fee – applicable if this is a cost plus fixed fee order	52.216-10
5	Cost Contract – No Fee – applicable if this is a cost no fee order	52.216-11
6	Cost Sharing Contract – No Fee – applicable if this is a cost sharing, no fee order	52.216-12
7	Payment for Overtime Premiums – insert "0%" in paragraph (a) unless indicated otherwise on the face of this order	52.222-2
8	Payments under Time-and-Materials and Labor-Hour Contracts, in which "schedule" means this order, "voucher(s)" means invoice(s), "Government" means Buyer and "Contracting Officer" means Buyer's Purchasing Representative	52.232-7
9	Limitation of Cost (if fully funded)	52.232-20
10	Limitation of Funds (if incrementally funded)	52.232-22
11	Changes – Cost Reimbursement – applicable if this is a cost-reimbursement order	52.243-2
12	Changes – Time and Material or Labor-Hours – applicable if this is a time and material or labor hour order	52.243-3
13	Subcontracts (paragraph (h) and (i) only apply)	52.244-2
14	Government Property (Cost Reimbursement, Time and Material or Labor Hour Contracts) "Government" means "Government and Buyer". The following is substituted for paragraph (g) in cost reimbursable orders only: "Seller shall return all Government-furnished property in as good condition as when received, except for reasonable wear and tear for use of the property in accordance with the provisions hereof"	52.245-5
15	Inspection of Supplies (Cost Reimbursement) – "Contracting Officer" means "Buyer's Purchasing Representative" and "Government" means "Buyer and Government" (provided that an inspection system accepted by the Government will be deemed acceptable by the Buyer), and where "Government" first appears in paragraph (k) it shall mean "Government or Buyer". The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.	52.246-3
16	Inspection of Services (Cost Reimbursement) – "Contracting Officer" means "Buyer's Purchasing Representative" and "Government" means "Buyer and Government" (provided that an inspection system accepted by the Government will be deemed acceptable by the Buyer), and where "Government" first appears in paragraph (k) it shall mean "Government and Buyer". The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.	52.246-5
17	Inspection of Time and Material and Labor Hour – "Contracting Officer" mean "Buyer's Purchasing Representative" and "Government" means "Buyer and Government" (provided that an inspection system accepted by the Government will be deemed acceptable by the Buyer), and where "Government" first appears in paragraph (k) it shall mean "Government and Buyer". The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.	52.246-6
18	Termination (Cost Reimbursement) – "Government" means "Buyer" and "Contracting Officer" means "Buyer's Purchasing Representative". In paragraph (d) change "15 days" and "45 days" to "30 days" and "90 days", respectively. In paragraph (e) change "1 year" to "six months". Alternate IV is applicable to time and material or labor hour orders only.	52.249-6 Alt IV 52.249-14
19	Excusable Delay	
3.	Certifications	
The Offeror, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.		
A	Certification and Disclosure regarding Payment to Influence Certain Federal Transactions (Over \$100,000)	52.203-11
B	Certification regarding Debarment, Suspension, or Proposed Debarment and Other Responsibility Matters (over \$25,000)	52.209-5
C	Previous Contracts and compliance Reports (Over \$10,000)	52.222-22
D	Certification of Toxic Chemical Release Reporting (Over \$100,000)	52.223-13
E	Certificate of Independent Price Determination	52.203-2
F	Representation of Limited Rights and Restricted Software	52.227-15
4.	Additional Clauses	
(A)	COST ACCOUNTING STANDARDS (Applicable if noted in the Purchase Order)	
	Cost Accounting Standards	52.230-2
	Disclosure and Consistency of Cost Accounting Standards	52.230-3
	Cost Accounting Standards – Educational Institutions	52.230-5
	Administration of Cost Accounting Standards	52.230-6
Seller shall communicate and otherwise deal directly with the Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Buyer with copies of all communications between Seller and the Contracting Officer respecting Cost Accounting Standards, FAR 52.230-2 and Administration of Cost Accounting Standards, FAR 52.230-6, provided Seller shall not be required to disclose to Buyer such communications containing information which is legally privileged and confidential to the Seller. In addition to any other remedies provided by law or under this Purchase Order, Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subjected to any liability as the result of a failure of the Seller or its lower tier subcontractors to comply with the requirements of FAR 52.230-2, 52.230-3, 52.230-5, or 52.230-6, Paragraph (b) is deleted in each of the foregoing clauses.		
(B)	TRUTH IN NEGOTIATIONS	
	Cost or Pricing Data	
Unless exempt, Seller shall submit FAR Part 15 compliant cost proposal inclusive of appropriate updates throughout the negotiation process. At the conclusion of negotiations, and regardless of any prior certification, Seller must certify as to the accuracy, currency and completeness of its information in accordance with the FAR required Certificate of Current Cost or Pricing Data.		
1.	Indemnification	
	If any price (including profit or fee) negotiated in connection with the prime contract between the Government and the Buyer or any cost that is reimbursable under said contract is reduced because of cost or pricing data furnished by the Seller in connection with any proposal submitted by the Buyer relating to said contract or in connection with this Purchase Order was not accurate, complete, or current, the Seller shall indemnify the Buyer in the amount of said reduction.	
	The phrase "Cost or Pricing Data" as used herein shall be deemed to include any such data which related to a lower tier prospective or actual subcontract, at any level, which was submitted by the Seller or which it procured by submission of, in connection with the aforesaid proposal or this purchase order in support of its cost estimate.	
	If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Seller shall be liable and shall pay the Buyer at the time such overpayment is repaid:	
	i. Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Seller to the date the Buyer is repaid by the Seller at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C. 6621(a)(2); and	
	ii. For Department of Defense contracts only, a penalty equal to the amount of the overpayment, if the Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current.	
2.	Cost or Pricing Data for Changes	
	Prior to the pricing of any change or other modification to this Purchase Order which involves increases and/or decreases in costs plus applicable profit expected to exceed the threshold for submission of cost or pricing data, subcontractors shall submit cost or pricing data and shall certify that the data, as defined in Federal Acquisition Regulation 15.406-2, submitted either actually or by specific identification in writing are accurate, complete, and current as of the date of completion of negotiations.	
	When required to obtain cost or pricing data from its subcontractors, pursuant to the provisions of this Purchase Order, Seller shall obtain such data.	
5.	Disputes – Government Contracts	
Any reference to the "Disputes Clause" in any applicable FAR Clause contained herein shall mean this paragraph, Disputes – Government Contracts.		
(A)	Any dispute arising under this Purchase Order relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance with Paragraph (B) below. All other disputes will be resolved by the Section 6, Disputes in the General Terms and Conditions of Purchase.	
(B)	1 Notwithstanding any other provisions in this Purchase Order, any decision of the Contracting Officer under the prime contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to this Purchase Order, provided that:	
	a. The Buyer notifies with reasonable promptness the Seller of such decision and	
	b. The Buyer, at its sole discretion, authorizes in writing the Seller to appear in the name of the Buyer such decision at its own expense, or	
	c. If Buyer should appeal such decision, Buyer at its sole discretion offers to the Seller the opportunity at its own expense to join Buyer in such appeal.	
	2 Any decision upon such appeal, when final, shall be binding upon the Seller	
	3 The Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer	
	4 The Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5. "Fraudulent Claims," of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.	
(C)	Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this Purchase Order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this Purchase Order.	
(D)	Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interest.	
(E)	As used in this clause, the word "appeal" means an appeal taken under the Contract Disputes Act of 1978 as amended.	

## Supplement 2 – Government Contract Provisions from the Department of Defense FAR Supplement (DFARS)

## General Provisions – TC-003 (11/01)

When the materials or products furnished are for use in connection with a U. S. Government Department of Defense contract or subcontract, in addition to the General Provisions and the FAR provisions, the following provisions shall apply, as required by the terms of the prime contract or by operation of law or regulation. In the event of a conflict between these DFARS provisions and the General Provisions or the FAR provisions, the DFARS provisions shall control.

The following clauses set forth in the DFARS in effect as of the date of the prime contract are incorporated herein by reference. In all clauses listed herein, the terms "Government", "Contracting Officer" and "Contractor" shall be revised to suitably identify the contracting parties under this Purchase Order and effect the proper intent of the provision except where further clarified or modified below. "Subcontractor", however, shall mean "Seller's Subcontractor" under this Purchase Order. The Seller, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.

Title of Clause	DFARS
1 Disclosure of Information	252.204-7000
2 Intent to Furnish Precious Metals as Government-Furnished Material	252.208-7000
3 Restrictions on Employment of Personnel	252.222-7000
4 Hazard Warning Labels	252.223-7001
5 Safety Precautions for Ammunition and Explosives	252.223-7002
6 Change in Place of Performance - Ammunition and Explosives	252.223-7003
7 Prohibition on Storage and Disposal of Toxic and Hazardous Materials	252.223-7006
8 Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	252.223-7007
9 Buy American Act and Balance of Payments Program	252.225-7001
10 Qualifying Country Sources as Subcontractors	252.225-7002
11 Duty-Free Entry - Qualifying Country Supplies (End Products and Components)	252.225-7009
12 Duty-Free Entry - Additional Provisions	252.225-7010
13 Preference for Certain Domestic Commodities	252.225-7012
14 Preference for Domestic Specialty Metals (Alt 1)	252.225-7014
15 Preferences for Domestic Hand or Measuring Tools	252.225-7015
16 Restriction on Acquisition of Ball and Roller Bearings	252.225-7016
17 Restriction on Acquisition of Foreign Anchor and Mooring Chain	252.225-7019
18 Restriction on Acquisition of Polyacrylonitrile (PAN) Carbon Fiber	252.225-7022
19 Restriction on Acquisition of Night Vision Intensifier Tubes and Devices	252.225-7024
20 Restriction on the Acquisition of Forgings	252.225-7025
21 Restriction on Contingent Fees for Foreign Military Sales	252.225-7027
22 Exclusionary Policies and Practices of Foreign Governments	252.225-7028
23 Preference for U.S. or Canadian Air Circuit Breakers	252.225-7029
24 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate	252.225-7030
25 Secondary Arab Boycott of Israel	252.225-7031
26 Rights in Technical Data - Noncommercial Items	252.227-7013
27 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	252.227-7014
28 Technical Data - Commercial Items	252.227-7015
29 Rights in Bid or Proposal Information	252.227-7016
30 Identification and Assertion of Use, Release, or Disclosure Restrictions	252.227-7017
31 Validation of Asserted Restrictions - Computer Software	252.227-7019
32 Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	252.227-7025
33 Deferred Delivery of Technical Data or Computer Software	252.227-7026
34 Deferred Ordering of Technical Data or Computer Software	252.227-7027
35 Technical Data or Computer Software Previously Delivered to the Government	252.227-7028
36 Technical Data - Withholding of Payment	252.227-7030
37 Patents – Subcontracts	252.227-7034
38 Validation of Restrictive Markings on Technical Data	252.227-7037
39 Patents – Reporting of Subject Inventions	252.227-7039
40 Ground and Flight Risk	252.228-7001
41 Aircraft Flight Risks	252.228-7002
42 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.228-7005
43 Supplemental Cost Principles	252.231-7000
44 Earned Value Management System (applicable only when Buyer specifically states elsewhere in the Purchase Order)	252.234-7001
45 Frequency Authorization	252.235-7003
46 Telecommunications Security Equipment, Devices, Techniques, and Services	252.239-7016
47 Cost Schedule Status Report (applicable only when Buyer specifically states elsewhere in the Purchase Order)	252.242-7005
48 Subcontracts for Commercial Items and Commercial Components	252.244-7000
49 Notification of Transportation of Supplies by Sea	252.247-7024

## ORDERS OVER \$100,000 ALSO INCLUDE THE FOLLOWING:

50 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies	252.203-7001
51 Acquisitions from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INF) Treaty	252.209-7000
52 Transportation of Supplies by Sea	252.247-7023
53 Notification of Anticipated Contract Terminations or Reductions	252.249-7002

General Provisions – TC-003 (11/01)

ORDERS OVER \$ 500,000 ALSO INCLUDE THE FOLLOWING:

- 55 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan 252.219-7003
- 56 Reporting of Contract Performance Outside the United States (first tier subcontractors only) 252.225-7026

ORDERS OVER \$1,000,000 ALSO INCLUDE THE FOLLOWING:

- 57 Acquisition Streamlining 252.211-7000
- 58 Waiver of United Kingdom Levies 252.225-7032

# Raytheon

These terms and conditions are an integral part of the purchase order which calls them out.  
The revision in effect at the time of prime contract award applies.

TC 004 Rev 1

02/01/93

## TERMS AND CONDITIONS OF PURCHASE Supplement 3 - Government Contract Provisions (NASA FAR)

When the materials or products furnished are for use in connection with a U. S. Government Department of Defense contract or subcontract, in addition to the General Provisions and the FAR provisions, the following provisions shall apply, as required by the terms of the prime contract or by operation of law or regulation. In the event of a conflict between these NASA FAR provisions and the General Provisions or the FAR provisions, the NASA FAR provisions shall control.

The following clauses set forth in the NASA FAR in effect as of the date of the prime contract are incorporated herein by reference. In all clauses listed herein, the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under this purchase order.

The Seller, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.

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a	Report on NASA Subcontracts (over \$25,000)	18-52.204-70
b	NASA Contractor Financial Management Reporting (all)	18-52.204-71
c	Security Requirements for Unclassified Automated Information Resources (all)	18-52.204-76
d	Packaging and Marking (all)	18-52.210-75
e	Use of Rural Area Small Businesses (all)	18-52.219-74
f	Safety and Health (over \$1 million)	18-52.223-70
g	Frequency Authorization (all)	18-52.223-71
h	Potentially Hazardous Items (all)	18-52.223-72
i	New Technology (all)	18-52.227-70
j	Requests for Waiver of Rights to Inventions (all)	18-52.227-71
k	Designation of New Technology Representative and Patent Representative (all)	18-52.227-72
l	Invention Reporting and Rights—Foreign (all)	18-52.227-85
m	Transfer of Technical Data Under Space Station International Agreements (all)	18-52.227-87
n	Aircraft Ground and Flight Risk (all)	18-52.228-70
o	Interparty Waiver of Liability During STS Operations (all)	18-52.228-72
p	Cross-Waiver of Liability for Space Station Activities (all)	18-52.228-76
q	Observance of Legal Holidays (all)	18-52.242-72
r	Geographic Participation in the Aerospace Program (over \$100,000)	18-52.244-70
s	Financial Reporting of Government-Owned/Contractor Held Property (all)	18-52.245-73
t	Manned Space Flight Item (all)	18-52.246-73
u	Protection of the Florida Manatee (all)	18-52.247-71

*(Updated through FAC 90-14)*

# Raytheon Electronic Systems

These terms and conditions are an integral part of the purchase order which calls them out.  
The revision in effect at the time of prime contract award applies.

TC 005 Rev 1

01/01/94

## TERMS AND CONDITIONS OF PURCHASE Supplement 4 - International Contract Provisions

### 1. Acceptance Of Purchase Order

Agreement by Seller to furnish the materials or services hereby ordered, or its furnishing such materials or services in whole or in part, shall constitute acceptance by Seller of this purchase order subject to these terms and conditions. In the event that this purchase order does not state price or delivery, Buyer will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions of purchase herein contained shall be void and of no effect unless specifically agreed to by Buyer. Modifications hereof or additions hereto, to be effective, must be made in writing and be signed by Buyer. These terms and conditions, together with such modifications and with such data relating to price and delivery as are accepted in writing by Buyer, constitute the entire agreement between the parties.

### 2. Shipping Instructions

(a) Seller shall be responsible for ensuring the proper packaging of materials hereunder.

(b) Unless otherwise directed, all items shipped in one day from and to a single location must be consolidated on one bill of lading or airbill, as appropriate. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in this purchase order or any authorized changes thereto.

(c) For material purchased F.O.B. origin, the Seller shall not insure and not declare a value except when transportation rates are based on "released value," in which instance the Seller shall annotate on the bill of lading the lowest released value provided in applicable tariffs.

(d) Seller shall at all times comply with Buyer's written shipping instructions.

(e) Seller shall submit all required shipping papers to Buyer prior to final payment.

### 3. Currency

Payment will be in United States dollars unless otherwise agreed to by specific reference in the purchase order.

### 4. Delivery; Notice Delay

(a) Time is and shall remain a very important element of this purchase order, and no acts of Buyer, including without limitation modifications of this purchase order or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Seller's risk and expense shipments made in excess of Buyer's orders or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.

(b) Seller shall notify Buyer in writing immediately of any actual or potential delay or threat to delay the timely performance of this purchase order.

### 5. Termination For Convenience

(a) Buyer may by notice in writing direct Seller to terminate this purchase order or work under this purchase order in whole or in part at any time, and such termination shall not constitute a default. In such event, unless Seller shall have defaulted or been in default in performance hereof, Buyer and Seller shall have all rights and obligations accruing to it both at law or in equity, including Buyer's rights to title and possession of goods paid for.

(b) Seller shall be reimbursed for actual, reasonable, and substantiated costs, plus a reasonable profit for work performed to date of termination. Buyer may take immediate possession of all work so performed upon notice of termination.

(c) Seller's obligations under the warranty, patent, and confidentiality provisions of this purchase order shall survive such termination.

### 6. Termination For Default

(a) Buyer may by notice in writing direct Seller to terminate this purchase order or work under this purchase order in whole or in part at any time for breach of any one or more of its terms. Further, the insolvency of the Seller or adjudication of bankruptcy of the Seller, or the filing of a voluntary or involuntary petition of bankruptcy by the Seller or the making of an assignment for the benefit of creditors by the Seller shall also be a breach hereof.

(b) In the event of Seller's default hereunder, the Buyer may exercise any or all rights accruing to it, both at law or in equity.

(c) Seller's obligations under the warranty, patent, and confidentiality provisions of this purchase order shall survive such termination.

### 7. Disputes

(a) Any controversy or claim arising out of or relating to this purchase order or the breach thereof must be settled by submitting the claim to binding arbitration, before a single arbitrator, in the city from which this purchase order is issued in accordance with the commercial arbitration UNCITRAL rules; and judgement upon the arbitrator's award may be entered in any court having jurisdiction thereof.

(b) This purchase order shall be governed by and construed according to the laws of the State of New York, United States of America.

(c) Pending resolution or settlement of any dispute arising under this purchase order, Seller will proceed diligently, as directed by Buyer, with the performance of this purchase order.

### 8. Remedies

(a) The rights of both parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of Buyer to enforce any of its rights shall not constitute a waiver of such rights or of any other rights.



# Raytheon Electronic Systems

These terms and conditions are an integral part of the purchase order which calls them out.  
The revision in effect at the time of prime contract award applies.

TC 005 Rev 1

01/01/94

## TERMS AND CONDITIONS OF PURCHASE Supplement 4 - International Contract Provisions - cont'd

(b) In no event shall Seller be entitled to anticipatory profits or to special (including multiple or punitive), incidental, or consequential damages.

### **9. Confidentiality**

All specifications, information, data, drawings, software, and other items which are (i) supplied by Buyer, (ii) obtained by Seller and paid for by Buyer for performance of this purchase order, or (iii) which are to be furnished by Seller on this purchase order shall be confidential. Seller shall not disclose this information to any third party without Buyer's prior written consent.

### **10. Buyer's Property**

(a) All confidential information plus all drawings, tools, jigs, dies, fixtures, materials, and other items supplied by Buyer shall be and remain the property of Buyer; and Buyer shall have the right to enter Seller's premises and remove them at any time without being guilty of trespass or liable to Seller for damages of any sort.

(b) All such items shall be used only in the performance of work under this purchase order unless Buyer consents otherwise in writing.

(c) Material made in accordance with Buyer's specifications and drawings shall not be furnished or quoted to any other person or concern without Buyer's prior written consent.

### **11. Order Of Precedence**

In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer, and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or other requirements of this purchase order, Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

### **12. Subcontracting**

No lower-tier subcontract or purchase order valued at (i) \$100,000 or more or (ii) 10 percent of the indicated value of this purchase order, whichever figure is less, shall be issued by the Seller to any party for furnishing any of the completed or substantially completed supplies (except spare parts) or other work herein contracted for without the written approval of the Buyer.

### **13. Warranty**

(a) Seller warrants the materials delivered or services rendered on this purchase order to be free from defects in workmanship, materials, and design, and to be in accordance with Buyer's specifications, drawings, and/or samples in all respects. These warranties shall survive final acceptance and payment.

(b) This warranty entitlement covers both Buyer and Buyer's customers.

(c) Seller shall be liable for and save Buyer harmless from any loss, damage, or expense whatsoever that Buyer may suffer from breach of any of these warranties, including replacement (if Buyer so elects) of nonconforming goods.

### **14. Inspection**

(a) All material and workmanship shall be subject to inspection by Buyer before, during performance, and after delivery. The Buyer may require Seller to repair or replace rejected material or Buyer may accept any materials and upon discovery of nonconformance, may reject or keep and rework any such materials not so conforming. Cost of repair, rework, replacement, inspection, transportation, repacking, and/or reinspection by Buyer shall be at Seller's expense.

(b) If inspection and test are made on the premises of Seller or Seller's lower tier subcontractors, Seller shall furnish without additional charge all reasonable facilities and assistance for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Article are supplementary to and not in lieu of the provisions of (a) above.

(c) Buyer's failure to inspect does not relieve Seller of any responsibility to perform according to the terms of the purchase order.

### **15. Changes**

Buyer shall have the right by written order to suspend work or to make changes from time to time in the services to be rendered or the materials to be furnished by Seller hereunder or the delivery date. If such suspension or changes cause an increase or decrease in the cost of performance of this purchase order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the purchase order shall be modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted in writing within 20 days from the date of receipt by Seller of notification of the change or suspension and shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse the Seller from proceeding with this purchase order as changed pending resolution of the claim.

### **16. Patents**

Seller warrants that the sale, use, or incorporation into manufactured products of all machines, parts, components, services, devices, material, and rights furnished or licensed hereunder which are not of Buyer's design, composition, or manufacture shall be free and clear of infringement of any valid patent,

# Raytheon Electronic Systems

These terms and conditions are an integral part of the purchase order which calls them out.  
The revision in effect at the time of prime contract award applies.

TC 005 Rev 1

01/01/94

## TERMS AND CONDITIONS OF PURCHASE Supplement 4 - International Contract Provisions - cont'd

copyright, trade mark, or other proprietary rights. Seller shall save Buyer and its customers harmless from any and all expenses, liability, and loss of any kind (including the costs and expenses including attorneys' fees) growing out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller agrees to defend. Seller may replace or modify infringing goods with comparable goods of substantially same form, fit, and function so as to remove the source of infringement.

### **17. Taxes**

Seller agrees to pay all local, regional, and national excise, sales, and use taxes when applicable (unless otherwise agreed in writing).

### **18. Assignments**

Seller may not assign any rights or obligation due or to become due under this purchase order without the prior written consent of Buyer. Buyer shall have the right at any time to set off any amount owing from Seller to Buyer or Buyer's subsidiaries and/or affiliates against any amount due and owing to Seller or any of its subsidiaries pursuant to this purchase order or any other contractual agreement between Buyer and Seller or their respective subsidiaries and/or affiliates.

### **19. Offsets**

The Buyer or its designees may use the value of this purchase order in satisfying offset obligations.

### **20. Compliance With Law; Gratuities**

(a) Seller warrants that the materials to be furnished and the services to be rendered under this purchase order shall be manufactured, sold, and used in compliance with all applicable national, regional, and local laws and regulations.

(b) Seller warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986 with a view toward securing any business from Buyer or influencing such person with respect to the terms, conditions, or performance of any contract with or purchase order from Buyer. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

### **21. Indemnity Against Claims**

(a) Seller shall indemnify Buyer against all loss on account of claims of injury to persons (including death) or damage to property which may result in any way from any act or omission of Seller or of its agents, employees, or subcontractors. Seller shall also maintain such Public Liability, Property Damage, Employer's Liability, and Compensation Insurance and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as will protect Seller (or its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes.

(b) Seller shall, without limitation as to time, indemnify and save Buyer harmless from all claims which may be asserted against property covered hereunder, including without limitation mechanic's liens or claims arising under Worker's Compensation or Occupational Disease laws, and from all claims for injury to persons or property arising out of or related to such property unless the same are caused solely and directly by Buyer's negligence.