

1. The requirements set forth in this attachment shall not be construed to limit or relieve Seller of any of its obligations, including additional Federal Acquisition Regulation ("FAR") or other the U.S. Government ("Government") property clauses, set forth or incorporated into Buyer's Purchase Order of which this PT-001 is a part.
 - a. FAR clause 52.245-1, and Buyer's attachment TC-002, GENERAL TERMS AND CONDITIONS OF PURCHASE – Supplement 1 Government Contract Provisions from the Federal Acquisition Regulation ("TC-002") is incorporated herein as if set forth in full text as required by the terms of Government prime contract or higher-tier subcontract or by operation of law or regulation. Terms shall be revised in the FAR clause to suitably identify the parties to establish Seller's obligations to Buyer and to the Government; and to enable Buyer to meet its obligations under the prime contract or higher-tier subcontract. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term "Government" and equivalent phrases shall mean "Buyer," the term "Contracting Officer" shall mean "Buyer's Purchasing Representative," the term "Contractor" shall mean "Seller," "Subcontractor" shall mean "Seller's Subcontractor" under this Purchase Order, and the term "Contract" shall mean this "Purchase Order." For the avoidance of doubt, the words "Government" and "Contracting Officer" do not change when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative, such as when title to property is to be transferred directly to the Government.
 - b. This attachment applies to all Government Property, as that term is broadly defined in 52.245-1 (hereinafter "Property"), which for performance of this Purchase Order is furnished to, acquired by, fabricated by, or in the possession of Seller or any of Seller's subcontractors or suppliers at any tier, without regard to when title to such Property becomes vested in Buyer or Buyer's customer (the "Customer").
 - c. In the event the provisions of Buyer's prime contract from Customer, or the prime contract under which Buyer has been issued a subcontract by a higher-tier contractor, require that title to Property acquired by Seller shall vest in either Buyer or Customer, title to such Property shall vest in Buyer or Customer upon acquisition by Seller. Title to such Property shall at that time immediately and directly pass to Buyer or Customer so that title shall not at any time vest in Seller.
2. Prior to acquiring or fabricating Property, excluding material, for this Purchase order, Seller shall obtain Buyer approval.

Seller shall establish and maintain a system to ensure the adequate control and protection of the Property. Seller shall refer to Buyer's attachment TC-002 for a determination of the party liable for loss, theft, damage or destruction of or to Government Property in accordance with FAR 52.245-1 or the FAR 52.245-1 Alternate clause applicable to the Purchase Order. Seller shall be responsible for all loss or damage to Buyer's Property except for normal wear and tear, pursuant to Buyer's attachment TC-001, General Terms and Conditions of Purchase. Seller shall, within two (2) working days, report to Buyer the loss theft, damage or destruction of any Property or any such Property found malfunctioning or otherwise unsuitable for use. Seller shall determine and report the root cause and all pertinent facts as soon as they become known, and corrective action taken to prevent reoccurrence, at no additional cost to Customer, this Purchase Order, or Buyer.

3. Upon receipt of notification from Buyer, Seller shall complete and return within thirty (30) working days a completed Property System Certification describing the system that will be used to control Property. Additionally, Buyer may, at its option and at no additional cost to the Government, this Purchase Order or Buyer, conduct surveillance at a reasonable time of Seller's Property

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Management System as Buyer deems necessary to assure compliance with FAR 52.245-1 and Buyer's Purchase Order.

4. Seller shall, commencing with its receipt and during its custody or use of any Property, accomplish not less than the following, at no additional cost to Customer, this Purchase Order, or Buyer:
 - a. examine Property upon receipt to detect damage in transit;
 - b. when receiving Property from Buyer or Customer, verify the contents of the Property shipment against the packing sheet as to the completeness and content and return a signed copy promptly to Buyer. If no discrepancy is reported within five (5) working days of such receipt from Buyer or Customer, Property shall be deemed to have been received in acceptable condition as listed and described on the accompanying packing sheet. If after receipt and installation of such Property Seller determines that the Property is in a condition not suitable for use, Seller shall promptly notify Buyer, in writing, so Buyer can determine further course of action;
 - c. unless otherwise specified, perform functional testing prior to further processing or installation to determine satisfactory operation. If Property is not suitable for use, Seller shall promptly notify Buyer, in writing;
 - d. establish and maintain records as required by FAR 52.245-1(f)(1)(iii) and this Purchase Order, and make such records available for review upon Buyer's request;
 - e. provide the necessary precautions to guard against damage from handling, deterioration during storage, and loss;
 - f. perform periodic inspection to assure adequacy of storage conditions; and
 - g. utilize, consume, move, and store Property only as authorized in accordance with FAR 52.245-1 and this Purchase Order, and ensure Property is used only for performing this Purchase Order, unless otherwise provided in this Purchase Order or approved in writing by Buyer.
5. Seller shall, at no additional cost to Customer, this Purchase Order or Buyer, perform a physical inventory, at no less than a biennial basis, or per the direction of Buyer, of all Property in the possession of Seller. Physical inventories of Sensitive Property, as that term is defined in 52.245-1, shall be performed as frequently as necessary in accordance with ASTM standards. Within sixty (60) days after the completion of each inventory, Seller shall report the results, including all Property located at the facilities of any of Seller's subcontractors at any tier, and shall certify to Buyer the accuracy and completeness of such physical inventory. Seller shall assist Buyer, at no additional cost to Customer, this Purchase Order or Buyer, in resolving all discrepancies related to Seller's, Seller's subcontractors and suppliers at any tier, or Buyer's inventory accounting.
6. Seller shall not make any modifications or alterations to Property, unless they are:
 - a. Reasonable and necessary due to the scope of work under the applicable Purchase Order or its terms and conditions;
 - b. Required for normal maintenance; or
 - c. Otherwise authorized in writing by Buyer.

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7. Any modification or alteration made by Seller that is not authorized, is the sole responsibility of Seller and is accomplished at Seller's expense. If modifications have been authorized by Buyer, Seller shall provide Buyer with the applicable modification detail to include:
 - a. New part number.
 - b. Original part number before modification occurred.
 - c. Cost of modification.
 - d. Engineering order, drawing revision or other engineering authorization number (as applicable).
 - e. Update applicable Seller drawings.
 - f. Any additional record information pertinent to the modification.
8. The Seller shall not cannibalize Property unless specifically authorized in this Purchase Order or otherwise authorized in writing by Buyer.
9. Seller agrees, at no additional cost to the Government, this Purchase Order or Buyer, to store and maintain in serviceable condition, including the performance of calibration and preventative maintenance, all Property in possession of Seller or Seller's subcontractors and suppliers at any tier during the performance of this Purchase Order and until disposition is performed.
10. Seller shall have, at no additional cost to Customer, this Purchase Order or Buyer, a process to create and provide copies of audits and self-assessments, corrective actions, and other Property related reports as requested by Buyer.
11. Seller will promptly report Property as excess to Buyer when no future requirements exist.
12. Immediately upon termination or completion of this Purchase Order, Seller shall perform a physical inventory, and, if Property is applicable to such terminated or completed Purchase Order, shall cause its subcontractors and suppliers at every tier to do likewise, at no additional cost to Customer, this Purchase Order or Buyer, and the following shall apply:
 - a. Buyer will coordinate the disposition of Property with Customer on behalf of Seller. Scrap and excess Property is subject to disposition instructions provided by Buyer or Customer.
 - b. Seller shall execute Buyer's or Customer's disposition instructions for Property deemed to be excess or scrap and return evidence of said disposition to Buyer. All Property return shipments, including related packing and crating tasks, require advance notification, coordination and negotiation with Buyer. Shipment of Property to be returned to Buyer is at no additional cost to Customer, Buyer or this Purchase Order unless agreed otherwise in writing by Buyer and Seller.
 - c. Seller shall prepare inventory schedules using Government Standard Form 1428, Inventory Disposal Schedule, or equivalent, of all Property in the possession of Seller, or Seller's subcontractors and suppliers at any tier. The inventory schedule forms shall be in such detail as acceptable to Buyer. Seller shall store Property identified on an inventory disposal schedule pending receipt of written disposition instructions from Buyer or Customer, and shall maintain such Property in accordance with the provisions of the Purchase Order, including FAR 52.245-1, at no additional expense or cost to Customer, the Purchase Order or Buyer.

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13. Seller shall be responsible and liable for the decontamination of excess or scrap, if contamination occurs as a part of doing business in providing the goods or services under this Purchase Order. For Property acquired by Seller on behalf of Buyer or Customer that is contaminated, Seller shall be responsible and liable for decontamination costs.
14. Seller agrees that in placing any lower-tier subcontracts or purchase orders under this Purchase Order that involve the use of Property, Seller shall ensure appropriate flowdown of these purchase order terms and conditions (e.g., extent of liability for loss of Government Property), and Seller agrees that it shall exercise rights for the benefit of Buyer or Customer, as Buyer or Customer may direct, at no additional cost to Customer, this Purchase Order or Buyer.
15. If the Purchase Order authorizes the use of specified Property, Seller is authorized to use such Property on a no-charge basis strictly in the performance of this Purchase Order. The unauthorized use of Property can subject a person to fines, imprisonment, or both under 18 U.S.C. 641. The requirements of FAR 52.245-9 Use and Charges clause with terms revised to suitably identify the party to establish Seller's obligations to Buyer and to the Government; and to enable Buyer to meet its obligations under the prime contract of the parties as is set out in Subsection 1(a) above shall be followed if Seller desires to exceed the authorization specifically set out in the Purchase Order. Any change in the amount of Property furnished pursuant to this Purchase Order or Property Accountability Purchase Order, as applicable, is subject to the Changes clause applicable to this Purchase Order. Seller agrees that it will not directly or indirectly, through overhead charges or otherwise, include in the price of this Purchase Order, or seek reimbursement under this Purchase Order for, any rental charge paid by Seller for the use of such Property in connection with any other contracts or purchase orders without the prior express written authorization of Buyer.

END OF DOCUMENT