

TC-004 (09/24) – Purchase Order**1. Acceptance of Purchase Order**

Agreement by Seller to furnish the materials, parts and products ("goods") or to provide the services ("services") as set out in the Purchase Order, including the products resulting from services hereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute Seller's unqualified acceptance 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 herein contained shall be void and of no effect unless specifically agreed to by Buyer in writing. 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 any referenced exhibits, attachments or other documents, constitute the entire agreement between the Parties with respect to the subject matter of this Purchase Order; they supersede any prior or contemporaneous written or oral agreements pertaining thereto; and Buyer acknowledges that it has not relied on any statement, representation or assurance other than those expressly set out in these terms and conditions and any such referenced documents.

2. Shipping Instructions

- (a) Seller shall be responsible for ensuring the proper packaging of goods hereunder. Seller shall not charge for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order.
- (b) If Seller uses wood packaging materials such as pallets, crates, boxes, dunnages, cases, skids and pieces of wood used to support or brace cargo being imported into the United States, the wood packaging materials shall be heat treated or fumigated with methyl bromide in accordance with EPA label instructions and include a mark that certifies the wood completed the required treatment under the "Guidelines for Regulating Wood Packaging Material in International Trade," ISPM 15 of the International Standards of Phytosanitary Measures (ISPM) and any associated amendments, revisions or exemption identified by the U.S. Department of Agriculture, Animal and Plant Health Inspection Service (APHIS). For imports into Canada, wood packaging materials and dunnage must comply with directive D-98-08: Entry Requirements for Wood Packaging Material into Canada ([D- 98-08: Entry Requirements for Wood Packaging Material into Canada - Canadian Food Inspection Agency](#)).
- (c) Seller shall at all times comply with Buyer's written shipping instructions and Incoterms (2010 version) reflected on the Purchase Order. Unless otherwise directed by Buyer in writing, or regulations restrict, Seller shall consolidate shipments on one bill of lading or air waybill when shipping goods on the same day from and to a single location. Seller shall submit all required shipping papers to Buyer prior to final payment. Title to goods furnished under this Purchase Order shall pass to Buyer upon formal acceptance, regardless when or where Buyer takes physical possession, unless the Purchase Order specifically provides for earlier passage of title.
- (d) Purchase Order number(s) and the relevant line item number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, air waybills, and invoices.
- (e) Invoices shall be entirely in English and issued not more than once a month as the work progresses via submission to Transcepta. Each invoice shall bear the applicable Purchase Order number, provide a detailed work description of the goods and services performed for the amount billed and the date(s) the goods and services were provided.

3. Delivery; Notice of Delay; Obsolescence

- (a) On time performance is a material condition of this Purchase Order and failure to perform according to the delivery schedule in this Purchase Order, if unexcused, shall be considered a material breach. Acceptance of late deliveries shall not constitute waiver of this provision. Buyer may refuse or return, at Seller's risk and expense, shipments made in excess of this Purchase Order or in advance of required schedules. Buyer may 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. Such notice shall include a proposed revised schedule, but such notice and proposal or Buyer's receipt or acceptance thereof, shall not constitute a waiver of Buyer's rights and remedies hereunder.
- (c) During performance of this Purchase Order, Seller shall notify Buyer of any planned obsolescence of the goods set out in this Purchase Order.

4. Termination for Convenience

- (a) Buyer, by written notice, may terminate this Purchase Order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.
- (b) If Buyer terminates for convenience, Seller shall be reimbursed for actual, reasonable, substantiated, and allocable costs, plus a reasonable profit for work performed to date of termination provided Seller submits its termination settlement proposal to Buyer promptly, but no later than ninety (90) days from the effective date of the termination. In no event shall the amount of any settlement be in excess of the Purchase Order value. Buyer may take immediate possession of all goods, complete or incomplete, and all products resulting from services upon written notice of termination to Seller.

5. Termination for Default

- (a) Buyer may, after providing Seller with ten (10) calendar days written notice, and upon Seller's failure to cure such default in that ten (10) day period ("Cure Period"), terminate this Purchase Order in whole or in part at any time by notice in writing for (i) breach of any one or more of its terms, (ii) failure to deliver goods or services within the time specified by this Purchase Order or any written extension, (iii) failure to make progress so as to endanger performance of this Purchase Order, or (iv) failure to provide adequate assurance of future performance; provided, however, there shall be no Cure Period for default related to failure to meet the delivery schedule or defaults incapable of cure. Buyer may also terminate this Purchase Order in whole or in part without a cure period in the event of Seller's breach of its ethics covenants or Raytheon Supplier Code of Conduct requirements, including suspension of business, inability to pay debts, insolvency, appointment of a receiver, liquidator or administrator for Seller's property or business, any assignment, reorganization or arrangement by Seller for the benefit of its creditors, or any analogous event. In the event of partial termination, Seller is not excused from performance of the non-terminated balance of work under the Purchase Order.
- (b) In addition to the rights under 5(a), Buyer may Terminate for Default if the Seller or any of its directors, officers, or employees are prevented from performing Services in the jurisdiction where work is performed or to any Government, Government Official in conjunction with an administrative, public, court or political decision or order (such as debarment, blacklisting, country restrictions or sanctions, license withdrawal or suspension).
- (c) In addition to the rights under 5(a) and 5(b), Buyer may Terminate for Default if the Seller refuses or fails to cooperate with any Buyer audit or investigation.
- (d) In the event of Seller's default hereunder, Buyer may exercise any or all rights and remedies accruing to it, both at law, including without limitation, those implied into this Purchase Order as amended, or in equity. In addition, in the event Buyer terminates for default all or any part of this Purchase Order, Seller shall be liable for Buyer's excess re-procurement costs, including damages resulting from Seller's default.
- (e) Buyer shall have the right to suspend payments where any one or more of the events in Clause 5(a), (b) or (c) occur.
- (f) If this Purchase Order is terminated for default, Buyer may require Seller to transfer title to, and deliver to Buyer, as directed by Buyer, any (1) completed supplies, and (2) partially completed supplies and materials, including but not limited to parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "Manufacturing Materials") that Seller has specifically produced or acquired for the terminated portion of this Purchase Order. Upon direction of Buyer, Seller shall also protect and preserve property in its possession in which Buyer has an interest.

6. Excusable Delay

- (a) Neither of the Parties shall be in default for any failure or delay in performance hereunder when such failure or delay is the result of a force majeure, which is hereby defined as any event which is beyond their control and without their fault or negligence. Such events may include, but are not restricted to:
 - (i) acts of God or of the public enemy,
 - (ii) acts of government in either its sovereign or contractual capacity,
 - (iii) strikes, lockouts or other industrial disputes,

- (iv) transportation breakdowns or freight embargoes,
- (v) riots, mutinies, civil commotion, war or war-like operations, sabotage.
- (b) Seller shall be excused and not held liable for delay in performance or in delivery on the part of Seller's suppliers due to causes of force majeure as defined above, unless the supplies or services to be furnished by such suppliers were obtainable from other sources in sufficient time to permit Seller to meet the required performance schedules.
- (c) Seller shall duly verify the beginning and duration of such events by documents certified or confirmed by a cognizant government authority or other evidence acceptable to the Buyer. These documents or other evidence shall clearly show the nature of the event, its beginning and end.
- (d) To the extent such delay is unavoidable, the date of delivery or of performance may be extended at Buyer's option for a period equal to the duration of the delay, but Seller shall not be entitled to any extra compensation for such delay.
- (e) The portion of this Purchase Order affected by such failure or delay or the Purchase Order in whole may also be terminated at Buyer's option. If such termination occurs, it shall be deemed a termination for convenience subject to the provisions of the article entitled "TERMINATION".

7. Disputes and Governing Law

- (a) Irrespective of the place of performance of any work hereunder, the Buyer and Seller agree that this Purchase Order was entered into in the Province of Alberta (Canada) and shall be construed and interpreted according to the laws of Alberta.
- (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 and any dispute or claim arising out of or in connection with it or its subject matter or formation shall be governed and construed in accordance with the laws of Canada. The provisions of the "United Nations Convention on Contracts for International Sale of Goods" shall not apply to this Purchase Order, including any amendments or changes to this Purchase Order.
- (c) Notwithstanding the foregoing, Seller acknowledges that money damages may not be an adequate remedy for breach of Section 9 (Proprietary Rights) and Section 16 (Infringement) of this Purchase Order, and Seller agrees that Buyer shall be entitled to seek injunctive relief, should Buyer allege that damages are not an adequate remedy for breach of such Sections, and only as necessary to preserve the rights of Buyer pending final resolution of the matter by way of arbitration as set forth in (a) above.

8. Remedies

- (a) Except as otherwise provided herein, the rights and remedies 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 and shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.
- (b) Buyer shall be entitled at all times to set off any amount owing at any time from Seller or any of its affiliated companies to Buyer, against any amount payable at any time by Buyer or any of its affiliated companies to Seller.

9. Proprietary Rights

- (a) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(e) below, 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 a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, all specifications, information, data, drawings, software and other items which are (i) supplied to Seller by Buyer or (ii) obtained or developed by Seller in the performance of this Purchase Order or paid for by Buyer shall be proprietary to Buyer, 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 and shall be used, held and stored in a controlled and secure manner. All such items supplied by Buyer or obtained by Seller in performance of this Purchase Order or paid for by Buyer shall be promptly provided to Buyer on request or upon completion or termination of this Purchase Order.

- (c) Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, 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. Unless otherwise expressly agreed in a contemporaneous or subsequent writing to the contrary or otherwise expressly set forth in this Purchase Order and subject to Paragraph 9(d) below, the Buyer shall own any copyright interest(s) in any work performed/developed/created pursuant to this Purchase Order. Subject to Paragraph 9(d) below, to the extent any of such works do contain copyright interest(s), Seller hereby assigns to Buyer all its intellectual property rights, including its copyright rights, in such works effective immediately upon creation of such works, including when they are first fixed in a tangible medium and Seller hereby waives all of its statutory moral rights in such works to the fullest extent permissible by law.
- (d) With respect to any applicable FAR and DFARS clauses incorporated into this Purchase Order relating to license rights in noncommercial technical data and noncommercial computer software and / or noncommercial computer software documentation, Seller grants to Buyer the right to use, disclose, transfer, copy, modify, combine, integrate or make derivative works of any such noncommercial technical data, noncommercial computer software and/or noncommercial computer software documentation delivered under this Purchase Order, to the extent necessary, and for such period as is required, for Buyer to complete its performance under Buyer's U.S. Government programs. If such computer software or computer software documentation is supplied by Seller to Buyer under this Purchase Order, and such computer software and computer software documentation is for future delivery to Buyer's customers, Buyer shall be permitted to do the following: (i) transfer the computer software, the computer software documentation and licenses granted to Buyer's customers for such period of time as Buyer's customers shall use such computer software or software documentation; (ii) modify the computer software or computer software documentation or combine it with other software subject to the proviso that those portions of the modified software which incorporate the original software are subject to the same license rights as the original software; (iii) grant access to the use of the computer software and computer software documentation to Buyer's affiliates, consultants, subcontractors, team members, customers, and similar parties and to their respective employees in connection with Buyer's and Buyer's customer's authorized uses thereof. Such access is provided on the condition that prior to such access all such parties have suitable obligations in place protecting Seller's rights in the computer software or computer software documentation which are in substance consistent with the provisions of this Purchase Order.
- (e) Notwithstanding anything to the contrary in this Section 9, applicable Canadian Standard Acquisition Clauses and Conditions (SACC) incorporated into this Purchase Order shall, when applicable, take precedence over any conflicting provision of this Section 9 to the extent that such SACC so require. The incorporation by reference of such SACC dealing with subcontractors rights in Technical Data, subject inventions, copyrights, software, and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Seller may have previously granted to Buyer pursuant to prior agreements between the Parties.

10. Buyer's Property

- (a) All drawings, tools, jigs, dies, fixtures, materials, and other property supplied or paid for by Buyer shall be and remain the property of Buyer ("Buyer's Property" as used in this Section 10), which shall be returned to Buyer upon Buyer's request.
- (b) Seller shall use Buyer's Property only in the performance of work under this Purchase Order unless Buyer consents otherwise in writing.
- (c) Seller shall not furnish or offer for sale goods made in accordance with Buyer's specifications and/ or drawings to another party without Buyer's prior written consent.
- (d) Seller shall maintain Buyer's Property and shall be responsible for all loss or damage to Buyer's Property except for normal wear and tear. Seller shall (i) within two (2) working days, report to Buyer the loss, theft, damage, destruction of Buyer's Property, or if any such property is found to be malfunctioning or otherwise unsuitable for use and (ii) determine and report the root cause and all pertinent facts as soon as they become known, and corrective action taken to prevent recurrence, at no additional cost to Buyer.
- (e) Upon request, Seller shall provide Buyer with adequate proof of insurance against such risk of loss or damage.
- (f) Seller shall clearly mark, maintain in inventory, and keep segregated or identifiable all of Buyer's Property.

11. Release of Information

Seller shall not publish, distribute, or use any information developed under or about the existence of this Purchase Order, or use the Raytheon 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 goods or service endorsement or any other such reason without prior written approval of Buyer.

12. Order of Precedence

- (a) Buyer deems the requirements and provisions of this Purchase Order as consistent. Seller shall promptly request Buyer's written determination to resolve any inconsistency, ambiguity, or conflict among the requirements and provisions. Subject to Section 9(e) above, the following order of precedence shall apply: (1) order-specific text on the Purchase Order, which includes specifications incorporated by reference such as drawings and Raytheon Quality Notes (see <http://qnotes.raytheon.com/>); (2) documents incorporated by reference on the Purchase Order and not otherwise referenced in this Section 12 (e.g., prime contract flow-through documents); (3) these General Terms and Conditions of Purchase (TC-004) and Supplements thereto; (4) Proprietary Information Agreement or Non-Disclosure Agreement, if applicable; (5) the Statement of Work; (6) SACC specifications; and (7) Seller specifications, which include Seller drawings, Seller samples, and Seller catalog descriptions. For the avoidance of doubt, all Seller goods delivered hereunder must conform to Buyer's specifications set out in this Purchase Order.
- (b) Buyer's specifications, including but not limited to Raytheon Quality Notes (see <http://qnotes.raytheon.com/>) applicable to the Purchase Order, shall prevail over those of the Canadian Government, and both of the foregoing shall prevail over specifications of Seller. 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.

13. Warranty

- (a) Seller warrants that the goods shall be (i) new (ii) free from defects in workmanship, materials, and design and (iii) in accordance with all the requirements of this Purchase Order. Seller further warrants that the performance of services shall conform with the requirements of this Purchase Order and to high professional standards.
- (b) Seller warrants without limitation as to time that any hardware, software and firmware goods delivered under this Purchase Order: (i) shall not contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (a) damage, destroy or alter any software or hardware; (b) reveal, damage, destroy, or alter any data; (c) disable any computer program automatically; or (d) permit unauthorized access to any software or hardware; (ii) shall not contain any third party software (including software that may be considered free software or open source software) that (a) may require any software to be published, accessed or otherwise made available without the consent of Buyer, or (b) may require distribution, copying or modification of any software free of charge; and (iii) shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party.
- (c) These warranty entitlements shall inure to the benefit of both Buyer and Buyer's customers. As used in this Purchase Order, Buyer's customer(s) shall include its direct and indirect customers such as direct sale end-users, higher-tier subcontractors, prime contractors and the ultimate user under relevant prime contract(s).
- (d) 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 shall be at Buyer's election, including, but not limited to, the prompt repair, replacement or reimbursement of the purchase price of nonconforming goods and, in the case of services either the prompt correction of the defective services at no cost or reimbursement of the amounts paid for such services. Return to Seller of defective or nonconforming goods and redelivery to Buyer of repaired or replaced goods shall be at Seller's expense. Goods or services required to be corrected, repaired or replaced shall be subject to this Section and the Inspection Section of this Purchase Order in the same manner and to the same extent as goods or services originally delivered under this Purchase Order, but only as to the repaired or replaced goods or parts thereof or the corrected service thereof. Seller shall promptly comply with Buyer's direction to (i) repair, rework or replace the goods, (ii) furnish any material or parts and installation required to successfully correct the defect or nonconformance or (iii) successfully correct the defective or nonconforming service.

14. Inspection

- (a) All goods and services 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. Buyer may require Seller to repair, replace or reimburse the purchase price of rejected goods or Buyer may accept any goods and upon discovery of nonconformance, may reject or keep and rework any such goods not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or re-inspection by Buyer shall be at Seller's expense. Buyer's acceptance of goods or services shall not diminish Buyer's rights or be final or binding on Buyer if latent defects, fraud, or misrepresentation on the part of Seller exists.
- (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, information and assistance necessary for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Section are supplementary to and not in lieu of the provisions of Paragraph 14 (a) above.
- (c) Neither Buyer's inspection nor Buyer's failure to inspect shall relieve Seller of any responsibility to perform according to the terms of this Purchase Order. Notwithstanding any other provision of the Purchase Order, the risk of loss of, or damage to, nonconforming goods remains with Seller until cure or acceptance.

15. Changes

- (a) Buyer may, at any time, by a written order, make changes in drawings, designs or specifications, where the items to be furnished are to be specially manufactured for the Buyer in accordance therewith; method of shipment or packaging, place or time of inspection, delivery, or acceptance; and in the amount of any property or services furnished by Buyer. If any such change causes an increase or decrease in the price of this Purchase Order or in the time required for its performance, Seller shall promptly notify Buyer thereof and assert its claim for adjustment within fifteen (15) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this article shall excuse Seller from proceeding immediately with the Purchase Order as changed.
- (b) Changes shall not be binding upon Buyer except when specifically confirmed in writing signed by a member of Buyer's Purchasing Department which expressly states that it constitutes an amendment or change to this Purchase Order. Information, advice, approvals, or inspections given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinions only and shall not affect Buyer's and Seller's rights and obligations hereunder.
- (c) The Seller agrees not to make any changes in materials or design of the supplies to be delivered to Buyer and agrees not to make any changes in procedures or processes which might affect the fit, form, function, safety, weight, maintainability, service life, reliability, replace ability, or interchangeability of the supplies to be delivered to Buyer without prior written approval of Buyer.

16. Infringement

Seller represents and warrants that all goods and services (for purposes of this Section 16 hereinafter "items"), provided by Seller pursuant to this Purchase Order, which are not of Buyer's design, do not infringe or misappropriate any third party intellectual property rights and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and hold Buyer, and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs, expenses, and legal fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller, hereby, agrees to defend, at Seller's expense, if requested to do so by Buyer. Moreover, Seller may replace or modify infringing items with comparable items acceptable to Buyer of substantially the same form, fit, and function to remove the source of infringement, and Seller's obligations under this Purchase Order including those contained in Section 13 Warranty and in this Section 16 shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined because 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.

17. Taxes and Drawback

- (a) If Buyer acts as Importer of Record of goods the price of this Purchase Order shall not include any duties, taxes, or fees resulting from such importation. If Seller acts as Importer of Record, the price may include duties, taxes, and fees resulting from that importation, unless Buyer has furnished a valid exemption certificate or other evidence of exemption, which the applicable government agency has granted. The price may include applicable sales and use

taxes that are separately stated on Seller's invoice, but Seller retains the responsibility to remit taxes collected from Buyer to the relevant tax authority.

- (b) Any refund, credit, or rebate of any import duties, taxes, or fees (including any drawback claim), in Seller's price to Buyer, shall inure solely to Buyer's benefit and shall be assigned to Buyer. Seller shall reasonably assist Buyer in Buyer's effort to realize any such available amounts.

18. Assignments, Subcontracting, Organizational Changes, and Place of Performance

- (a) Seller may not assign any rights or delegate any of its obligations due or to become due under this Purchase Order without the prior written consent of Buyer. Any such purported assignment or delegation 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.
- (b) Seller may not subcontract any part of this Purchase Order without the prior written consent of Buyer. Buyer shall not be obligated to any subcontractor for the materials, products, or services of any subcontractor whether or not Buyer has consented to or designated a subcontractor. Approval of a subcontractor is not a release or waiver of any obligation of Seller or right of Buyer. Seller is responsible for all actions or inactions of any subcontractor and shall bind its subcontractors for the benefit of Seller and Buyer to perform its obligations under these terms. If Seller subcontracts any part of the work outside the country of purchase, Seller shall be responsible for customs formalities and clearances to the country of Purchase Order placement, unless the Purchase Order states otherwise, and Buyer may direct the contract of carriage. Seller shall agree with Buyer on a mutually acceptable customs broker, but Seller shall in no way be relieved from its responsibilities for customs formalities and clearances, including the actions of the selected customs broker. Any subcontract awarded to a foreign person, as defined in the International Traffic in Arms Regulations or the Export Administration Regulations, must comply with the Export and Import Compliance Controls Section herein.
- (c) Seller shall promptly notify Buyer in writing of any Seller name or ownership changes, or mergers or acquisitions.
- (d) Seller shall not change the place of performance under this Purchase Order without Buyer's prior written consent.

19. Compliance with Law

- (a) Seller warrants that it and the goods and/or services provided under this Purchase Order shall comply with all applicable Canadian laws, rulings, and regulations and all laws and regulations of Seller's country and Seller's place of performance, throughout the term of this Purchase Order.
- (b) Seller acknowledges that its actions may subject it and Buyer to liability under the United States Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the "FCPA"), the UK Bribery Act 2010, the anti-corruption laws, regulations, and policies of Seller's home country, the United States of America, and/or the anti-corruption laws, regulations, and policies of any other country with jurisdiction over the activities performed pursuant to this Purchase Order (together and individually hereinafter referred to as the "Anti-Corruption Requirements").
- (c) Seller warrants that no compensation payable hereunder has been used, nor will be used, for any activity or purpose where a reasonable belief exists that the Anti-Corruption Requirements would be violated or that Seller or Buyer would be exposed to liability under the Anti-Corruption Requirements.
- (d) Seller represents and warrants to, and covenants and agrees with, Buyer that:
 - 1. Seller is familiar with the prohibitions under the Anti-Corruption Requirements, and, in particular, it is familiar with the requirements described in this Section 19).
 - 2. In connection with its performance of this Purchase Order, Seller has not, and has not either agreed to or directly or indirectly, offered, paid, given, promised to pay or give, or authorized the payment or giving of any money, gift, loan, fee, reward, advantage or anything of value, and will not either agree to or directly or indirectly, offer, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, loan, fee, reward, advantage, or anything of value to any of the following persons for the purpose of: (A) influencing or attempting to influence any act or decision of any such person acting in an official capacity, or influencing or attempting to influence any such person to do or omit to do any act in violation of his, her or its lawful duty, obligation or responsibility; (B) inducing or attempting to induce such a person to use his, her, or its influence to affect or influence any act or decision of a customer, a foreign government, a foreign agency, a public international organization or department thereof, or any entity, enterprise or organization controlled by a foreign government, a foreign agency or a public international organization; (C) rewarding such a person for doing or forbearing to

do anything in respect of any matter or transaction; or (D) assisting Seller or Buyer in obtaining or retaining business, improving profitability or revenues of Buyer or Seller, or receiving any improper advantage by securing business, or directing business for, with, or to any person:

- (i) (A) any officer or employee of a foreign government or any department or agency thereof, whether at the national, regional, or local level, (B) any officer or employee of any entity, enterprise or organization that is owned or controlled by a foreign government or any department or agency thereof, (C) any officer or employee of a public international organization, (D) any person acting in an official capacity for or on behalf of any such government or department, agency, entity, enterprise, or organization, or (E) any member of a political party or candidate for public office in a foreign country (together and individually hereinafter referred to as "Government Official");
 - (ii) any customer, or any officer, director, employee of a customer, or any shareholder or beneficial owner of shares in a customer or any affiliate of a customer or any person who has or exercises control over the customer or any affiliate of the customer (together and individually hereinafter referred to as "Customer Personnel");
 - (iii) any person while knowing or having reason to know that all or a portion of such money, gift, loan, fee, reward, advantage, or thing of value will be offered, paid, given or promised, directly or indirectly, to any Government Official or Customer Personnel ("Restricted Person"); or
 - (iv) any relative, close associate, agent or representative of a Government Official, Customer Personnel, or Restricted Person.
3. None of Seller's principals, consultants, subcontractors, officers, directors, shareholders, employees, or agents is a Government Official, Customer Personnel, or Restricted Person unless approved by Buyer pursuant to Paragraph 9, below. Neither Seller nor any of its principals, consultants, subcontractors, shareholders, directors, officers, employees, or agents has performed or will perform any act which Buyer could reasonably believe would constitute a violation of the Anti-Corruption Requirements or which Buyer could reasonably believe would cause Buyer to be in violation of the Anti-Corruption Requirements, or present a credible risk, as determined by Buyer, of a violation of the Anti-Corruption Requirements.
 4. If at any time Seller becomes aware of information or circumstances that suggest any of the representations, warranties, and covenants referenced in this Section 19 may not be accurate, it shall notify Buyer immediately in writing, but not more than seven (7) days after becoming aware of such circumstances.
 5. No Government Official, Customer Personnel, or Restricted Person has a right to share directly or indirectly in any compensation payable under this Purchase Order. No payment will be made hereunder to any person other than Seller; and no payment will be made to Seller under this Purchase Order other than the payment of the compensation in accordance with the terms hereof.
 6. In connection with this Purchase Order, Seller shall maintain books, records, and accounts which, in reasonable detail, (i) accurately and fairly reflect the transactions and asset dispositions of Seller, and (ii) allow Buyer to maintain accurate books and records and comply with the requirements for internal management controls set forth in the Anti-Corruption Requirements.
 7. Any modification or amendment to this Purchase Order shall be deemed a re-certification of the accuracy and truthfulness of the foregoing representations and warranties of this Section.
 8. Seller's price quotations and invoice prices shall accurately and fairly reflect the commensurate value of the goods and services provided under this Purchase Order.
 9. Seller shall cooperate with, and provide assistance to, Buyer in implementing adequate due diligence procedures in connection with the selection and retention of consultants and subcontractors by Buyer or Seller. In the event that Buyer determines that consultants and subcontractors selected and to be retained by Seller are a Government Official, Customer Personnel, or Restricted Person as defined above, Seller shall confirm that such consultants and subcontractors are competent, experienced and financially solvent and shall cause each such consultant and subcontractor to complete Buyer's Second Tier Questionnaire and Certification form and any other documentation reasonably required by Buyer, and shall deliver such completed form and any required documentation to Buyer for review. If, after review of the completed Questionnaire and Certification form and any required documentation, Buyer agrees to Seller's use of such consultant or subcontractor in connection with satisfying the requirements of this Purchase Order, Seller shall include the substance of this Section 19 in any agreement between Seller and the consultant or subcontractor and shall cause the consultant or subcontractor to include the substance of this Section 19 in all agreements with any lower tier consultants or subcontractors.

10. Seller represents and warrants to, and covenants and agrees with, Buyer that it is compliant with the terms of the Fighting Against Forced Labour and Child Labour in Supply Chains Act 2024. The Seller shall take all reasonable steps to ensure that its business, suppliers and subcontractors are not involved with modern slavery or human trafficking and shall provide evidence to support such compliance as required by the Buyer.

Compliance with NDAA

11. Compliance with United States National Defense Authorization Act (NDAA)

- (i) Section 889 of the National Defense Authorization Act for Fiscal Year 2019 ("Section 889") is designed to ensure the U.S. government supply chain excludes telecommunications and video surveillance technology from certain Chinese companies deemed to present a national security concern.
 - (ii) As a direct supplier to the United States government, the Buyer is required to comply with Section 889 of the National Defense Authorization Act ("Section 889"). In order to certify compliance with this requirement the Buyer is no longer able to accept any goods or services from the Seller that uses or contains any covered telecommunications equipment or services from any of the following prohibited companies:
 - i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);
 - ii. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
 - iii. Telecommunications or video surveillance services provided by such entities or using such equipment;
 - iv. Potentially other entities the U.S. government reasonably believes is owned or controlled by, or otherwise connected to, the government of China.
 - (iii) The prohibition applies to all end products produced by the identified Chinese companies (i.e., Huawei et al.) as well as to equipment, systems, or services containing or using "covered telecommunications equipment." For example, modems manufactured by a third party that contain Huawei components would be prohibited under Section 889.
 - (iv) By accepting this Purchase Order the Seller represents and certifies that none of the goods or services being supplied uses or contains any of the covered telecommunications equipment or services from the prohibited companies identified in 19.11.
 - (v) Where the Purchase Order requirement is in support of a United States Government contract, the following FAR or DFAR shall also apply:
 - i. FAR 52.204-25 "Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment"
 - ii. DFAR 252.204-7018 "Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services"
- (e) Seller warrants that it has and shall maintain all registrations and licenses and shall obtain permits as required to perform the work hereunder.
- (g) Seller agrees to defend, indemnify, and save Buyer harmless from any loss, damage, fine, penalty, or expense that Buyer may suffer because of Seller's failure to comply with the warranties and certifications in this Section 19.

20. Responsibility and Insurance

- (a) Seller shall maintain, and require its subcontractors to maintain, the insurance coverages that are specified in this Purchase Order or, if none are specified, the following minimum insurance coverage and limits: Statutory Workers' Compensation coverage and Employers' Liability with a limit of \$1,000,000; Commercial General Liability (including bodily injury and property damage, products / completed operations coverage and contractual liability coverage) with a limit of \$5,000,000 per occurrence. When applicable to Seller's performance on the Purchase Order, Seller shall also maintain, and require its subcontractors to maintain, (i) Automobile Liability coverage with a limit of \$1,000,000 per accident; and (ii) Professional Liability covering the services provided by Seller under this Purchase Order in the minimum amount of \$5,000,000. Upon Buyer's request, Seller shall (1) provide Buyer with certificates of insurance evidencing required insurance, (2) arrange for a waiver of subrogation in favor of Buyer, and / or (3) in the case of the Commercial General Liability policy direct that Buyer be added as an additional insured.

- (b) If work is to be performed on premises owned or controlled by Buyer, then Seller shall comply with all the rules and regulations established by Buyer for access to and activities in and around premises owned or controlled by Buyer. 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.

21. Indemnity Against Claims

- (a) Seller shall keep its work and all goods supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances in any way arising from performance of this Purchase Order by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.
- (b) Seller shall, without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees and agents harmless from and against (i) all claims and resulting costs, expenses (including attorney fees and costs) and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods supplied, or the services performed by Seller pursuant to this Purchase Order, except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.

22. Currency and Offsets

- (a) Payment will be in Canadian dollars unless otherwise agreed to by specific reference in this Purchase Order.
- (b) Buyer represents that it has or may have in the future certain offset commitments with the Government of Canada or with the Government of the Seller's country. Seller agrees to support Buyer in obtaining offset credit for this Purchase Order with the appropriate Government agencies if so required by Buyer.

22B. Payment Terms

- (a) Buyer's standard payment period is Net 60 days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with these terms and conditions or the date the Goods or Services are delivered in acceptable condition, whichever is later.
- (b) If the content of the invoice and its substantiating documentation are not in accordance with the invoicing requirements, Buyer will notify the Seller within 30 days of receipt. The 60-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work.

23. Export/Import Controls

- (a) Seller hereby certifies that, where the goods or services to be provided in connection with the performance of this Purchase Order are governed by the export control laws and regulations of the United States of America, it will comply with U.S. export and import control laws and regulations, including but not limited to the International Traffic in Arms Regulations ("ITAR") ([22 CFR 120 et seq.](#)), the Export Administration Regulations ("EAR") ([15 CFR Part 730-774](#)), the regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") ([31 CFR Part 500-598](#)), the regulations administered by the U.S. Department of Justice, Bureau of Alcohol, Tobacco, Firearms, and Explosives ("ATF") found in [27 CFR Chapter II](#), and all other applicable U.S. Government regulations relating to the importation of goods into the United States (including, but not limited to, the regulations administered by U.S. Customs and Border Protection ("CBP") at [19 CFR 0 et seq.](#) and other import regulations promulgated by other U.S. agencies which may be enforced by CBP)(collectively "U.S. export and import control laws and regulations"). If Seller engages in the United States in the business of either manufacturing, exporting, or brokering in ITAR-controlled defense articles or furnishing ITAR-controlled defense services, Seller hereby certifies that it is currently registered with the U.S. Department of State Directorate of Defense Trade Controls ("DDTC").
- (b) Seller shall ensure that any disclosure, export, re-export, transfer and retransfer of, and access to, any hardware, software, controlled technical data, technology, and/or services (collectively referred to as "items") received under this Purchase Order is undertaken in accordance with U.S. export control laws and regulations. Seller agrees that no controlled items provided by Buyer in connection with this Purchase Order shall be provided to any person or entity unless the transfer is expressly permitted by a U.S. Government license or other authorization, or is otherwise in accordance with applicable laws and regulations. It shall be the responsibility of Seller to be cognizant of

(including by requesting such information from Buyer if needed) the proper jurisdiction and classification under the ITAR and/or EAR of the items provided by Buyer prior to any release to a third party, including foreign affiliates or employees. If a final jurisdiction and classification determination for items provided by the Buyer has not been provided, Seller cannot export or otherwise release the information to a foreign person until a final jurisdiction and classification is approved by Buyer and any applicable export authorizations are obtained. For items subject to the ITAR, this responsibility includes Seller's cognizance of the ITAR controls applicable to any technical data or defense service furnished to Seller by Buyer, including when exported to Seller from the United States in furtherance of Buyer's technical assistance, manufacturing license agreement or other ITAR authorization prescribing ITAR jurisdiction of any defense article which may be produced or manufactured by Seller from such technical data or defense service.

- (c) This Paragraph (c) applies only in circumstances in which Seller or its sub-tier supplier is either the design authority or the exporter for a deliverable under this Purchase Order. Seller shall notify Buyer if any deliverable under this Purchase Order is subject to U.S. export and import control laws and regulations described in Section 23(a). Before providing Buyer any deliverable subject to the EAR or the ITAR, Seller shall provide in writing to the Buyer's Procurement Representative the export jurisdiction and classification of any such item or controlled data. After this initial disclosure, Seller shall timely notify the Buyer's Procurement Representative in writing of any changes to the export jurisdiction and classification of the item or controlled data.
- (d) Seller hereby warrants that neither Seller, nor any immediate or ultimate parent, majority shareholder, subsidiary, affiliate, or lower-tier subcontractor is listed on any [Restricted Party](#) List of an agency of the U.S. Government, any applicable non-U.S. Government or international organization, or any applicable state, local government, or municipality, nor are their export privileges denied, suspended, or revoked. For purposes of this provision, "Restricted Party List" is defined to include lists administered by the U.S. Departments of State, Commerce, and Treasury (e.g., Specially Designated Nationals List) or other U.S. government agency and other similar lists that relate to export controls, economic sanctions, or anti-corruption. Seller shall immediately notify Buyer if Seller, or any immediate or ultimate parent, majority shareholder, subsidiary, affiliate, or lower-tier subcontractor is added to any such Restricted Party List or if any of their export privileges become denied, suspended, or revoked. Seller shall not deal with any Restricted Party in relation to this Purchase Order.
- (e) Seller shall promptly notify Buyer of any known or suspected violation of export or import control laws or regulations, or the initiation or existence of any U.S. Government investigation into same. Additionally, where Buyer transfers items to Seller under a U.S. Government export authorization, Seller shall abide by all provisos, requirements, and restrictions related to the applicable authorization and provide to Buyer accurate and complete records relating to all activities for which such records are required, such as but without limitation (i) Non-disclosure Agreements for sublicensees, (ii) Nontransfer and Use Certificates (DSP-83) for exports of Significant Military Equipment or classified equipment or technical data, and (iii) sales data to support annual sales reports. Seller shall promptly notify Buyer of any changed circumstance that may require Buyer to seek a new authorization, or a revision or amendment to an existing authorization, or that may impact Seller's ability to perform under this contract (including a change in name or ownership, the desired addition of a non-U.S. dual or foreign national employee, or the desired addition of a new subcontractor and/or affiliate). Seller shall comply with requests from Buyer for additional information regarding any such changed circumstance. Buyer shall not be responsible for delays in U.S. import or export of controlled items supplied hereunder resulting from a lack of necessary documentation.
- (f) If this Purchase Order forms the whole or a part of a sale by Buyer of defense articles or defense services being sold in support of a Foreign Military Sale or commercially to or for the use of the armed forces of a foreign country or international organization, Seller shall upon acceptance of this Purchase Order, or within ten (10) days of being requested by Buyer to do so, with respect to all Purchase Orders received by the Seller's legal entity to date in relation to the Raytheon Customer Contract or Solicitation Number related to the Purchase Order, complete IN-009 "International Traffic in Arms Regulations Certificate and Reporting of Political Contributions, Fees or Commissions," available at http://www.raytheon.com/suppliers/supplier_resources/ in furtherance of the requirements stipulated in Part 130 of the ITAR, [22 C.F.R. §§130.9 and 130.10](#).
- (g) Seller shall not engage in any subcontracts relating to this Purchase Order except in accordance with the terms and conditions of Section 18, Assignments, Subcontracting, Organizational Changes, and Place of Performance, and as compliant with U.S. export and import control laws and regulations, and any authorizations granted thereunder. If Buyer authorizes Seller to engage in subcontracting for procurements related to this Purchase Order, Seller shall incorporate into its subcontracts the provisions of Section 23 requiring compliance with U.S. and other applicable export and import control laws and regulations.
- (h) If this Purchase Order is issued in the United States for goods shipped directly to the United States from the country where Seller is located, Buyer may serve as Importer of Record. Unless this Purchase Order specifies otherwise,

Seller agrees in all other cases to serve as Importer of Record and to be responsible for Customs clearance and for payment of any and all duties, taxes, and fees for goods entering into the United States or other relevant country. In all cases, Seller is responsible for complying with all relevant U.S. and non-U.S. import and export laws and regulations to the extent consistent with U.S. law, including ensuring that imported goods were not produced wholly or in part with convict labor, forced labor, and/or indentured labor (including forced or indentured child labor).

- (i) Should any items be imported into the United States or any other country in support of this Purchase Order, Seller shall comply with all Customs requirements, including those found in 19 CFR (including 19 CFR Part 141 subpart F). Seller shall provide Buyer within a reasonable time any information Buyer requests to comply with requirements for import or export of goods covered by this Purchase order or items into which those goods are incorporated. Seller shall promptly notify Buyer if Seller learns of any change in information relating to product quantity, value, country of origin, port of export, or any other information provided to or requested by Buyer. Seller agrees that it will provide pre-alert shipping information and documentation to Buyer in a timely manner, including, but not limited to, a commercial invoice in accordance with 19 CFR Part 141 subpart F, airway bill or bill of lading, and other documentation as required by the relevant regulations and Buyer.
- (j) Where Seller is a recipient of any items received pursuant to a U.S. export license, Technical Assistance Agreement ("TAA"), Manufacturing License Agreement ("MLA"), or other export authorization, Seller will abide by all provisos, requirements, and restrictions related to the applicable authorization. Seller will provide to Buyer accurate and complete records relating to all activities for which such records are required under TAAs and MLAs, such as but without limitation (i) Non-disclosure Agreements for sublicensees, (ii) Nontransfer and Use Certificates (DSP-83) for exports of Significant Military Equipment or classified equipment or technical data, and (iii) sales data to support annual sales reports. Seller will immediately notify Buyer of any change in circumstance that may require an amendment to an existing authorization or the obtaining of a new authorization. Buyer shall not be responsible for delays in U.S. import or export of controlled items supplied hereunder by Buyer resulting from a lack of necessary documentation from Seller or Seller's country.
- (j) 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 non-U.S. or U.S. export or import control laws and regulations, by Seller, its officers, employees, agents, suppliers, or subcontractors at any tier. U.S. Government import/export authorization is also based on the following ITAR and EAR requirements, which Seller agrees to comply:
 - 1. Seller shall use Items furnished by Buyer only in the manufacture of goods in accordance with this Purchase Order.
 - 2. Seller acquires no rights in Items furnished by Buyer except to use them to perform this Purchase Order.
 - 3. Seller shall deliver the goods manufactured in accordance with this Purchase Order only to Buyer.
 - 4. On completion or termination of this Purchase Order, Buyer may require Seller to (i) return to Buyer all technical data furnished by Buyer pursuant to this Purchase Order or (ii) destroy such technical data and to certify in writing to such destruction.
- (k) Seller agrees, in addition to the above procedures established by the ITAR and EAR, to place the appropriate protective marking and/or legend on all Technical Data obtained, used, generated, or delivered in performance of this Purchase Order.
- (l) Seller acknowledges that success or similar contingency fee arrangements are strictly prohibited in connection with customs services, whether such customs services are performed by Seller, or by a third party on Seller's behalf.

24. Severability

If any provision of this Purchase Order or application thereof is found invalid, illegal or unenforceable by law, the remainder of this Purchase Order will remain valid, enforceable and in full force and effect, and the Parties will negotiate in good faith to substitute a provision of like economic intent and effect.

25. Standards of Business Ethics and Conduct

By the acceptance of this Purchase Order and Agreement, Seller represents and warrants that:

- (a) It fully complies and immediately adopts the Buyers supplier code of conduct titled Raytheon Technologies supplier code of conduct "Code of Conduct" (available at www.rtx.com/suppliers) or have an equivalent policy that fully complies with the Buyers Code of Conduct.

- (b) it has not participated in any conduct in connection with this Purchase Order that violates the Supplier Code of Conduct (available at www.rtx.com/suppliers) or equivalent Business Ethics and Conduct Standards of Seller
- (c) it will comply with all other applicable laws, statutes, regulations, and codes relating to anti-bribery, anti-corruption, collusion, conflicts of interest and unfair competition.
- (d) it will comply with Buyer's ethics, anti-bribery and anti-corruption policies of which it is made aware by Buyer.
- (e) it will not do, or omit to do, any act that will cause or lead Buyer to be in breach of any applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption or to be in breach of the Buyer's ethics, anti-bribery and anti-corruption policies of which it has been made aware by Buyer.
- (f) If, at any time, Buyer determines that Seller is in violation of the applicable Supplier Code of Conduct, Buyer may terminate this Purchase Order, in accordance with Clause 5 (Termination for Default), upon written notice to Seller and Buyer shall have no further obligation to Seller.

26. Priority Rating

If so identified, this Purchase Order is a "rated order" certified for national defense use, and Seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700). For Canadian-based contractors, if this Purchase Order concerns a Canadian defence requirement and is therefore eligible to be assigned a US "Priority Rating" for any materials/services imported from the United States, the Seller shall make an application for such to the Defence Priorities and Allocations Officer, Public Works and Government Services Canada (PWGSC).

27. Survivability

Seller's obligations that by their very nature must survive expiration, termination, or completion of this Purchase Order shall survive expiration, termination, or completion of this Purchase Order.

28. Electronic Transmissions

Neither Party shall contest the validity of this Purchase Order due to the use of electronic signatures or use of commercially acceptable standards in the transmission of this Purchase Order.

29. Buyer's Access to Records and Facilities

- (a) Seller shall maintain general Records relating to this Purchase Order at its normal place of business for a minimum period of seven (7) years (or for such longer period agreed to in writing by the Parties) after completion of final delivery of materials, goods or services pursuant to this Purchase Order or for such longer period as agreed to in writing by the Parties or required by law. Records of all manufacture, testing and inspection by Seller of the materials or goods shall be kept complete, separate and available to Buyer and its Customer during the performance of this Purchase Order and for such longer periods as may be specified in this Purchase Order, but not less than ten (10) years after the last delivery of the materials, goods or services to Buyer. The Seller shall ensure that such records and books of accounts are sufficient to enable the Buyer to verify the Seller's and the Individual's compliance with their obligations under this section.
- (b) The Seller shall give all necessary assistance to the conduct of such audits during the term of this Agreement and for a period of seven (7) years after termination of this Agreement.
- (c) Buyer or its authorized agents and representatives shall have the right at any time during normal business hours of Seller and without prior notice to audit Records. In the event any such audit shall disclose an overpayment to Seller, Seller shall pay Buyer, within fourteen (14) calendar days after receipt of notice from Buyer, the amount of such overpayment together with interest and Seller shall reimburse Buyer for the cost of such audit. Seller shall obtain from its subcontractors such audit rights for the benefit of Buyer.
- (d) Buyer shall have the right to terminate this agreement, in accordance with Clause 5 (Termination for Default), in the event Seller refuses or obstructs access to the Records relating to this Purchase Order.

30. Counterfeit Risk Avoidance

- (a) Seller shall only deliver goods that (i) are and only contain materials obtained directly from the original manufacturer (OM), an authorized distributor, or an authorized aftermarket manufacturer, and (ii) are not and do not contain Counterfeit Items or Suspect Counterfeit Items, as defined below; and (iii) contain only authentic, unaltered OM labels and other markings. Seller shall obtain and retain all documentation required to fully trace the distribution and sale of the goods delivered hereunder back to the relevant OM, and, on request of Buyer, shall provide such

authenticating documentation. Upon Buyer's request, Seller shall provide Buyer certificates of conformance with respect to the goods delivered. Counterfeit Item means an unlawful or unauthorized reproduction, substitution, alteration, or the false identification of grade, serial number, lot number, date code, or performance characteristic, that has been knowingly mismarked, misidentified, or otherwise misrepresented to be a new, authentic, unmodified item from the OM, an authorized distributor, or an authorized aftermarket manufacturer. A Suspect Counterfeit Item means an item for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the item is authentic. Seller shall not act as or engage an independent distributor, non-authorized distributor, non-franchised distributor, non-authorized supplier, or non-authorized reseller (collectively, Broker), to assist it in delivering goods pursuant to this Purchase Order unless the Buyer provides prior written approval to do so. Any Seller request to procure from a Broker shall include complete and compelling support for such request and shall include all actions completed by Seller to ensure the goods thus procured are not Counterfeit Items. When so authorized by Buyer, Seller shall be responsible for counterfeit risk mitigation testing and providing traceability identifiers (i.e. Date Code / Lot Code, Serial number) for Broker procured parts, and identifying items delivered to Buyer that contain such parts.

- (b) Seller shall have a Counterfeit Item risk mitigation process, internally and with its suppliers, (reference SAE AS5553 and AS6174), for goods delivered hereunder, and in accordance with the standards or instructions set forth in this Purchase Order. Seller shall provide evidence of the Seller's risk mitigation process to Buyer upon request. Buyer shall have the right to audit and / or inspect the processes at any time before or after delivery of the goods ordered hereunder. Buyer shall have the right to require changes to the processes to conform to Buyer's standards defined in this Purchase Order. Seller and Seller's subcontractors that are allowed access to the US Government Industry Data Exchange Program (GIDEP) shall participate in monitoring GIDEP reports and Seller shall act on GIDEP reports that affect product delivered to Buyer. Seller shall immediately notify Buyer with the pertinent facts if Seller becomes aware of or suspects that items delivered for the Purchase Order are, or contain, suspect or confirmed counterfeit items. Buyer shall have the right to quarantine for further investigation any good Buyer discovers to be a Counterfeit Item or Suspect Counterfeit Item. Buyer's investigation may include the participation of third parties or governmental investigative agencies as required by law or regulations by Buyer's customer, or by Buyer, in its sole discretion. The Seller and/or the Seller's subcontractors shall cooperate in good faith with any investigation conducted by Buyer. Buyer shall not be required to return the good during the investigation process and thereafter if not found to be authentic. Buyer shall not be liable for payment to Seller of the price of any Suspect Counterfeit Items until determined to be authentic. If Buyer determines in its sole discretion that there is credible evidence that a good delivered under this Purchase Order constitutes a Counterfeit Item or Suspect Counterfeit Item, Seller, or its subcontractor, shall, if directed by Buyer to do so, issue a GIDEP alert. Buyer reserves its right to issue its own GIDEP alert if Buyer concludes, in its sole estimation, that a good is a Counterfeit Item or Suspect Counterfeit Item.
- (c) Seller shall include the substance of this Section 30, including this flow down requirement, in procurements for goods at all tiers. Failure of Seller or any of its subcontractors to conform to the process specifications and provisions of this Section 30, if unexcused, shall be deemed a material breach of this Purchase Order.

31. Quality Requirements Flow Down

Seller shall require lower-tier suppliers to comply with quality assurance requirements comparable to those contained in this Purchase Order. Seller shall assume responsibility for the quality of all procured material and workmanship. Seller shall include this clause in its subcontracts with lower-tier suppliers and require lower-tier suppliers to flow down this clause to their lower-tier suppliers.

32. Information Technology Assurance

Seller shall maintain data protection processes and systems sufficient to adequately protect specifications, information, data, drawings, software, and other items which are (i) supplied to Seller by Buyer, or (ii) obtained or developed by Seller in the performance of this Purchase Order or paid for by Buyer (collectively, "Buyer Data"), and to comply with any law or regulation applicable to such data. If an event occurs whereby Seller knows, or reasonably believes, that Buyer Data has been actually or potentially disclosed to, or accessed or acquired by, an unauthorized individual or individuals ("Security Incident"), Seller shall (i) use commercially reasonable efforts to investigate, contain, and remediate the Security Incident, and (ii) notify Buyer in writing promptly, but not later than seventy-two (72) hours after discovering the Security Incident. Seller's notification to Buyer of a Security Incident shall include sending an email to supplier.cybersecurity@raytheon.com, and Seller shall encrypt emails to Buyer containing details of a Security Incident using industry standard encryption methods. The obligations contained in this Section are in addition to, and do not alter, Seller's obligations under applicable SACC.

33. English Language

This Purchase Order is made in the English language and all correspondence between the Parties of a technical and non-technical nature shall be in the English language and shall employ the units of measure customarily used by Buyer in Canada, unless otherwise specified.

34. Customs Trade Partnership Against Terrorism (CTPAT) Program

- (a) Under the Customs Trade Partnership Against Terrorism ("CTPAT") the U.S. Government and businesses work to protect the supply chain from the introduction of terrorist contraband (weapons, explosives, biological, nuclear, or chemical agents, etc.). As a CTPAT member, Buyer conditions its supply chain relationships on CTPAT participation and/or adherence to the CTPAT security guidelines. With respect to goods imported into the United States pursuant to this Purchase Order, Seller shall complete Buyer's CTPAT Foreign Supplier Security Self-Assessment Questionnaire and shall keep such Questionnaire updated. Buyer may grant an exception to the questionnaire if Seller provides sufficient evidence of Seller's favorable participation in a government recognized security program (e.g., Authorized Economic Operator).
- (b) Seller agrees to ensure the physical integrity and security of all shipments under this Purchase Order against the unauthorized introduction of harmful or dangerous materials, drugs, contraband, or weapons (including weapons of mass destruction), or introduction of unauthorized persons in transportation conveyances or containers. Seller's security measures must include, but are not limited to, physical security of manufacturing, packing and shipping areas; restrictions on access of unauthorized personnel to such areas; personnel screening to the maximum limits of law in Seller's or manufacturer's country; and development, implementation and maintenance of procedures to protect the security and integrity of all shipments.
- (c) Seller acknowledges that shipments made under this Purchase Order must be with certified and validated CTPAT transportation companies, unless otherwise approved by Buyer. Non-U.S. transportation providers must participate in a trade security program sponsored by the government of the country of shipment.
- (d) Seller certifies that its supply chain security procedures and their implementation are in accordance with the general security recommendations at: www.cbp.gov/border-security/ports-entry/cargo-security/c-tpat-customs-trade-partnership-against-terrorism/apply/security-criteria. Within five (5) days of Buyer's written request, Seller shall provide documentation, which may include completion of questionnaires or certificates, evidencing compliance with such security requirements. Upon prior written notification to Seller, Buyer, or its designee, may audit pertinent books and records of Seller and its subcontractors, and make reasonable inspection of Seller's and its subcontractors' premises, in order to verify compliance with the requirements of this provision.
- (e) Any delay in delivery due to Seller's failure to comply with this provision shall not relieve Seller of its obligations and shall not constitute a force majeure or give rise to an excusable delay.

35. Trade Agreements

- (a) If goods or services will be delivered to a destination country having a free trade agreement or other preferential trade customs union agreement, or customs program ("Trade Agreement") with the country from which the goods are shipped, or the two countries are members of a customs union, Seller shall cooperate with Buyer to review eligibility of goods or services for any preferential tariff treatment and provide Buyer required documentation to support the applicable treatment. Similarly, should any Trade Agreement applicable to the scope of a Purchase Order exist at any time during its term and be of benefit to Buyer in Buyer's judgment, Seller shall cooperate with Buyer's efforts to realize any such available credits, including counter-trade or offset credit value, which may result from such Purchase Order, and Seller acknowledges that such credits and benefits shall inure solely to Buyer's benefit.
- (b) Seller shall agree and cooperate with any verification audit/on-site inspection at Seller's facilities requested by Buyer or Buyer's Customs authorities to verify compliance with the rules of origin requirements.

36. Independent Contractor

Seller and Buyer are and shall be deemed to be independent contractors at all times during performance of the work specified in this Purchase Order. Under no circumstances shall Seller be deemed an agent for Buyer or Buyer be deemed an agent for Seller.

37. Conflict Minerals

Seller recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten, and gold (the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries ("DRC Countries"). Accordingly, Seller commits to comply with Section 1502 of the Act and its implementing regulations; to the extent Seller is not a "Registrant" as defined in the Act, Seller shall comply with Section 1502 of the Act and its implementation regulations except for the filing requirements. In particular, Seller commits to have in place a supply chain policy and processes to undertake (i) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into Goods it provides Buyer; (ii) due diligence of its supply chain, following a nationally or internationally recognized due diligence framework, as necessary, to determine if Conflict Minerals sourced from the DRC Countries directly or indirectly support unlawful conflict there; and (iii) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Seller will promptly provide Buyer with commercially reasonable information regarding the foregoing requirements in order to support Raytheon Company's and Buyer's obligations under the Act.

38. Labour Disputes

Whenever Seller has knowledge that any actual or potential labour dispute is delaying or threatens to delay timely performance of this Purchase Order, Seller shall immediately give notice to Buyer including all relevant information including, but not limited to, the nature of dispute, the labour organizations involved, the estimated impact on Seller's performance of Buyer's Purchase Order and the estimated duration. Seller shall also provide updated reports throughout the dispute duration. Seller agrees to insert the substance of this Section, including this sentence, in any lower-tier subcontract where a labour dispute might delay timely performance of this Purchase Order. Such notification shall not be considered an acceptance of delay in performance of this Purchase Order by Buyer, or a waiver of its rights and remedies contained herein.

39. Scope of Work

- (a) The scope of work shall either be detailed in the Purchase Order (PO) header text or line item or called out as a specific reference in the PO Agreement.
- (b) The scope of work generated in support of the requirements contemplated under this PO shall be sufficiently detailed to provide measurable/auditable framework for effective monitoring and performance assessment.

40. Fees for Services Procurements

- (a) Agreement fee maximums (by compensation type (if applicable) and aggregate maximum) shall be detailed in the supporting Purchase Order (PO) for the contracted scope.

41. Period of Performance / Term for Services

- (a) Unless otherwise outlined in this agreement, the express finite term for the provision of Services provided under this agreement shall be detailed in the Purchase Order.
- (b) The Term of PO / Agreement cannot be amended unless the amendment is set forth in writing which is signed by the Buyer's purchasing representative, and which states it constitutes an amendment or change to this Purchase Order.

42. United States Federal Government Contracts

For Purchase Orders in support of US federal government contracts, Seller warrants that it and the services provided under this Purchase Order shall comply with all laws and regulations applicable to U.S. federal Government contracts and Buyer's right of unilateral termination for cause for Seller's failure to comply.