



INDUSTRIAL ELECTRONICS SERVICES, INC.
Purchase Order – General Terms and Conditions

1. ACCEPTANCE: Supplier agrees to perform, deliver and sell to Industrial Electronics Services, Inc., (“IES”) the items, which are described and listed in the attached Purchase Order (which term shall be deemed to include drawings, plans, specifications and other documents) upon the following terms and conditions. Supplier and IES shall be known individually as “Party” and collectively as the “Parties”. IES may elect to treat (a) Supplier’s failure to reject this Purchase Order or any or all of these terms and conditions, within 24 hours of Supplier’s receipt of this Purchase Order, or (b) performance by Supplier of any portion of this Purchase Order, as acknowledgment, confirmation and acceptance of these terms and conditions by Supplier. Any additional terms proposed in Supplier’s acceptance of IES’s offer including, but not limited to, shrink-wrapped or click-through terms not specifically negotiated and identified on the Order, which add to, vary from, or conflict with the terms herein are hereby objected to by IES. Any such proposed terms shall be void and the terms herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the Parties and may hereafter be modified only by written instrument executed by the authorized representatives of both Parties.
 - 1.1 IES may elect to treat (a) Supplier’s failure to reject this Purchase Order or any or all of these terms and conditions, within 24 hours of Supplier’s receipt of this Purchase Order, or (b) performance by Supplier of any portion of this Purchase Order, as acknowledgment, confirmation and acceptance of these terms and conditions by Supplier. Until IES receives such written acknowledgement from Supplier of receipt of this Purchase Order and confirmation and acceptance of these terms and conditions by Supplier, IES may elect to cancel, withdraw, modify or terminate this Purchase Order, without penalty, charge or any liability or obligation to Supplier. Upon such cancellation, withdrawal, modification or termination, services performed and items described in this Purchase Order which are shipped or delivered by Supplier and received by IES may be rejected and items returned by IES to Supplier, freight, insurance, handling and risk of damage or loss in the course of return to be borne by Supplier.
 - 1.2 Without limiting the descriptions set forth in the Purchase Order, Goods and items to be delivered include any and all software, hardware described in the Purchase Order, software embedded in hardware, user documentation, accessories, and any enhancements, accessories, parts, modifications, updates, bug fixes or releases related thereto, with respect to software included in the Purchase Order, accompanying the Goods or items, described in product literature, manuals, and information directed to the customer or user, Supplier’s catalog, advertisement or documentation, or otherwise included in or a part of the Goods or items by manufacturer or Supplier.
2. ASSIGNMENT:
 - 2.1.1 Supplier shall not assign or transfer, in whole or in part, this Order or any of its rights, payments, claims or interest under this Order without IES’s prior, written consent.
 - 2.1.2 IES may make direct settlements or adjustments in price, or both, with Supplier under the terms of this Order notwithstanding any assignment of claims for money due or to become due under this Order and without notice to the assignee.
3. SUBCONTRACTING: Supplier shall not subcontract the entirety or any part of this Order without the prior written authorization of IES, and Supplier shall require an agreement with conforming performance requirements from immediate and lower-tier suppliers.
4. PACKING AND SHIPMENT: Supplier shall package all items and goods in accordance with good commercial practice, as acceptable to common carrier for shipment at the agreed upon shipping rate for the particular items or goods, in accordance with all applicable laws and regulations, and adequate to insure safe delivery, storage, and arrival of the items and goods at the named destination. Wooden packaging from Foreign Suppliers must conform to International Plant Protection Convention Standard ISPM 15, current revision. If the Purchase Order specifies personal delivery or special arrangements for the delivery of the items, deliverables, or goods by the Supplier, Supplier shall make appropriate arrangements with IES to schedule the time, date, and personal delivery of the items or goods by the Supplier at a time convenient for IES as well as Supplier. Each container shall be marked to show IES Purchase Order number, and a packing sheet showing Purchase Order number must be included in each package. Where prepaid transportation charges are authorized by IES, these charges have to be shown separately on Supplier’s invoices and should be accompanied by the original freight bill or a copy of a bill of lading. If the inclusion of prepaid transportation charges makes it impossible for Supplier to render its invoice within 24 hours of shipment, an invoice to cover transportation charge shall be sent promptly thereafter. All supplied goods will be returned to the Supplier for inspection if parts are received damaged.
 - 4.1 Packing Information: Supplier agrees that all items delivered or shipped shall be accompanied by documents describing the ship to name and address of IES, the destination, all contents, any unit price, quantity, discounts applicable, sales taxes, contract number, to enable IES upon receipt, to identify the items shipped or delivered with this Purchase Order or the applicable contract, IES Purchase Order number(s) applicable, and Supplier’s contact information (telephone number, name and address) in the event of any irregularities, deficiencies, damage or loss to items delivered or shipped. Special handling, lifting, unpacking, storage, and use instructions shall be included by Supplier in the delivery and shipment as well as any relevant instructions regarding the delivery or shipment. Such instructions or notices may not and will not operate to modify the terms and conditions of the Purchase Order or any prior written agreement between Supplier and IES.
 - 4.2 ESD sensitive items shall be individually, electrostatically protected using appropriate industrial practices. All ESD devices shall be processed, handled, marked and packaged in accordance with MIL-STD-1686 and/or ANSI/ESD S20.20. Elements or components that are Class 0 Sensitive shall be clearly marked as Class 0 on the external surface of the packaging. They shall be shipped in static dissipative/conductive wrap for maximum protection. Use of any static generating material is strictly prohibited.
 - 4.3 Moisture sensitive devices shall be packaged in moisture proof, conductive material or packaged in moisture proof antistatic material with external conductive field shielding barrier. Oxide sensitive devices shall be vacuum sealed in moisture proof antistatic material. The package shall be plainly marked with handling precautions against electrostatic discharge and moisture barrier labels in accordance with J-STD-033, J-STD-020 or IPC-SM-786 for microcircuits and IPC-9503 for non-IC components.
 - 4.4 Printed Circuit Board: (PCB) or Printed Wiring Board (PWB) packaging will afford adequate protection against corrosion, deterioration, and physical damage during shipment from the supply source to IES destination. All PCBs or PWBs shall be controlled and packaged per requirements in IPC-1601(latest revision). Packaging will include moisture barrier bags (MBB), desiccant and Humidity Indicator Cards (HIC).
5. PAYMENT: All invoices and other documents referencing this Purchase Order are subject to the terms and conditions of this Purchase Order. Payment will be in United States of America dollars unless otherwise agreed to by specific reference in this Purchase Order. All applicable Federal, State and local taxes shall be stated separately on Supplier’s invoice. Payment due dates, including discount periods, will be calculated from the date of IES’s receipt of acceptable Product(s) or Service(s) or correct invoice, whichever is later, and payment will occur within ninety (90) days from such date, unless otherwise indicated on this Order. Any applicable discount will be taken on the full amount invoiced. IES has the right, without loss of discount privileges, to pay invoices covering Goods and Services shipped in or completed in



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- advance of schedule on the normal maturity after the date specified for delivery. Payment shall not constitute acceptance or approval of Products or Services rendered. At any time prior to final payment under this Order, IES may have invoices audited as to validity. Payment of Supplier's invoices shall be subject to adjustment for any amounts found upon audit or otherwise to have been improperly invoiced. IES shall be entitled at all times to set off (a) any amount owing at any time from Supplier to IES or any of its affiliated companies; (b) any damages resulting from Supplier's default under or breach of any contract (including any order and these terms); (c) any adjustment for shortage or rejection and any associated costs, against any amount payable at any time by IES or any of its affiliated companies to Supplier. No Prepayment terms or C.O.D. payment terms shall be valid without IES prior written consent.
- 5.1 TITLE: Unless otherwise agreed to or designated by IES, and subject to the rights which IES may have pursuant to these terms and conditions, title to the items, goods and deliverables, transfers to IES upon delivery to IES, as specified on IES Purchase Order. Notwithstanding any terms or prior inspection, or payment, all items and goods delivered are subject to final inspection, review, and acceptance after delivery in full to and receipt by IES.
- 5.2 CASH DISCOUNT: The cash discount period shall commence as of the date of the later of (i) receipt of Goods or completion of Services or (ii) receipt of invoice.
6. PRICES: Supplier's prices for the Goods or Services ordered shall not be higher than those stated hereon. In the event that this Purchase Order does not state price, IES will not be bound to any price to which it has not expressly agreed to in writing. Supplier warrants that the prices charged IES are no higher than prices charged on orders placed by others for similar quantities under similar conditions. In the event that Supplier breaches this warranty, the prices of the Goods or Services shall be reduced accordingly, retroactively to the date of the breach. In addition, Supplier agrees that any price reduction in the Goods or Services subsequent to placement of this Purchase Order, but prior to shipment of Goods or completion of Services, will apply to this Purchase Order.
- 6.1 TAXES AND DUTIES: The price of this Order includes all applicable foreign and domestic federal, state, and local taxes, duties, tariffs, and similar fees ("Taxes") levied upon, or measured by, the sale, the sales price, or use of Products and/or the performance of Services associated with this Order. Supplier shall separately list on its invoice (or voucher) any Taxes. Supplier shall comply with any reasonable request by IES regarding Tax payments under protest and shall make appropriate adjustments to afford IES the benefit of any refund or reduction in Taxes.
7. DELIVERY AND INSPECTION: Time and date of deliveries and performance are of the essence on this Purchase Order. IES reserves the right to make final inspection of the Goods and Services after receipt by IES (notwithstanding any prior payment or prior acceptance thereof) and, in addition to any other right and remedies available under law, to cancel this Purchase Order and reject the Goods or Services upon any default by Supplier in meeting or satisfying delivery/completion dates, scheduled amounts, specifications, quality, or performance. IES may, at its discretion, employ either a 100% inspection or a sample plan. Lots which fail to pass sampling plans may be subsequently 100% inspected by IES (with Supplier to be charged for all such inspection costs) or, at IES' option, rejected or returned to Supplier for correction, replacement or credit, as the option of IES. Supplier shall not be allowed additional time outside of the time stated for delivery/completion in this Purchase Order without the express written consent of IES. Goods shipped in advance of delivery schedule or unauthorized partial shipments may also be rejected or returned to Supplier at Supplier's expense. All Goods shall be shipped F.O.B. destination. Risk of loss shall pass to IES upon delivery of the Goods to IES in an undamaged condition. Supplier shall bear all risks and expenses for returns including, but not limited to, storage, freight, insurance, packaging, materials and labor as to rejected Goods or Goods requiring correction after notice of rejection. IES shall have the right, upon reasonable advance notice and during normal business hours, to inspect Supplier's premises and operations which pertain to the Goods and Services in order to insure conformity with specifications, adequate quality control and ability to meet designated delivery and completion dates.
8. DEFENSE PRIORITY RATING: Should the face of this purchase order designate it as a rated order certified for National Defense, you are required to follow the provisions of the DPAS regulation (15 CFR700).
9. DEFECTIVE WORK: With respect to items, goods, services or deliverables, damaged or lost in whole or in part prior to or after acceptance by IES, defective or deficient in content, materials or workmanship, and/or not in conformity with the applicable specifications and terms and conditions specified in the Purchase Order:
- 9.1 Notwithstanding any prior acceptance, IES may reject or require prompt correction of any Products or Services which are, in IES' judgment, defective in material or workmanship or otherwise fail to meet the drawings, designs, statement of work, specifications or other technical documents, or other requirements of this Order.
- 9.2 If Supplier delivers defective or nonconforming Products or Services, IES may:
- 9.2.1 Accept all or part of the defective or non-conforming Products or Services at an equitable price reduction or credit against any amounts that may be owed to Supplier under this Order or otherwise; or
- 9.2.2 Reject all or any part of a delivery or performance of defective or non-conforming Products or Services and demand delivery of conforming Products or re-performance of Services. All rejected Products shall be shipped back to Supplier at Supplier's expense and any re-performance of defective or nonconforming Services shall be at no cost to IES; or
- 9.2.3 Make or perform, or have a third party make or perform, all repairs, modifications, or replacements necessary to enable such Product or Service to comply in all respects with Order requirements and charge the expense incurred to Supplier; or
- 9.2.4 Terminate this Order for default in whole or in part.
- 9.3 Any rejected or corrected Products or Services shall not thereafter be tendered for acceptance unless the former rejection or requirement for correction is disclosed. All repair, replacement and other correction and redelivery shall be completed within the original delivery schedule unless otherwise directed by IES.
- 9.4 Prior to shipment Supplier shall notify IES if a non-conformance, actual, suspected or potential defect, condition exists with the product and obtain approval for nonconforming product disposition.
- 9.5 Supplier shall immediately notify IES upon discovery of actual, suspected or potential defects or non-conformance affecting delivered Product or performed Service.
10. NOTICE OF LABOR DISPUTES AND INABILITY TO DELIVER: In the event of a labor dispute or other contingency or event which affects Supplier's ability to deliver the Goods or perform the Services as ordered hereunder, Supplier shall immediately notify IES thereof in writing. Should said dispute, contingency or event, in IES' reasonable judgment, materially impair the value of this Purchase Order, without prejudice to any other right or remedy, IES may cancel all remaining deliveries or Services under this Purchase Order. If IES elects not to cancel this Purchase Order Supplier shall continue to notify IES daily of delivery status.
11. TERMINATION: IES may terminate this Purchase Order in whole or in part at any time upon IES' written notice to Supplier (i) for any reason at IES' convenience, (ii) for any default by Supplier hereunder (including but not limited to Supplier's failure to deliver completed Goods or provide Services within the time specified by IES), (iii) in the event Supplier becomes the subject of any proceeding under state or federal law for the relief of debtors or otherwise becomes insolvent or bankrupt or makes an assignment for the benefit of creditors. In the event of termination, IES may further notify Supplier that all right, title



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- and interest in and to all of any portion of material acquired by Supplier for the performance of this Purchase Order, work in process and/or completed items or work specified in such notice shall pass immediately to IES. IES shall have no liability to Supplier for Goods (whether finished or unfinished) that are not readily usable, reusable or saleable. In addition, upon termination under (ii) or (iii) above, IES may purchase substitute Goods or Services elsewhere or secure the manufacture and delivery of Goods by contract or otherwise, and Supplier shall be liable to IES for any excess cost incurred by IES.
12. CHANGE BY IES: IES shall have the right at any time, by written change order, to make changes in any one or more of the following: (i) quantity of Goods to be delivered; (ii) method of shipping or packing; (iii) drawings, designs or specifications; (iv) place of delivery; and (v) delivery/completion schedules for Goods or Services. If any such change order causes an increase or decrease in the cost of or the time required for the performance of the work under this Purchase Order, an equitable adjustment shall be made in price and/or delivery schedule, and this Purchase Order shall be modified accordingly. Any claim by Supplier for adjustment under this clause shall be deemed waived unless asserted in writing within ten (10) days from receipt by Supplier of notice of change. Price increases, extensions of time for delivery, and quantity change shall not be binding on IES unless memorialized in a written change order issued and signed by IES.
13. CHANGE BY SUPPLIER: Supplier agrees to provide prompt notification to IES of any event or change in circumstances that could affect Supplier's performance under this Order. In the event that the any of the Goods are made pursuant to specifications and/or drawings provided by IES, Supplier shall not make any changes to the design or manufacture of the Goods without obtaining the prior written consent of IES. For all Goods purchased by IES, the Supplier shall not make any changes affecting the form, fit, function, properties, purity, or any other characteristics of the Goods unless Supplier obtains the prior written consent of IES; Supplier shall notify IES at least sixty (60) days in advance of any other changes made to the design or manufacture of the Goods. Supplier shall notify IES immediately of changes of license, certifications, quality management system, manufacturing facility location, services, availability, and business status.
- 13.1 Approved Supplier List/Prequalification: With respect to Goods and Services, IES maintains a list of suppliers approved to supply such Goods and Services (the Approved Supplier List) that meet our customer's requirements. Suppliers and Suppliers' subcontractors / suppliers shall be prequalified before being added to the Approved Supplier's List.
- 13.1.1 Supplier shall notify IES immediately of changes of license, certifications, quality management system, manufacturing facility location, services, availability, and business status of their subcontractors / suppliers.
- 13.1.2 If Supplier needs to add or change a subcontractor / supplier with respect to Goods or Services for IES requirements, the new subcontractor / supplier shall submit to prequalification by IES. Once new subcontractor / supplier has been approved by IES then new subcontractor supplier will be added to the Approved Suppliers List.
- 13.1.3 Supplier may obtain a copy of the Approved Supplier List at any time by requesting same from IES' Purchasing Department. A supplier not on the Approved Supplier List shall not provide goods or services for the Manufacture of Product without IES' written authorization.
- 13.1.4 Supplier shall include this clause 13 and its sub clauses in all of Supplier's subcontracted Purchase Orders.
14. SUPPORT: At no charge to IES, Supplier will provide to IES all customer/user support in the same manner as it provides support to its other customers. Supplier will provide upon request its customer support telephone number and address. In addition, Supplier will promptly provide IES with names and addresses of all Supplier's reps and locations, and copies of all warranties with respect to the items, goods and services, including third party's (including any subcontractor or supplier) warranties, and assist IES in any enforcement of rights and remedies under such reps and warranties whether they extend to Supplier or IES or otherwise. Supplier will promptly extend and transfer to IES all available rights, remedies and warranties which may be asserted against the manufacturer or supplier of the goods or any subcontractor to Supplier, and cooperate with IES in the handling of such claim by providing all such information regarding the goods and manufacturer or supplier as Supplier may have. Supplier will provide IES with any information which Supplier may have regarding repair, replacement, maintenance reperformance, calibration, and support services available with respect to the items, goods and Services.
15. REPRESENTATIONS AND WARRANTIES: No substitutions shall be allowed without the prior written consent of IES.
- 15.1 Supplier warrants that: (a) IES acquires good and clear title to the items and goods, free and clear of liens and encumbrances whatsoever; (b) To the best knowledge and information of Supplier, the items and goods delivered do not infringe any patents, copyrights, trademarks or proprietary rights of any third party, (c) there are no violations of law or regulations, third party claims, or any other claims or disputes pending or anticipated with respect to the items or goods which would restrict, affect or pertain to IES or any recipient's possession, use or enjoyment thereof, (d) Supplier has full right and ability, has all rights and licenses, has complied with all applicable laws, and is empowered to accept and agree to the terms and conditions of this Purchase Order and to carry out its obligations under this Purchase Order and to grant the rights and licenses set forth or provided for in this Purchase Order, (d) Supplier's compliance with the terms and conditions of this Purchase Order including sale and transfer of the items and goods do not violate any federal, state or local laws, regulations or ordinances.
- 15.2 Supplier warrants that all goods delivered are new (not previously used, reconditioned, refurbished or counterfeit), all items and goods are in good order and are not in need of correction, repair or replacement with respect to any part thereof whether due to deficiency, errors, omissions, defects, or otherwise, and hardware or third party software are in their original sealed packaging from the manufacturer of such hardware or software.
- 15.3 Only new and authentic materials are to be used in products delivered to IES. No counterfeit or suspect counterfeit parts are to be contained within the delivered product. Parts shall be purchased directly from the Original Component Manufacturer (OCM) or Original Equipment Manufacturer (OEM), or through the OCM/OEMs Franchised Distributor. Documentation must be available that authenticates traceability to the applicable OCM/OEM. Independent Distributors (Brokers) shall not be used without written consent from IES. Supplier shall provide traceability certificate(s) that trace EEE (ELECTRICAL, ELECTRONIC, AND ELECTROMECHANICAL) components back to the OCM/OEM. The traceability certificate(s) shall identify every intermediary in the supply chain, starting from the OCM/OEM, ending at Authorized Distributor providing the EEE components to IES.
- 15.4 Supplier warrants that the Goods provided hereunder shall be (i) in full conformity with all specifications, drawings, and/or other descriptions or samples, (ii) merchantable, (iii) fit for their intended purposes, (iv) free from defects in design, materials and workmanship, and (v) free of any lien, encumbrance or other defect in title. Supplier warrants that any Services provided hereunder shall be performed in a good, workmanlike and professional manner in compliance with all applicable laws and regulations, any written instructions provided by IES, and the highest standards in the industry for performing services of a similar nature. Such warranties shall be in addition to any other warranties given by Supplier, shall survive inspection, acceptance and payment therefor and shall run to IES, its successors, assigns and customers. IES may, at its option, either obtain a full refund of all amounts paid to Supplier hereunder or require prompt correction or replacement of defective or nonconforming Services, Goods or parts, which rights shall be in addition to such other rights as IES may have under applicable law.
- 15.5 Unless otherwise stated on the face of this Purchase Order, Supplier hereby warrants to IES that all products, packaging and shipping



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- materials provided to IES are safe for their foreseeable use, are not defined as a hazardous or toxic substances under applicable United States of America and international law and present no hazard to persons or the environment. Supplier agrees to defend, indemnify and hold IES harmless for any expenses incurred by reason of Supplier's delivery to IES of hazardous or toxic substances.
- 15.6 Supplier shall, at its own expense, in accordance with the request of IES, promptly correct, repair or replace the goods and deliverables in the event of any breach of any representation or warranty (express or implied) , at Supplier's risk, cost and expense. All products which cannot be repaired or replaced as per the option of IES and these terms and conditions, may at the election of IES, be returned to Supplier and any and all monies invoiced to and paid by IES for the same shall be promptly refunded to IES by Supplier. All adjustments and repairs to goods and deliverables shall be warranted against defects, errors, omissions, deficiencies, for six months unless agreed otherwise in writing by IES. All replacements and reperformance shall at minimum meet and be subject to all warranties applicable to the goods and Services described in the original Purchase Order.
16. **QUALITY, MATERIAL AND SPECIAL PROCESSING CERTIFICATIONS:** Where there is a specific flow down requirement for compliance or 3rd party registration to a quality management system or quality standard (i.e., ISO 9001, AS9100, ISO 14001, etc.), it will be indicated in the purchase order requirements, drawings, plans, specifications or other documents.
- 16.1 **SOFTWARE:** As applicable by purchase order requirements, drawings, plans, specifications or other documents the Supplier shall maintain a quality system for software that is compliant to ISO 9000-3 or ISO IEC 90003 or AS9115 or is approved by IES or IES' customer.
- 16.1.1 The Supplier shall provide a copy of the appropriate documentation that describes the Supplier's quality system for software (e.g., Software Development Plan, Software Quality Plan, Software Configuration Management Plan) for IES review and approval.
- 16.1.2 Validation/verification of software shall be approved by an IES representative prior to acceptance.
- 16.2 All applicable customer/statutory/regulatory/quality standards requirements for the Supplier are required to be flowed-down to sub-tier suppliers (includes requirements in the purchasing documents and key characteristics where required). However, IES does not allow its Suppliers to subcontract any product or process to a sub-tier supplier without IES' expressed written consent.
- 16.3 Parts are subject to rejection without correct documentation. Supplier shall notify IES prior to shipment if a specification has been replaced / superseded / updated. List specification as shown on drawing, and then list the replacement specification with current revision.
- 16.4 **Customer Approved or NADCAP Special Process Certification:** When applicable, the Supplier shall furnish a certificate of compliance which states the product conforms to applicable specifications required by purchase order, drawing or specification signed by an authorized agent, denoting their title, of the company performing the special process (plating, welding, heat treating, anodizing, painting, non-destructive testing, etc.) with each shipment. When applicable, batch lot, heat number, x-ray, heat treat chart, etc., for the special processes performed shall accompany shipment.
- 16.5 **Foreign Object Debris/Damage (FOD):** Supplier shall maintain good housekeeping and where applicable a Foreign Object Debris/Damage (FOD) prevention program, to preclude introduction of foreign objects or damage from foreign debris to any deliverable item. Supplier shall maintain appropriate housekeeping practices to assure timely removal of residue/debris generated during manufacturing operations, tasks, or storage. Prior to shipment all goods and materials shall be cleaned so as to be free of all foreign substances or residue from processing or handling.
- 16.6 All certifications must show the part number, quantity, process being performed, specification, revision number, and have a legible printed and signed signature and title of responsible person signing the certification.
- 16.7 **LIFE LIMITED-SHELF LIFE PRODUCTS:** Products having characteristics susceptible to degradation with age shall be marked indicating the date of manufacture, lot control number, expiration date and related information in accordance with applicable specification requirements. A certification reflecting this information shall accompany each shipment. A minimum of 75% of the original shelf life shall be remaining upon receipt at IES.
- 16.8 **SAFETY DATA SHEETS; GHS LABELS:** Supplier must comply with regulations regarding chemicals, toxic, and hazardous materials and submit safety data sheets for all such materials delivered. Documentation for each delivery must clearly note, "Safety Data Sheets accompany this order."
- 16.8.1 Globally Harmonized System of Classification (GHS) compliance labels are required on each chemical delivered under this Purchase Order to IES.
- 16.9 **INSPECTION RECORDS:** Inspection records shall be available upon request for each product shipment received. These records shall include the nature and number of observations and traceable by part number to the material / or services being provided by the Supplier.
- 16.10 **FIRST ARTICLE INSPECTION REPORT:** Items procured to an IES and/or IES Customer specification or drawing under this purchase order are subject to First Article Inspection per AS9102. Supplier must provide IES with a complete First Article Inspection report on the first production run of a new part. A delta first article must be performed on revision changes.
- 16.11 **RECORD RETENTION:** Supplier must retain all records for this order for a minimum of ten (10) years unless otherwise specified.
- 16.12 **SUPPLIER CALIBRATION:** The Supplier shall control all test and measurement equipment used for acceptance of items deliverable under this Purchase Order, in accordance with any of the following standards, ANZI/NCSL Z540, ISO/IEC 17025, ISO 10012-1, FDA/CGMP/GLP, 10CFR50 Appendix B and must be traceable to NIST (National Institute of Standards and Technology). All calibration certificates must identify standards used and must be traceable to NIST (National Institute of Standards and Technology). The Supplier's calibration system is subject to review and approval by IES or IES's customer's Quality Assurance Department at all times during the performance of this Purchase Order.
- 16.13 **CALIBRATION SERVICE:** Suppliers of calibration services shall maintain a Quality Management System in accordance with any of the following standards, ANZI/NCSL Z540, ISO/IEC 17025, ISO 10012-1, FDA/CGMP/GLP, 10CFR50 Appendix B and must be traceable to NIST (National Institute of Standards and Technology).
- 16.13.1 All measurement standards shall be traceable and supported by certificates, reports or data sheets including identification of the item; the calibration source; date of calibration; calibration assigned value; Statement of Uncertainty and Environmental or other conditions under which the calibration results were obtained. Supplier to provide a report including a description of the item, calibration interval, date calibrated, identification of the measurement standard, calibration procedure, calibration results and calibration actions taken. Supplier to affix a label to each item calibrated indicating the date calibrated, the next calibration due date and the person performing the calibration.
- 16.13.2 Individuals that perform product verification / inspect activities shall pass an annual eye examination, administered by a medically qualified person, for near vision and a one-time only examination for color perception test. Individuals must meet the following minimum requirements in one eye, corrected or uncorrected:
- 16.13.2.1 **Near Vision:** Snellen 14/18 or better, Jaeger type 2 - 20/25, Ortho-Rated or equivalent method
- 16.13.2.2 **Color Vision:** Passing using one of the following methods: Pseudochromatic plates, Dvorine, Ishihara, Richmond, Farnsworth lantern, Keystone Orthoscope, Titmus Vision Tester, Titmus II Vision Tester



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- 16.13.2.3 Maintain records of vision standards for the period that the relevant employee remains within the supplier's organization, plus three (3) years.
- 16.14 U.S GOVERNMENT SOURCE INSPECTION (US GSI): Government Source Inspection if required and will be performed at Supplier's facility prior to shipment. As directed by IES, any in process inspection is also mandated by this clause. A minimum of 48-hours' notice to IES, prior to inspection, is required when this clause is invoked. Supplier shall provide evidence of Government Source Inspection with each shipment.
- 16.15 SOURCE INSPECTION: Items procured under this purchase order are subject to source inspection prior to shipment. IES and authorized representatives of IES's Customers and / or Regulatory Authorities shall have direct access to all applicable areas of all Supplier's and Supplier's Subcontractor's Plants (at any level of the supply chain) where work under this Purchase Order is being performed, to review progress, records and witness testing of the items related to this Purchase Order prior to shipment. Supplier shall include this clause in all of Supplier's subcontracted Purchase Orders. The Supplier shall furnish acceptable facilities and equipment necessary to perform the required inspection at no cost to IES. Please advise IES within three (3) working days in advance of the subject material being available for source inspection.
- 16.16 KEY CHARACTERISTICS: When key characteristics are designated on the procuring documentation, the Supplier shall provide certificate of compliance indicating full compliance to the Key Characteristics.
- 16.17 Certificate of Conformance (C of C): Supplier Certification of Conformance is required with this order. A legible and reproducible Certificate of Conformance or Supplier's statement of quality will accompany each shipment. Certifications must show the part number, quantity, specification, and revision number, and have a legible printed and signed with title of responsible person releasing the certification. This certifies the material / services provided by the Supplier meet all drawing and / or specifications requirements. Records supporting this certification shall be on file and shall be provided to IES upon request at no cost to IES.
- 16.18 RoHS: Supplier hereby represents and warrants that all products delivered by Supplier shall be in compliance with Directive 2002/95/EC of the European Parliament and of the Council of 27 January 2003 (as may be amended or updated from time to time) on the restriction of the use of certain hazardous substances ("RoHS"). Supplier shall provide a statement certifying compliance with RoHS with each shipment.
- 16.19 REACH: Supplier hereby represents and warrants that all goods delivered by Supplier shall be in compliance with Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 (as may be amended or updated from time to time) concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"). Supplier shall provide a statement certifying compliance with REACH with each shipment.
- 16.20 Certificate of Origin: Supplier shall provide Certificate of Origin to authenticate the country of origin for each item on this order. The Certificate of Origin is required because of established Treaty arrangements, varying duty rates, and preferential duty treatment dependent on the shipment's origin.
- 16.21 Conflict Minerals: If Supplier is providing Products to IES under this Order, Supplier shall use commercially reasonable efforts to:
- 16.21.1 identify whether such Products contain tin, tantalum, gold or tungsten; as defined in 77 FR 56273, 17 CFR PARTS 240, 249 and 249b, Section 13(p) of the Securities Exchange Act of 1934 and Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (collectively, Conflict Minerals Regulations)
- 16.21.2 determine whether any such minerals originated in covered countries, as defined in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"); and
- 16.21.3 perform appropriate due diligence on its supply chain in support of IES's obligations under the Act.
- 16.21.4 In addition, Supplier shall, as soon as reasonably practicable following the completion of the calendar year, provide a completed Conflict Minerals Reporting Template, using the form found at <http://www.responsiblemineralsinitiative.org/>. If requested, Supplier will promptly provide information or representations that IES reasonably believes are required to meet IES's conflict minerals compliance obligations.
- 16.22 SPECIALTY METALS: If the Supplier is supplying specialty metals as part of the order then Supplier must follow the requirements of DFARS 252-225-7014 Preference for Domestic Specialty Metals.
- 16.23 Lot Control and Traceability: Supplier shall provide the lot/date code for each part number provided under this purchase order on the product labeling and packing list. When mixed lot/date codes are used, the shipper shall list all of the individual lot/date codes and quantity, and lot segregation is mandatory. In addition the individual part containers shall be marked with the quantity and lot/date code.
- 16.24 Test Report: When a test report is specified on the Purchase Order, the signature of the authorizing personnel and date are required on the test report. Test reports will include identification of special processes, supplier name, actual values, specifications, specification revisions, and Purchase Order number.
- 16.25 Supplier shall comply with 14CFR part 21.2 regarding the application of acceptance authority media requirements. Use of AAM is considered as a personal warranty of compliance and conformity of the product/service supplied.
- 16.26 Supplier shall ensure that persons, including subcontractors, are aware of: –, their contribution to product or service conformity; – their contribution to product safety; – the importance of ethical behavior. And that the Competence of Personnel as applicable meet the requirements of the IES Purchase Order Service or Products Ordered.
17. COMPLIANCE WITH LAWS: Supplier will comply with all Federal, State and municipal laws, rules and regulations that may be applicable to this Purchase Order and at the request of the Government or IES, will furnish certificates to the effect that it has complied with the same certificates to the effect that it has complied with the same.
- 17.1 Supplier shall comply with all import or export or re-export laws and regulations applicable with respect to the Purchase Order and obtain any and all licenses or permits in advance. Upon request of IES, Supplier will provide regulatory information which Supplier may have to IES with respect to the goods, including country of origin, Buy America, NAFTA, US Federal Communications Commission regulations, or other regulations applicable to the goods.
- 17.2 IES, is an equal employment opportunity employer. Consequently, the parties agree that, to the extent applicable, they will comply with Executive Order 11246, the Vietnam Era Veterans Readjustment Assistance Act of 1974, Section 503 of the Vocational Rehabilitation Act of 1973, Jobs for Veterans Act, Executive Order 13496: Notification of Employee Rights Under Federal Labor Laws and also agree that these laws are incorporated herein by this reference.
- 17.3 IES and Supplier shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.
- 17.4 Supplier shall maintain environmental, health and safety management systems as appropriate to ensure compliance with applicable federal, state and local requirements. Supplier further agrees to continuously promote a safe and healthy workplace and a sustainable environment related to water and air quality, water and energy conservation, greenhouse gas emission reductions, solid and hazardous waste



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- reductions. Supplier shall convey the requirement of this clause to its suppliers.
- 17.5 Anti-Corruption Compliance: Supplier represents, warrants and covenants that:
- 17.5.1 It has not and will not, directly or indirectly, pay, promise, offer, or authorize the payment of any money or anything of value in connection with this Order to: (i) an officer, employee, agent or representative of any government, including any department, agency, or instrumentality thereof or any person acting in an official capacity thereof; (ii) a candidate for political office, any political party or any official of a political party; or (iii) any other person or entity while knowing or having reason to know that all or any portion of such payment or thing of value will be offered, given or promised, directly or indirectly, to any person or entity for the purpose of assisting IES in obtaining or retaining business, or an improper business advantage. Without limiting the generality of the foregoing, Supplier shall not directly or indirectly, pay, promise, offer, or authorize the payment of any facilitating payment intended to expedite or secure performance of a routine governmental action, such as, customs clearance on behalf of IES.
- 17.5.2 No gifts, travel expenses, business courtesies, hospitalities or entertainment of any nature have been or will be accepted or made in connection with this Order where the intent of was, or is, to unlawfully influence the recipient of the gift, travel expense, business courtesy, hospitality or entertainment. Supplier also represents that any gifts, travel expenses, business courtesies, hospitalities or entertainment offered or provided shall meet the following conditions:
- 17.5.2.1 be permitted under the U.S. Foreign Corrupt Practices Act (FCPA) and the laws and regulations of the country in which this Order will be performed;
- 17.5.2.2 be consistent with applicable social and ethical standards and accepted business practices;
- 17.5.2.3 be of such limited value as not to be deemed a bribe, payoff or any other form of improper inducement or payment; and
- 17.5.2.4 be of such nature that its disclosure will not cause embarrassment for IES.
- 17.5.3 Breach of any of the foregoing provisions of subparagraphs 17.5.1 and C.2. of this clause by Supplier shall be considered an irreparable material breach of this Order and shall entitle IES to terminate this Order immediately without compensation to Supplier.
- 17.6 Anti-Terrorism: Supplier will adhere to the directions provided in Executive Order 13224 on terrorist financing - blocking property and prohibiting transactions with person who commit, threaten to commit or support terrorism, effective 09/24/2001 and any subsequent changes made to it. Supplier further agrees to include this requirement in lower-tier purchase orders and subcontracts hereunder.
18. GENERAL:
- 18.1 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 IES in the United States of America, unless otherwise specified. All notices and other binding communications must reference this Purchase Order and may, unless otherwise specified, be sent by facsimile, electronic mail, air mail, or other customary means.
- 18.2 NOTICES: Any and all notices, communications, emails, correspondence required or permitted to be given to IES or Supplier with respect to the Purchase Order shall reference this Purchase Order and shall be addressed and sent to the person(s) named, and the addresses set forth, in the Purchase Order, in order to be effective.
- 18.3 PUBLICITY: Supplier shall not make any news release or public announcement regarding this Purchase Order without the prior written consent of IES.
- 18.4 OBLIGATION; GOVERNING LAW: Both Parties agree that, irrespective of the place of performance of this Purchase Order, this Purchase Order and any claim, dispute, controversy, or action related hereto shall be governed, interpreted, and construed in accordance with and under the laws of the State of Tennessee, without regard to any conflicts of law principles which may apply or exist. All actions and legal proceedings with respect to the same shall be brought exclusively in the courts situated in the State of Tennessee, Johnson City, and the courts situated therein shall have exclusive jurisdiction; each of the parties hereby submits itself to the exclusive jurisdiction and venue of such courts for the purpose of any such action. The rights and obligations hereunder and with respect to performance of the Purchase Order may not be subcontracted, delegated, assigned or transferred by Supplier in whole or in part including by operation of law, without the prior written consent of IES, and in any case and regardless of any consent, shall not operate to release Supplier from any or all liability or obligation hereunder with respect to performance hereof or thereof. The United Nations Convention on the Sale of Goods shall not be applicable to this Purchase Order or any claim, dispute, controversy or action related hereto.
- 18.5 DISPUTES:
- 18.5.1 Any dispute arising under or in connection with this Purchase Order with respect to the rights, duties, or obligations of the Parties shall be submitted in writing for resolution to ascending levels of management of the respective Parties.
- 18.5.2 If a dispute cannot be resolved to both Parties' mutual satisfaction, after good faith negotiations, within ninety (90) days from the date the written claim is received by the other Party, or such additional time as the Parties agree upon in writing, either Party may bring suit only in the state or federal court located in the State of Tennessee, Johnson City. Supplier consents to personal jurisdiction for this purpose in the State of Tennessee.
- 18.5.3 Pending any prosecution, appeal, or final decision referred to in this clause, or the settlement of any dispute arising under this Purchase Order, both Parties shall proceed diligently, with their respective obligations under this Purchase Order.
- 18.5.4 To the maximum extent permitted by law, the Parties waive any right to a jury trial.
- 18.5.5 In no event shall IES be liable for anticipated profits, incidental or consequential damages. IES's liability on any claim, of any kind and for any loss or damage arising out of, connected with or resulting from this Purchase Order, or from the performance or breach thereof shall, in no case, exceed the price allocable to the Products and/or Services, or unit thereof, which gives rise to the claim. IES shall not be liable for penalties of any description. Any action resulting from any breach on the part of IES as to the Products and/or Services delivered hereunder must be commenced within one year after the cause of action has accrued.
- 18.5.6 In no event shall Supplier acquire any direct claim, or direct course of action against the United States Government except as approved by IES pursuant to this clause or as otherwise authorized by law.
- 18.6 INSURANCE: Supplier agrees to maintain the following insurance policies through an insurance carrier possessing at least an A.M. Best Rating of "A-": (a) statutory Workers' Compensation insurance for its employees, including occupational disease coverage, as required in the jurisdiction in which the work is to be performed and Employer's Liability insurance with limits of at least \$1 million bodily injury each accident or illness; (b) Commercial General Liability insurance, including products and completed operations and contractual liability coverage, written on an "occurrence" basis with a combined single limit of at least \$1 million per occurrence and in the aggregate for bodily injury and property damage liability; (c) Automobile Liability insurance coverage all owned, non-owned and hired automobiles, with a combined single limit of at least \$1 million per accident for bodily injury and property damage liability (this coverage shall be required if the Supplier operates a vehicle to perform work under this Purchase Order on IES' or IES' customer's premises); and (d) Property insurance for loss or damage to property furnished by IES in an amount equal to the replacement value. Supplier's insurance shall be primary and non-contributory to any insurance or self-insurance maintained by IES, when responding to



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- Supplier's obligation to defend and indemnify IES. With the exception of (a) above, Supplier shall include IES as an additional insured to the extent claims arise from Supplier's activities performed under this Purchase Order. Supplier shall furnish a certificate of insurance evidencing the insurance coverage stipulated above and shall provide at least thirty (30) days prior written notice if the required insurance is cancelled or materially altered.
- 18.7 WAIVER: No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial waiver thereof include any other right, power or privilege.
- 18.8 FORCE MAJEURE: If IES is temporarily unable to receive or utilize the items called for herein because of causes beyond IES's control, and without its fault or negligence, IES may suspend Supplier's performance for the period of such disability by written notice to Supplier, without liability to Supplier for such suspension.
- 18.9 SEVERABILITY: In the event that any provision of this Purchase Order shall be unenforceable as void or invalid and/or contrary to public policy or applicable law or in any jurisdiction, such provision shall be deemed excluded to the extent of such unenforceability or invalidity, and the remainder of the terms and conditions of this Purchase Order shall remain in full force and effect and be enforceable.
- 18.10 RELATIONSHIP OF THE PARTIES: The relationship of Supplier to IES shall be that of an independent contractor and nothing herein contained shall be construed as creating any employer/employee, agency, or other relationship of any kind. Supplier's employees, agents and/or representatives (hereinafter "Employees") performing under this Order shall at all times be under Supplier's direction and control and Supplier shall so inform them. Supplier shall pay all wages, salaries, and other amounts due its Employees in connection with this Order and shall be responsible for all reports and obligations for its Employees, including, but not limited to, social security and income tax withholdings, unemployment compensation, worker's compensation, and equal employment opportunity reporting. Neither Party shall in any manner assume or create any obligation or responsibility, express or implied, on behalf of or in the name of the other Party, or act for or bind one another in any respect except as expressly permitted under the terms of this Purchase Order.
- 18.11 BACKGROUND CHECKS; DRUG TESTING; CREDENTIALING REQUIREMENTS: Supplier shall conduct background checks and drug testing of all personnel who will provide Goods or Services under this Purchase Order at any IES location or customer site, prior to initial assignment and thereafter on an annual basis. Supplier will not assign an individual to provide services, and will remove any such individual from providing Goods or Services hereunder, if the foregoing background checks do not show a clean record or if the drug testing shows any positive results.
- 18.12 PLANT SECURITY AND SAFETY: If this Order requires Supplier's personnel to enter premises under the ownership or control of IES or IES's customer, Supplier agrees to abide by and comply with, and require its employees and subcontractors to abide by and comply with, all rules and regulations pertaining to plant security and safety as may be prescribed by IES and/or IES's customer, including, but not limited to, badging, citizenship requirements and background investigations.
- 18.13 SUPPLIER'S EMPLOYEES: IES assumes no liability for any bodily injury or property damages caused to a person not an employee of IES who is injured while on the premises of IES or a customer of IES. The relationship between IES and Supplier is one of independent contractors and nothing herein shall create or imply any relationship or agreement of joint venture, partnership, franchise, or hire. Supplier and its employees and agents providing Goods or performing Services hereunder are and will at all times remain qualified and appropriately licensed under all federal, state and local laws, rules and regulations to perform its obligations hereunder. IES shall have the right to request the removal and replacement of any employee of Supplier providing Goods or Services.
- 18.14 CONFIDENTIAL: Except as otherwise specifically agreed, all information disclosed by the IES to the Supplier shall be IES's property and shall be held in confidence by Supplier. Supplier shall take all reasonable precautions (a) to disclose such information within Supplier's organization only to those employees who have a need to know in order to fulfill Supplier's obligation hereunder and who have agreed to keep the information confidential, and (b) to prevent any such information from being divulged to third persons not employed by Supplier, including having recipients acknowledge the confidential status of such information and agreeing to similar restrictions. This obligation of confidence shall survive termination of the Agreement and will continue for ten (10) years thereafter, or for as long as the information remains a trade secret, whichever is longer.
- 18.14.1 If at any time the disclosing Party (the "Disclosing Party") informs the receiving Party (the "Recipient") that information previously disclosed is confidential information but was not appropriately identified as such, such information shall also constitute confidential information and the Recipient shall thereafter take all reasonable steps to protect the confidentiality of such information. The Recipient shall not be responsible to the Disclosing Party for any disclosure of such information occurring prior to receiving notification that the information is confidential information.
- 18.15 RELEASE OF INFORMATION AND ADVERTISING: Except as required by law, Supplier shall not release to anyone outside Supplier's organization any information, or confirmation or denial of same, with respect to this Order or the subject matter hereof without the prior written approval of IES. Requests for approval shall be made at least fifteen (15) days before the proposed date for release and shall identify the specific information to be released, the medium to be used, and the purpose for the release. Additionally, Supplier shall not use the name "Northrop Grumman" or any other IES trade name, any Products, parts thereof or replicas of Products, or in any other way identify IES in any advertisement, display, news release, or other disclosure without IES's prior written consent. The Parties agree that in the event a news release is so approved and made, such news will recognize IES and Supplier.
- 18.16 EXPORT/IMPORT CONTROLS: Supplier hereby certifies that it understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR") and the terms of any U.S. Department of State or U.S. Department of Commerce export license or export or temporary import exemption/exception applicable to this Purchase Order. Supplier, if it engages in the United States in the business of either manufacturing or exporting defense articles or furnishing defense services, hereby certifies that it is registered with the U.S. Department of State, Directorate of Defense Trade Controls, as defined in 22 CFR Part 122, Registration of Manufacturers and Exporters.
- 18.16.1 Supplier shall exercise strict control covering the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the ITAR. Supplier agrees that no technical data, information or other items provided by IES in connection with this Purchase Order shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign employee or subsidiary of Supplier (including those located in the U.S.), without the express written authorization of the Department of State and Supplier's obtaining of the appropriate export license, technical assistance agreement or other requisite authorization for ITAR-controlled technical data or items. Supplier shall consult with IES to determine whether the information provided by IES is technical data as outlined in the ITAR (22 CFR 120-130) prior to any release to a third party abiding by the terms outlined herein. Supplier shall indemnify IES for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by IES in connection with any violations of such laws and regulations by Supplier.
- 18.16.2 Adherence to Applicable Laws and Regulations.



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(a) Supplier shall at all times adhere to all applicable laws and regulations, including those relating to protection of data, including, without limitation, the export control regulations of the U.S. Department of Energy, U.S. Department of Commerce, the U.S. Department of State, the U.S. Department of Treasury, and the U.S. Nuclear Regulatory Commission; and regulations governing (i) classified or controlled information, equipment or areas; and (ii) controlled unclassified information (“CUI”), such as “Unclassified Controlled Nuclear Information” (“UCNI”) or Official Use Only (“OUO”) information. Non-public information provided by IES may contain Export Controlled Information (as defined below) or CUI. “Regulations” for these purposes shall include, but not be limited to, applicable DOE Orders and Department of Defense Directives and Instructions.

(i) Definition. “Export Controlled Information” or “ECI” means all unclassified tangible or intangible information, material and/or documents (including purchase orders, drawings, specifications, parts and other data) whether in oral, written, electronic or hardcopy form, whose export from the United States or disclosure to non-U.S. persons or entities (including disclosure in the United States to individuals who are not U.S. citizens or to non-U.S. persons or entities (as defined below)) is subject to control under the laws and regulations referred to in 18.6.2(a). Tangible or intangible (including electronic and verbal) information, materials and/or documents, furnished or disclosed by, or for, IES, may include ECI. The determination or identification of whether information, materials or documents are, or contain, ECI shall be performed, and documented, by an IES-authorized ECI Reviewing Official. In the absence of a determination that information, materials or documents are not, or do not contain ECI, they should be presumed to be ECI. For purposes of this clause, CUI shall be treated as ECI.

(ii) Oral or Visual Disclosure. Any Party that discloses Export Controlled Information orally or visually shall identify it as Export Controlled Information at the time of disclosure.

(iii) Marking. All tangible objects, such as drawings, contracts, reports, programs or documents, which constitute and/or contain, Export Controlled Information shall be marked “Export Controlled Information” or such other markings as required or permitted by regulations or written guidance. Markings inadvertently omitted from Export Controlled Information when disclosed to a person or entity shall be applied by the receiving person or entity promptly and/or as directed by the Disclosing Party. The Export Controlled Information shall be protected from release to unauthorized persons or entities, upon notification that markings have been omitted, and controlled as Export Controlled Information. Such Export Controlled Information shall thereafter continue to be treated as ECI under the terms of this Agreement. Tangible matter and/or materials such as drawings, contracts, reports, programs, documents that do not contain Export Controlled Information shall be marked “Information Contained Within DOES NOT CONTAIN Export Controlled Information” and/or in accordance with regulations or written guidance.

(iv) Export Controlled Information shall be protected by Supplier in accordance with U.S. Government export control laws and regulations, including the DOE Guidelines on Export Control and Nonproliferation. Pursuant to these laws, regulations and guidelines and subject to 18.16.2(b), ECI may not be disclosed (A) to any company, entity, supplier or contractor that is (1) incorporated, organized or established under the laws of a foreign country, or (2) owned, controlled or influenced by (x) one or more individuals who are not U.S. citizens or (y) one or more entities that are incorporated, organized or established under the laws of a foreign country or (B) to individuals who are not U.S. citizens (any entity individual falling under (A) or (B) being referred to herein as a “Foreign Person”), except in accordance with U.S. Government export control laws and regulations, including the DOE Guidelines on Export Control and Nonproliferation.

(b) In addition to the requirements of 18.16.2(a)(iv), unless specifically and expressly approved in writing by IES, Supplier shall not disclose any ECI provided or furnished under this Agreement for any purpose to any

Foreign Person (as defined above). This restriction applies to tangible and intangible information and guidance containing ECI which may be provided by IES, or by any contractor or subcontractor of IES, or by any other person acting on behalf of IES.

(c) Prior to disclosing any ECI to any person or entity outside of Supplier’s organization, Supplier shall include the terms of 18.16.2 in a binding contract or agreement with such person or entity.

(d) Where information is provided with a cover sheet or other directions that indicate how it will be handled and protected, Supplier shall comply with that cover sheet.

(e) In no event shall classified information (for example, information to which access is limited by the U.S. government to those U.S. citizens who possess official clearances from the U.S. government) be disclosed under this Agreement

18.17 Defend Trade Secrets Act. In accordance with the Defend Trade Secrets Act of 2016, any individual performing work for IES, whether as an individual, contractor or consultant, will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, if such an individual files a lawsuit for retaliation by an employer for reporting a suspected violation of law, he or she may disclose the employer’s trade secrets to his or her attorney and use the trade secret information in the court proceeding if such individual; (x) files any document containing the trade secret under seal; and (y) does not disclose the trade secret, except pursuant to court order. Except to the extent notice of the foregoing immunities has already been given such individuals, Supplier shall notify its employees or contractors of receiving confidential information under this Agreement, of such immunities.

18.18 TRADEMARKS: All trademarks of IES or IES’s customers that IES requests Supplier to affix to the Goods purchased hereunder are owned by IES or IES’s customers and Supplier shall not acquire or claim any right, title or interest therein or use any such trademarks of IES or its customers for any other purpose.

18.19 DESIGNS, TOOLS, ETC. FURNISHED BY IES: Any drawings, data, tools, designs, equipment, software programs or other property supplied by IES to Supplier or specifically paid for by IES in connection with the Purchase Order shall be and remain IES’ property. Such property shall be used exclusively in connection with the Goods or Services provided hereunder, maintained in first class condition and returned by Supplier to IES at the termination of this Purchase Order, or earlier should IES so request. Further, any data, software or other technical information (including any data or information included in any drawings, specifications or other materials provided by IES to Supplier hereunder) are proprietary to IES or its customers, shall be held in strictest confidence by Supplier, shall not be reproduced or disclosed to others without IES or its customer’s prior written consent and shall be used by Supplier solely in connection with the fulfillment of this Purchase Order. Any information furnished to IES by Supplier relating to or as a result of this Purchase Order shall be considered non-confidential unless otherwise agreed to by IES in a separate written agreement. All new technology (including, but not limited to, inventions, patentable or not), new equipment, or a new manufacturing process resulting from Services performed by Supplier under this Purchase Order shall be the exclusive property of IES.

18.20 PATENT PROTECTION: Supplier shall defend and hold harmless IES, its subsidiaries and affiliates, and their respective customers, from all expenses, liabilities and losses of any kind (including attorneys’ fees), growing out of claims, suits or proceedings alleging any patent, trademark, or copyright infringement arising from the manufacturing, sale or use of any Goods ordered or Services provided hereunder. Supplier shall promptly assume the defense of any such claim, suit or



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- proceeding and shall pay all costs, damages, royalties or profits which may be decreed or awarded against IES, its subsidiaries, affiliates, agents or customers in connection therewith. Supplier shall, at its own cost and expense, either procure for IES the right to continue using the Goods or Services or any part thereof, or modify the Goods or Services so that they become non-infringing, provided that such modified Goods or Services shall conform in every respect to the applicable specifications and terms and conditions of this Purchase Order. If neither of these alternatives is possible, then Supplier shall promptly refund to IES the purchase price paid for such Goods or Services. Supplier shall further indemnify and hold harmless IES, its subsidiaries and affiliates, and their respective officers, directors, employees, agents and customers, from all other claims, demands, liabilities, costs and expenses (including attorneys' fees) arising from any actual or alleged (i) defect in the Goods or Services provided by Supplier hereunder, (ii) failure of the Goods or Services to comply with all specifications or with the express or implied warranties of Supplier, or (iii) Supplier's violation of any statute, ordinance, rule or regulation in the manufacture, sale, delivery or completion of the Goods or the provision of the Services. The indemnification and hold harmless obligations of this paragraph shall survive completion, expiration or termination of this Purchase Order.
- 18.21 INDEMNIFICATION: Supplier shall indemnify and hold IES, its officers, directors, employees and agents, harmless from and against any and all loss, damage, liability or expense resulting from damage to property of a third party, or injuries, including death, to third parties to the extent caused by a negligent act or omission of the Supplier, its subcontractors, agents or employees. Supplier, upon notice from IES, shall resist and defend, at Supplier's sole cost and expense, any such action or proceeding with counsel reasonably satisfactory to IES. In addition, at its option, IES may engage, at its own expense, separate counsel to appear on its behalf in such action or proceeding without waiver of its rights or Supplier's obligation hereunder.
- 18.22 CODE OF CONDUCT: IES is committed to conducting its business fairly, impartially, and in an ethical and proper manner, and expects its Suppliers to do the same. Seller agrees that it has and enforces a Corporate Code of Conduct or Ethics that meets the requirements of FAR 52.203-13.
- 18.23 CORPORATE RESPONSIBILITY: In addition to the commitments set out in this Purchase Order, Supplier agrees to comply with all United States of America, European and international regulations about ethical and responsible standards of behavior, including and without being limited to those dealing with human rights, environmental protection, sustainable development and corruption and to require the same of its subcontractors and all persons within its sphere of influence. In addition to any other rights and remedies IES may have, IES may terminate this Purchase Order if Supplier is in breach of these obligations; provided, however, if the breach is capable of remedy, IES' right to terminate shall be subject to Supplier's remedy of such breach within a reasonable cure period established by IES.
- 18.24 IMPROPER PAYMENTS, KICKBACKS, GIFT, GRATUITIES, ETC. In fulfilling the terms of this Purchase Order, Supplier shall not make payment of any salary, fee, commission or compensation of any kind, or grant any gift or gratuity of any kind, either directly or indirectly, to any officer, director, employee, agent or representative of IES. In the event Supplier violates the terms of this section, then all payments due Supplier under this Purchase Order shall be forfeited and IES shall have the right to immediately terminate this Purchase Order.
- 18.25 ATTORNEYS' FEES. In the event that IES brings suit against Supplier to enforce performance of any provision hereof or should IES be forced to defend a lawsuit brought against it by Supplier, then Supplier shall be liable for all of IES' costs and expenses, including reasonable attorneys' fees.
- 18.26 NOTWITHSTANDING ANYTHING TO THE CONTRARY, AND SUBJECT TO APPLICABLE LAWS, IES AND ITS EMPLOYEES, OFFICERS OR AGENTS, SHALL HAVE NO LIABILITY FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES INCLUDING LOST PROFITS, LOST BUSINESS OPPORTUNITIES, LOSS OF GOOD WILL, WHETHER BASED ON CONTRACT, STRICT LIABILITY, TORT OR ANY OTHER THEORY OR FORM OF ACTION, AND REGARDLESS OF WHETHER IT HAS BEEN ADVISED OF THE POSSIBILITY OF THE SAME.
- 18.27 In no event shall the total aggregate liability of IES relating to this Purchase Order, exceed the following sum: total price agreed to be paid for the item, goods, and services delivered in accordance with the terms of this Purchase Order by Supplier.
- 18.28 ANTI-TRAFFICKING IN PERSONS: IES prohibits its employees, agents, subcontractors, and contract labor from engaging in activities that support or promote trafficking in persons, including, but not limited to, any of the following:
- 18.28.1 Trafficking in persons, including, but not limited to the following:
- 18.28.2 sex trafficking; or
- 18.28.3 the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, debt bondage, or slavery.
- 18.28.4 The procurement of a commercial sex act;
- 18.28.5 The use of forced labor in the performance of company business;
- 18.28.6 The use of misleading or fraudulent recruitment activities;
- 18.28.7 Charging employees recruitment fees;
- 18.28.8 Failing to pay for the return transportation at the end of employment for an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working;
- 18.28.9 Providing or arranging housing that fails to meet the host country housing and safety standards; or
- 18.28.10 If required, failing to provide an employment contract, recruitment agreement, or similar work document in writing, in the individual's native language and prior to the individual departing from his or her country of origin.
- 18.28.11 Supplier represents and warrants that it shall abide by and comply with the requirements of this clause. Further, Supplier shall require its employees, agents, contract labor and subcontractors to abide by and comply with the requirements of this clause.
- 18.28.12 IES or its authorized representatives may, at any time, audit all pertinent books, records, work sites, offices, and documentation of Supplier in order to verify compliance with this clause. Supplier will, in all of its lower-tier subcontracts and contracts relating to this or any other IES Order with Supplier, include provisions which secure for IES all of the rights and protections provided for within this clause.
- 18.28.13 Supplier acknowledges that if Supplier or any of its employees, agents, or contract labor engages in any of the prohibited activities in this clause, this Order is subject to termination.
- 18.28.14 Whenever Supplier has knowledge, whether substantiated or not, that any actual or suspected violation of this clause has occurred, Supplier shall immediately give written notice to IES's PCO and provide all relevant information including, but not limited to, the nature of the actual or suspected violation.
- 18.28.15 Supplier shall provide its full cooperation during any subsequent investigation of the actual or suspected violation by IES, IES's representative, or cognizant government agency. Supplier's cooperation shall include, but not be limited to, permitting inspection of its work sites, offices, and documentation, as necessary to support any investigation.
- 18.28.16 Supplier shall, at its own expense, defend, indemnify and hold harmless IES and its affiliates, and all of their directors, officers, agents, employees, successors and assigns, against any claims, loss, damage or expense, regardless of how arising and even if unforeseeable, including, without limitation, payment of direct, special, incidental and consequential damages and attorney's fees, arising out of, or relating to, Supplier's or Supplier's employees, agents, subcontractors or contract labor's failure to comply with the requirements of this clause.



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- 18.28.17 Supplier agrees to insert the substance of this clause, including this sentence, in any lower-tier subcontract.
- 18.29 SUSPECT/COUNTERFEIT PARTS: This clause is applicable to all Orders. If DFARS 252.246-7007 and DFARS 252.246-7008 are also applicable to this Order, "Contracting Officer" shall mean "IES". Supplier shall establish and maintain a material authenticity process that ensures the requirements of these clauses or other authenticity requirements in this Order are met. Supplier's obligation to substantiate authenticity shall survive acceptance of and payment for Products delivered under this Order.
- 18.29.1 Supplier shall not furnish suspect counterfeit or counterfeit parts to IES under this Order. All material delivered under this Order shall be authentic and traceable to the original manufacturer. Supplier shall provide authenticity and traceability records to IES upon request. Supplier shall immediately notify IES if Supplier cannot provide electronic parts, components, and/or assemblies traceable to the original component manufacturer or the original equipment manufacturer. Upon receipt of such notification, IES reserves the right to terminate this Order at no cost to IES or require specific material validation test and inspection protocol requirements to Supplier.
- 18.29.2 If suspect counterfeit or counterfeit parts are furnished under this Order and are found in any of the Products delivered hereunder, such items will be impounded by IES. Supplier shall promptly replace such suspect/counterfeit parts with parts acceptable to the IES. Supplier shall be liable for all costs relating to the removal and replacement of said parts, including without limitation IES's external and internal costs of removing such suspect/counterfeit parts, of reinserting replacement parts and of any testing or validation necessitated by the reinstallation of Supplier's Products after suspect/counterfeit parts have been exchanged. IES's remedies described herein shall not be limited by any other clause agreed upon between IES and Supplier in this Order and are in addition to any remedies IES may have at law, equity or otherwise under this Order. At IES's request, Supplier shall return any removed suspect counterfeit or counterfeit parts to IES in order that IES may turn such parts over to its U.S.G. customer for further investigation. For purposes of this clause, Supplier agrees that any U.S.G. directive/information or GIDEP alert, indicating that such parts are suspect counterfeit or counterfeit, shall be deemed definitive evidence that Supplier's Products contain suspect counterfeit or counterfeit parts.
- 18.29.3 Supplier agrees to insert the substance of this clause, including this sentence, in any lower tier subcontract.
19. COMPLETE AGREEMENT: This Order together with all attachments, exhibits, and other items specifically referenced in or attached to this Order is the Parties' final expression of their agreement and is the complete and exclusive statement of all terms and conditions of agreement. This Order supersedes and cancels all prior understandings, proposals, communications, whether oral or written, and agreements between the Parties, whether such understandings, proposals, communications, and agreements were written or oral, concerning the matters addressed in this Order. No course of prior dealings between the Parties, and no usage of trade, shall be relevant to supplement or explain any term used in this Order. The descriptive headings contained in this Order are for convenience of reference only and in no way define, limit or describe the scope or intent of this Order.
20. GENERAL PROVISIONS – FAR/DFAR CLAUSES: When goods or services furnished by the Supplier ("Supplier") to IES ("Buyer") for use in connection with a U.S. Government contract or subcontract, in addition to IES's General Terms and Conditions, the following provisions shall apply, as required by the terms of the prime contract, or by operation of law or regulation. Otherwise, IES's General Terms and Conditions shall govern the contractual relationship of the Parties.
21. This contract includes the appropriate flow-down clauses as required by FAR/DFAR. The FAR and DFARS clauses cited below are incorporated herein by reference. The listed FAR and DFARS clauses are incorporated herein as if set forth in full text unless made inapplicable by its corresponding note or dollar threshold, if any. Supplier shall include the appropriate FAR and DFARS clauses as required in any lower-tier subcontract. Whenever said clauses include a requirement for the resolution of disputes between the Parties in accordance with the FAR "Disputes" clause, the dispute shall instead be disposed of in accordance with the clause entitled "Disputes" in these terms and conditions.
22. Where necessary to derive proper meaning in a subcontract situation from these clauses, "Contractor" means "Supplier," "Contracting Officer" means "Buyer," "Contract" means this Purchase Order/Subcontract and "Government" means "Buyer or the Government." However, the words "Government" and "Contracting Officer" do not change: (1) 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, (2) when title to property is to be transferred directly to the Government, and (3) in FAR 52.227-1, 52.227-2, and DFARS 252.227-7013 and 252.227-7014.

Applicable to all Purchase Orders:

- 52.202-1 Definitions
- 52.203-3 Gratuities
- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
- 52.203-13 Contractor Code of Business Ethics and Conduct
- 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009
- 52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
- 52.204-2 Security Requirements
- 52.204-9 Personal Identity Verification of Contractor Personnel
- 52.204-19 Incorporation by Reference of Representations and Certifications
- 52.204-21 Basic Safeguarding of Covered Contractor Information Systems
- 52.208-8 Required Sources for Helium and Helium Usage Data
- 52.209-5 Certification Regarding Responsibility Matters
- 52.209-6 Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
- 52.211-5 Material Requirements
- 52.211-14 Notice of Priority Rating for National Defense Use, Emergency Preparedness, and Energy Use Program
- 52.211-15 Defense Priority and Allocation Requirements
- 52.212-4 Contract Terms and Conditions - Commercial Items
- 52.214-26 Audit and Records--Sealed Bidding
- 52.214-28 Subcontractor Cost or Pricing Data--Modifications-- Sealed Bidding
- 52.215-15 Pension Adjustments and Asset Reversions
- 52.215-16 Facilities Capital Cost of Money (applies to cost-type Purchase Orders/Subcontracts)
- 52.215-17 Waiver of Facilities Capital Cost of Money
- 52.215-18 Reversion or Adjustment of Plans for Post Retirement Benefits (PRB) Other Than Pensions
- 52.219-8 Utilization of Small Business Concerns
- 52.222-1 Notice to the Government of Labor Disputes
- 52.222-18 Certification Regarding Knowledge of Child Labor for Listed End Products
- 52.222-19 Child Labor - Cooperation with Authorities and Remedies
- 52.222-21 Prohibition of Segregated Facilities
- 52.222-25 Affirmative Action Compliance
- 52.222-26 Equal Opportunity
- 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- 52.222-36 Affirmative Action for Workers with Disabilities
- 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- 52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees



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- 52.222-40 Notification of Employee Rights Under the National Labor Relations Act
- 52.222-41 Service Contract Labor Standards
- 52.222-50 Combating Trafficking in Persons
- 52.222-51 Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements
- 52.222-53 Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements
- 52.222-54 Employment Eligibility Verification
- 52.222-55 Minimum Wages Under Executive Order 13658
- 52.222-62 Paid Sick Leave Under Executive Order 13706
- 52.223-11 Ozone-Depleting Substances
- 52.223-18 Contractor Policy to Ban Text Messaging while Driving
- 52.223-3 Hazardous Material Identification and Material Safety Data
- 52.223-6 Drug Free Workplace
- 52.223-7 Notice of Radioactive Materials
- 52.224-2 Privacy Act
- 52.225-1 Buy American Act - Supplies
- 52.225-13 Restrictions on Certain Foreign Purchases
- 52.225-19 Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular Mission Outside the United States
- 52.226-1 Utilization of Indian Organizations and Indian-Owed Economic Enterprises
- 52.226-6 Promoting Excess Food Donation to Nonprofit Organizations
- 52.227-10 Filing of Patent Applications--Classified Subject Matter
- 52.227-11 Patent Rights--Retention by the Contractor (Short Form)
- 52.227-12 Patent Rights--Retention by the Contractor (Long Form)
- 52.227-13 Patent Rights--Acquisition by the Government
- 52.227-9 Refund of Royalties
- 52.228-3 Worker's Compensation Insurance (Defense Base Act)
- 52.228-4 Workers Compensation and War-Hazard Insurance Overseas
- 52.228-5 Insurance--Work on a Government Installation
- 52.229-2 North Carolina State and Local Sales and Use Tax
- 52.232-16 Progress Payments
- 52.232-17 Interest (Applicable when any amounts due to government by Buyer are caused by Supplier's actions under this Agreement)
- 52.233-3 Protest After Award
- 52.233-4 Applicable Law for Breach of Contract Claim
- 52.234-1 Industrial Resources Developed Under Defense Production Act Title III
- 52.236-13 Accident Prevention
- 52.237-7 Indemnification and Medical Liability Insurance
- 52.242-17 Government Delay of Work
- 52.243-1 Changes – Fixed Price
- 52.244-6 Subcontracts for Commercial Items
- 52.245-1 Government Property (Applicable to any Purchase Order/Subcontract where Government Property is provided to Supplier. In the phrases "Government Property", "Government furnished Property", and in the references to title to property, "Government" shall not mean "Buyer". The following is added: "Supplier shall provide Buyer immediate notice of any disapproval, withdrawal of approval, or non-acceptance by the Government of its Government Property Management System")
- 52.246-2 Inspection of Supplies - Fixed-Price
- 52.247-3 Capability to Perform a Contract for the Relocation of a Federal Office, and Alternate I
- 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels
- 52.247-64 Alternative I Preference for Privately Owned U.S.-Flag Commercial Vessels
- 52.249-1 Termination for Convenience of the Government (Fixed-Price) (Short Form)
- 52.249-2 Termination for Convenience of the Government (Fixed-Price)

Applicable to all Purchase Orders over \$3,000:

- 52.222-41 Service Contract Act of 1965, as Amended
- 52.222-54 Employment Eligibility Verification

Applicable to all Purchase Orders over \$10,000:

- 52.222-21 Prohibition of Segregated Facilities
- 52.222-22 Previous Contracts and Compliance Reports
- 52.222-26 Equal Opportunity
- 52.222-27 Affirmative Action Compliance Requirements for Construction
- 52.222-36 Affirmative Action for Workers with Disabilities

Applicable to all Purchase Orders over \$25,000:

- 52-204-10 Reporting Executive Compensation and First-Tier Subcontract Awards
- 52.209-6 Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
- 52.226-6 Promoting Excess Food Donation to Nonprofit Organizations
- 52.248-3 Value Engineering--Construction Applicable to all Purchase Orders over \$30,000

Applicable to all Purchase Orders over \$100,000:

- 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- 52.223-14 Toxic Chemical Release Reporting
- 52.225-8 Duty Free Entry
- 52.248-1 Value Engineering

Applicable to all Purchase Orders Exceeding the Simplified Acquisition Threshold:

- 52.203-6 Restrictions on Subcontractor Sales to the Government
- 52.203-7 Anti-Kickback Procedures
- 52.215-2 Audit and Records--Negotiation
- 52.215-14 Integrity of Unit Prices
- 52.215-23 Limitation on Pass-Through Charges
- 52.222-4 Contract Work Hours and Safety Standards Act-- Overtime Compensation
- 52.222-35 Equal Opportunity for Veterans
- 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- 52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees
- 52.227-1 Authorization and Consent
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement
- 52.227-3 Patent Indemnity
- 52.247-63 Preference for U.S.-Flag Air Carriers
- 52.248-1 Value Engineering

Applicable to all Purchase Orders over \$550,000:

- 52.219-8 Utilization of Small Business Concerns
- 52.219-9 Small Business Subcontracting Plan Applicable to all Purchase Orders over \$650,000:
- 52.215-10 Price Reduction for Defective Cost or Pricing Data
- 52.215-11 Price Reduction for Defective Cost or Pricing Data- Modifications
- 52.215-12 Subcontractor Cost or Pricing Data
- 52.215-13 Subcontractor Cost or Pricing Data--Modifications
- 52.215-15 Pension Adjustments and Asset Reversions
- 52.215-18 Reversion or Adjustment of Plans for Post Retirement Benefits (PRB) Other Than Pensions
- 52.215-19 Notification of Ownership Changes
- 52.222-50 Combating Trafficking in Persons

Applicable to all Purchase Orders over \$5,000,000:

- 52.203-13 Contractor Code of Business Ethics

When the items furnished under this Purchase Order are for use in connection with a U.S. Government Department of Defense Prime Contract or subcontract, the following DFAR provisions, in addition to the Buyer's Terms and Conditions and the FAR provisions, shall apply as required by the



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terms of the Prime Contract or by operation of law or regulation. The effective version of each DFARS provision shall be the same version as that which appears in Buyer's prime contract, or higher-tier subcontract under which this Purchase Order is a subcontract.

DFARS Clauses Applicable to all Purchase Orders:

252.203-7000 Requirements Relating to Compensation of Former DoD Officials
 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense Contract-Related Felonies
 252.203-7002 Requirements to Inform Employees of Whistleblower Rights
 252.203-7004 Display of Hotline Poster (s) (applies in accordance with subparagraph (e) of the clause)
 252.204-7000 Disclosure of Information
 252.204-7008 Compliance with safeguarding covered defense information controls
 252.204-7009 Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information
 252.204-7010 Requirement for Contractor to Notify DOD if the Contractor's Activities Are Subject to Reporting Under the U.S. International Atomic Energy Agency Protocol
 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting
 252.205-7014 Limitation on the Use or Disclosure of Information by Litigation Support Contractors
 252.205-7015 Notice of Authorized Disclosure of Information for Litigation Support
 252.208-7000 Intent to Furnish Precious Metals as Government Furnished Material
 252.209-7002 Disclosure of ownership or control by a foreign government
 252.211-7003 Item Identification and Valuation
 252.215-7004 Excessive Pass-Through Charges
 252.222-7000 Restrictions on Employment of Personnel
 252.222-7007 Representation Regarding Combating Trafficking in Persons
 252.223-7001 Hazard Warning Labels
 252.223-7002 Safety Precautions for Ammunition and Explosives
 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials
 252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives
 252.223-7008 Prohibition of Hexavalent Chromium
 252.225-7001 Buy American Act and Balance of Payments Program
 252.225-7002 Qualifying Country Sources as Subcontractors
 252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States
 252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies
 252.225-7008 Restriction on Acquisition of Specialty Metals
 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals
 252.225-7010 Commercial Derivative Military Article – Specialty Metals Compliance Certificate
 252.225-7012 Preference for Certain Domestic Commodities
 252.225-7013 Duty-Free Entry – Qualifying Country Supplies (End Products and Components)
 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools
 252.225-7016 Restrictions on Acquisition of Ball and Roller Bearings (applicable if product contains ball or roller bearings)
 252.225-7020 Trade Agreements Certificate
 252.225-7021 Trade Agreements
 252.225-7025 Restrictions on Acquisitions of Forgings (Applicable if this Agreement is for forging items or for other items that contain forging items)

252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate
 252.225-7033 Waiver of United Kingdom Levies
 252.225-7036 Buy American Act - Free Trade Agreement - Balance of Payments Program
 252.225-7038 Restriction on Acquisition of Air Circuit Breakers
 252.225-7043 Antiterrorism/force protection policy for defense contractors outside the United States
 252.225-7048 Export Controller Items
 252.227-7013 Rights in Technical Data – Noncommercial Items
 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
 252.227-7014 Alternative I Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
 252.227-7015 Technical Data-Commercial Item
 252.227-7016 Rights in Bid or Proposal Information
 252.227-7018 Rights in Noncommercial Technical Data and Computer Software- -Small Business Innovative Research Program
 252.227-7019 Validation of Asserted Restrictions--Computer Software
 252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends
 252.227-7028 Technical Data or Computer Software Previously Delivered to the Government
 252.227-7033 Rights in Shop Drawings
 252.227-7037 Validation of Restrictive Markings on Technical Data
 252.227-7038 Patent Rights - Ownership by the Contractor (Large Business)
 252.228-7001 Ground and flight risk
 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles
 252.229-7011 Reporting of Foreign Taxes--U.S. Assistance Program
 252.231-7000 Supplemental Cost Principles
 252.234-7002 Earned Value Management System
 252.235-7003 Frequency Authorization and Alternate 1 (Applicable when this Agreement requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.)
 252.236-7013 Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers.
 252.239-7000 Protection Against Compromising Emanations (Applicable when Agreement involves information technology requiring protection of compromising emanations)
 252.239-7016 Telecommunications Security Equipment, Devices, Techniques, and Services (Applicable when performance requires secure telecommunications)
 252.243-7001 Pricing of Contract Modifications
 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts)
 252.246-7003 Notification of Potential Safety Issues
 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System
 252.246-7008 Source of Electronic Parts
 252.247-7003 Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer
 252.247-7023 Transportation of Supplies by Sea
 252.247-7024 Notification of Transportation of Supplies by Sea
 5252.204-9504 Disclosure of Contract Information (NAVAIR)
 5252.227-9511 Disclosure, Use and Protection of Proprietary Information (NAVAIR)

DFARS Clauses Applicable All Purchase Orders Exceeding \$100,000:

252.247-7023 Transportation of Supplies by Sea (Applies only where Supplier, or its lower-tier suppliers, will ship supplies by sea. Supplier agrees to indemnify and hold the Buyer harmless against any loss, damage or



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expense suffered by the Buyer as a result of Supplier's failure to comply with the requirements of this clause.)

252.247-7024 Notification of Transportation of Supplies by Sea

metal: aircraft, missile or space systems, ships, tank or automotive items, weapon systems, ammunition).

252.243-7002 Requests for Equitable Adjustment

DFARS Clauses Applicable If This Agreement Exceeds \$150,000:

252.203-7001 Prohibition on Persons Convicted of Fraud or other Defense-Contract-Related Felonies
252.209-7004 Subcontracting with Firms that are Owned or Controlled by the Government of a Terrorist Country
252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (Applicable for Agreements requiring delivery of components of the following items, if such components contain specialty

DFARS Clauses Applicable If This Agreement Exceeds \$500,000:

252.219-7003 Small Business Subcontracting Plan (DoD Contracts)
252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States
252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns
252.249-7002 Notification of Anticipated Program Termination or Reduction

DFARS Clauses Applicable If This Agreement Exceeds \$700,000:

252.249-7002 Notification of Anticipated Contract Termination or Reduction

DFARS Clauses Applicable If This Agreement Exceeds \$750,000:

252.215-7000 Pricing Adjustments (Applicable when FAR 52.215-11, -12, -13 are included)

DFARS Clauses Applicable If This Agreement Exceeds \$1,000,000:

252.211-7000 Acquisition Streamlining
252.222-7999 Additional Requirements and Responsibilities Restricting the Use of Mandatory Arbitration Agreements
252.225-7333 Waiver of United Kingdom Levies (Applies only if this is an award to a UK organization)