Table of Contents:

1. Purpose
2. Scope
3. Definitions
4. Procedure
   4.1 Procurement Authority
   4.2 Global Requirements
   4.3 Solicitation Instructions
5. Military & Aerospace Requirements
   5.1 Documentation Revision Levels
   5.2 Right of Entry
   5.3 Records Access
   5.4 Sub-tier Flowdown
   5.5 Record Retention
   5.6 Nonconforming Product
   5.7 Source Inspection
   5.8 Changes in Design, Material, Processes
   5.9 Sampling Inspection
   5.10 Controlled Sources
   5.11 Quality Management System
   5.12 Seller Corrective Action Requests
   5.13 Other Requirements
   6.1 Acceptance
   6.2 Contract Execution and Direction
   6.3 Terms and conditions applicable to U.S. Government work
   6.4 Order of Precedence
   6.5 Tax
   6.6 Warranty
   6.7 Delivery Time
   6.8 Title and Risk or Loss
   6.9 Inspection
   6.10 Infringement of Patents
   6.11 Compliance With Statutes, Laws, and Regulations
   6.12 Property of Materials Furnished to Seller by The Buyer
   6.13 Tooling and Test Equipment
   6.14 Specifications
   6.15 Changes
   6.16 New Material
   6.17 Packaging and Shipping
   6.18 Termination
   6.19 Stop Work Order
   6.20 Protection of Specific Acquisition
   6.21 Buyers Use of Data and Information
   6.22 Proprietary Information
   6.23 Assignment, Subcontracting and Insolvency
   6.24 Separability of Provisions
   6.25 Labor Disputes
   6.26 Publicity
   6.27 Applicable Law and Forum
   6.28 Government Property
   6.29 ATF Regulations
   6.30 Liens/Indemnity Against Claims
7. Packaging, Preservation, and Handling
   7.1 Packaging Requirements
   7.2 Container Marking
   7.3 General Packing, Shipping and Documentation Requirements
   7.4 Traceability
8. On-Site Commercial and Safety Requirements
9. Counterfeit Parts/Work & Prohibited Items
   10.1 Counterfeit Definitions
   10.2 Prohibited Work
   10.3 Prohibited Software
10. Sub-Contractors
11. Insurance
12. Force Majeure
13. Relationship of the Parties
14. Remedies
15. Survival
16. No Waiver
17. Disputes
18. Product Support Obligation

APPENDIX A - SELLER QUALITY MANUAL/MILITARY & AEROSPACE ADDENDUMS

Q1 Global Quality Requirements
   Q1.1 Certificate of Conformance (C of C)
   Q1.2 Certificate of Analysis (C of A)
   Q1.3 Documentation Revision Levels
   Q1.4 Right of Entry/Access
   Q1.5 Records Access
   Q1.6 Sub-Tier Flowdown
   Q1.7 Record Retention
   Q1.8 Non-Conforming Product
   Q1.9 Source Inspection
   Q1.10 Calibration System Requirements
   Q1.11 Seller Corrective Action Requests (SCAR)
   Q1.12 Failure Analysis Report / FRACAS
   Q1.13 Sampling Inspection
   Q1.14 Inspection by PRIMUS

Q2 Order & Drawing Specific Requirements
   Q2.1 Calibration Certification Required
   Q2.2 PRIMUS Internal Calibration Requirements
   Q2.3 Acceptance Test Procedures (ATP)
   Q2.4 Government Inspection
   Q2.5 ISO-9000 Quality System Requirements
   Q2.6 Quality Program / Inspection System Requirements
   Q2.7 Seller Notification of Changes
   Q2.8 Test Reports – Chemical and Physical Analysis Results
   Q2.9 Special Process Conformance
   Q2.10 First Article Inspection (FAI)
   Q2.11 Specific Military and Aerospace Requirements

APPENDIX B - STATUTORY NOTIFICATIONS & REQUIREMENTS

200 Export Control
201 Priority Rating
202 FAR/DFAR/ NASA FAR
1. **Purpose and Effect:**
The purpose of this document is to provide the required terms and conditions specific to a Purchase Order to the prospective or selected Seller. This document provides the terms and conditions of this purchase as well as the quality criteria. PRIMUS’ agreement to purchase from Seller is based upon these terms and conditions and these terms and conditions shall apply and be deemed incorporated in any Purchase Order or Contract unless modified by an overriding agreement mutually accepted by authorized representative of PRIMUS and Seller. The Seller’s acceptance of a Purchase Order and/or its provision of goods or services to PRIMUS shall constitute an unqualified assent to these terms and conditions. PRIMUS’ failure to object to provisions contained in any quotation, acceptance or other communication from the Seller shall not constitute a waiver of these terms and conditions.

2. **Scope:**
This terms and conditions set forth in this document shall apply to all other documents, regardless of media type, that are used for procurement (e.g., PO’s, RFQ’s/RFP’s, requisitions, contracts, specifications, drawings, etc.).

3. **Definitions**
   - “Buyer” means PRIMUS and any successor or assignee thereof.
   - “Buyer’s Procurement Representative” means a person authorized by Buyer, i.e., PRIMUS’ cognizant procurement organization to administer and/or execute this contract.
   - “Contract” means the instrument of contracting, such as “PO”, “Purchase Order” or similar instrument, including these Purchase Order Terms and Conditions and all other documents referred to therein.
   - “FAR” and “DFAR” refers to the Federal Acquisition Regulation and the Defense Federal Acquisition Regulation, respectively.
   - “Goods” means goods, parts, supplies, software, technology, drawings, data, reports, manuals, other specified documentation, or items that are required to be delivered pursuant to, or in connection with, an Order, and where the context requires such services as are necessary and incidental to the delivery of Goods under any Order.
   - “Services” means any and all services required to be delivered pursuant to, or in connection with, an Order.
   - “NRE” means non-recurring expense.
   - “Order” or “Purchase Order” means a paper or electronic document sent by Buyer to Seller, or where provided for in an agreement, an entry on a Buyer web site, to initiate the ordering of Goods or Services, such as a purchase order, a scheduling agreement, or other authorization or Order, and including change notices, supplements or modifications thereto. The phrase “in connection with the Order” includes performance of the Order, performance in anticipation of the Order, and preparation of a bid or proposal for the Order.
   - “Purchase Order Terms and Conditions” means this document, the PRIMUS Purchase Order Terms & Conditions, regardless of whether modified or unmodified by the Parties.
   - “Seller” or “Contractor” means the legal entity providing Goods and Services or otherwise performing work pursuant to an Order.
   - “OSL” refers to Buyer’s Qualified Sellers List or Approved Sellers List.
   - “RFQ” Request for Quotation.

4. **Procedure:**
   4.1 For all applicable RFQ’s, contracts, and Purchase Orders this Purchase Order Terms and Conditions including Appendices must be referenced with every Request for Quote and Purchase Order.
   4.2 For specific Military and Aerospace Purchase Orders the requirements in Buyer’s Special and Supplementary Quality Program & Inspection System Requirements and Seller Quality Manual for all Sellers producing to Military/Aerospace Requirements and specifically Customer owned drawings shall be in effect.

Buyer has in place, inspection and testing systems to confirm compliance with specific Military/Aerospace requirements including but not limited to:

26a FOD (Foreign Object Damage) in accordance with NAS412, 26b First Article in accordance with or equivalent to AS9102, 26c Tin Whisker Mitigation in accordance with JEDEC standard 201.

Seller shall be aware of these standards and apply them as appropriate when manufacturing build-to-print items. Commercial Off The Shelf (COTS), DSCC and Industry Specification certified parts shall comply with the product standards and processing requirements of the certifying body.

5. **Procurement Authority:**
Buyer holds out its buyers and purchasing manager as Buyer’s Procurement Representatives. Any commitment made by Buyer to Seller, its subcontractors, or any other person must come from a Buyer’s Procurement Representative.

5.2 **Global Requirements:**
5.2.1 The following general requirements apply to all Buyer Purchase Orders:
5.2.2 Audit / Survey - Buyer or its customers reserve the right to audit/survey the Seller’s Quality Assurance System and non-proprietary processes at the vendor and sub tier Sellers facilities at any time during the performance of our purchase orders.
5.2.3 Seller Corrective Action Requests (SCARs) - Seller shall respond promptly after receipt of a corrective action request. Request shall note the problem, cause, and associated corrective and preventive action taken to prevent future non-compliance. Failure to respond promptly will impact Seller performance rating.
5.2.4 SCAR/DMR Charge - Buyer may charge Seller up to $2,500 (the “SCAR/DMR Charge”) for each such SCAR or DMR. Buyer and Seller agree that a SCAR/DMR Charge is a reasonable estimate of the initial administrative costs Buyer will incur to process an SCAR or DMR, and that the SCAR/DMR Charge is not a penalty, and further agree that the SCAR/DMR Charge compensates Buyer only for Buyer’ initial administrative costs but does not compensate乙方 for other damages it may sustain as a result of Seller’s failure to meet quality requirements, including but not limited to: (a) costs, expenses and damages Buyer incurs in responding to, correcting or mitigating the effects of Seller’s failure to meet quality requirements; and (b) costs, expenses and damages Buyer pays to its customers as a consequence of Seller’s failure to meet quality requirements. Except with respect to Buyer’ initial administrative costs and as otherwise limited herein, the SCAR/DMR Charge is not and shall not be construed as Buyer sole or exclusive remedy for Seller’s failure to meet quality requirements.
5.2.5 Resubmitted Materials - Materials rejected by Buyer and subsequently resubmitted by the Seller shall be clearly and properly marked as resubmitted articles. Seller’s shipping document shall contain a statement that the articles are resubmitted items and shall reference Buyer’s rejection document. Each resubmission of material shall be shipped separately from any other material.
5.2.6 Seller Rating - Sellers shall have their quality and delivery performance monitored by the Buyer’s Quality Department. Failure to maintain an acceptable standard as determined by the Buyer’s Quality
5.3 Solicitation Instructions

Seller will comply with these instructions when responding to Buyer’s solicitation.

5.3.1 Responses to solicitations received after the specified “Bid Close Date” may be considered non-responsive. Any extension of the Bid Close Date shall only be approved by the Buyer’s Authorized Procurement Representative. Any extension of a written solicitation must be in writing.

5.3.2 Seller will provide pricing for the exact quantity requested as written and the next highest quantity break, if any, above the quantity specified herein.

5.3.3 Seller’s response to the solicitation will be based upon a zero shipping tolerance. If Seller’s offered price can be reduced by allowing for shipping tolerances, Seller will so indicate by quantifying the reduction and specifying the shipping toleration.

5.3.4 Seller will follow any manufacturer’s part number if its response to the solicitation proposes an equivalent item other than the requirement stated in the solicitation.

5.3.5 Buyer will not accept any counterfeit parts. Seller shall not deliver Goods that are or contain counterfeit items, including but not limited to electrical/mechanical parts or software.

5.3.6 Seller will return the original Request for Quotation (RFQ), signed, dated, and incorporating the information indicated below. If the Seller received a Request for Proposal (RFP), the information indicated below will be provided as part of its response:

5.3.6.1 Terms of payment, including any prompt payment discounts;

5.3.6.2 F.O.B. Point (or other transfer of title point);

5.3.6.3 Unit price for quantities indicated, Seller’s corresponding unit of measure, and the extended price.

5.3.6.4 Seller’s delivery schedule. (If the Seller can deliver to the Buyer’s requirements, a separate schedule is not required);

5.3.6.5 Production lead-time.

5.3.7 Seller will carefully review all documents cited in the Buyer’s solicitation to ensure the following:

5.3.7.1 All information required to properly respond to the solicitation has been received;

5.3.7.2 All tooling and material requirements, processes and procedures are understood and priced accordingly in its response, noting that any NRE, e.g. tooling be indicated separately with its own lead-time.

5.3.8 Seller accepts the responsibility to contact the Buyer’s Authorized Procurement Representative, at the number noted on the solicitation, to resolve questions or concerns regarding the solicitation.

5.3.9 Seller acknowledges by its response to the solicitation that no former employee of the Buyer is representing the Seller in connection with its proposal or any resulting order.

5.3.10 Proposals signed by an agent of the Seller will be accompanied by evidence of their authority to sign as an agent of the Seller, unless such evidence has been previously furnished and no changes have occurred.

5.3.11 Buyer reserves the right to reject any or all solicitation responses without prior discussions and to evaluate all solicitation responses with regard to quality, price, assurance of timely delivery, and all other factors that the Buyer, in its sole discretion, deems relevant.

5.3.12 If an award is made, it will be made to the prospective seller whose proposal, when price and other factors are considered, will result in the best value for the Buyer in its sole discretion.

5.3.13 Buyer reserves the right to accept other than the lowest-priced proposal and to reject all or any proposal without prior discussions.

Nothing in this Purchase Order Terms and Conditions commits the Buyer to award any contract or pay any costs incurred in connection with the preparation of any proposal.

5.3.14 Buyer will use, when available, historical data from its Seller Rating System when considering quality and timely delivery performance as award factors.

5.3.15 The award may be made based on initial proposals, without discussion or negotiation. Accordingly initial proposals should be submitted on the most favorable terms from a price, delivery and technical standpoint.

5.3.16 Buyer reserves the right to consider proposals or modifications to proposals received after the bid close date, provided such documents are received prior to award and are in the Buyer’s and/or the Government’s best interests.

5.3.17 NO-BID Response – If a Seller declines to submit a proposal for any item described in this solicitation, Seller is requested to submit a written “no-bid” response and to include the reason for not submitting a proposal. Failure to respond may lead to removal from the qualified bidder’s list.

5.3.18 Seller Information – In compliance with the Small Businesses Act, Seller is requested to provide the following information if not already on file at Buyer.

A) State whether under the Federal definitions for the Small Business Administration, Seller is classified as a Large or Small business.

B) If registered as any of the subdivisions of Small Business as defined in the FAR 52.219 and 13 CFR Part 126 please indicate on quote response.

C) Clearly state if the Seller is a foreign corporation or if it is a representative of a foreign interest. Seller shall notify Buyer in writing of any change in status from its solicitation response.

D) Clearly state if the Seller offers DFAR 252.219-7003 or F.A.R. 52.219-9 or DFAR 252.219-7003 shall be applicable if the total value of Seller’s solicitation response exceeds $700,000. Seller shall comply with the terms of these regulations by, among other things, submitting a Small Business and Small Disadvantaged Business Subcontract Plan with the solicitation response, if the Seller is not a small business entity.

5.3.19 Safety & Material Integrity compliance

A) If the material (on any portion of items supplied) has a shelf life, provide with submittal the shelf life of said items.

B) If this item needs special storage and handling condition state them with the submittal.

C) Material Safety Data Sheets (MSDS) must be provided for materials in Seller’s submittal.

5.3.20 Drawings

5.3.20.1 Drawings will be indicated as either “release for quote” or “release for purchase”.

5.3.20.2 Revision Indications

5.3.20.3 Alpha revisions are released drawings

5.3.20.4 Numeric revisions are pre-released drawings

The requirements in Section 6 below and Appendix A apply to all Military and Aerospace Products, Services and Applications:

6 Military & Aerospace Requirements:

6.1 Documentation Revision Levels - Sellers (and their sub-tier sources) shall apply the issue / version (as specified in Buyer purchasing documents) of specifications, drawings, process requirements, inspection & test instructions, technical data, and other relevant documentation pertaining to the Buyer order.

6.2 Right of Entry - Sellers (and their sub-tier sources) involved in the Buyer order, shall afford right of entry to their facility(ies) by Buyer, Buyer’s customer(s) and to Regulatory Authorities.

6.3 Records Access - Sellers (and their sub-tier sources) involved in the Buyer order, shall afford right of access to pertinent Quality Records by Buyer, Buyer’s customer(s) and to Regulatory Authorities.

6.4 Sub-tier Flowdown - Sellers involved in the Buyer order shall ‘flow down’ to their sub-tier sources (involved in the Buyer order) all applicable Buyer requirements.
6.5 Record Retention - Sellers (and their sub-tier sources) involved in the Buyer order, shall retain pertinent records for a period of Ten (10) years, or longer as specified by customers. Companies discontinuing or suspending business activities within that period will notify Buyer and seek their instruction on the disposition of those records.

6.6 Nonconforming Product - Sellers (and their sub-tier sources) involved in the Buyer order, shall notify Buyer of, and seek their instruction on the disposition and approval of, nonconforming material, products and/or services.

6.7 Source Inspection – Buyer and/or its customers reserve the right to inspect all items covered in this purchase order at the Seller’s facilities at any time during the performance of this purchase order.

6.8 Changes in Design, Material, Processes – Seller shall not make any design, material, or process changes without prior written approval from Buyer purchasing on item specified in this Purchase Order. Evidence of Conformity - Articles defined in the schedule of the contract will not be accepted by Buyer if the contractor fails to submit the required Certification, Documentation, Test Data, and Reports (i.e. evidence of conformance) specified herein.

6.9 Sampling Inspection - Sampling inspection plans used by Sellers (and their sub-tier sources) involved in the buyer order, shall be statistically valid and preclude the acceptance of lots / populations whose sample contains any rejections to Buyer requirements.

6.10 Controlled Sources: Sellers (and their sub-tier sources) involved in the Buyer order, shall (when specified by Buyer) only use sources that are approved and/or designated by Buyer’s customers.

6.11 Quality Management System - When specifically required by Buyer (and/or its customers) Sellers (and their sub-tier sources) must maintain and operate to a quality management system that demonstrates conformance to Aerospace Standard AS9100.

6.12 Seller Corrective Action Requests - Seller shall respond promptly after receipt. Reply shall note the problem cause and associated corrective and preventive action taken to prevent future non-compliance.

6.13 Other requirements in following Sections 8.0, 9.0 and 10.0 – as applicable and invoked in the Buyer’s purchasing documents.

7.0 Purchase Order General Provisions

7.1 Acceptance - The written acceptance of this purchase order, the delivery of any articles or materials, including partial deliveries, or the furnishing of any other work under this Purchase Order, which occurs first, shall constitute acceptance by the Seller, who shall then be subject to all terms and conditions herein. Any exceptions must be agreed to by Buyer in writing.

7.2 Contract Execution and Direction - Only the Buyer’s Procurement Representative has authority on behalf of the Buyer to execute or make changes to this Contract. All amendments must be identified as such in writing and executed by the parties. Buyer’s engineering and technical personnel may from time to time render assistance or give technical advice or discuss or effect an exchange of information with Seller’s personnel concerning the work hereunder. No such action shall be deemed to be a change under the “Changes” clause of this Contract and shall not be the basis for equitable adjustment. Except as otherwise provided herein, all notices to be furnished the Seller shall be in writing and sent to the Buyer Procurement Representative.

7.3 Terms and conditions applicable to U.S. Government work - If it is noted on the face of the Purchase Order that U.S. Government work is involved, Appendix B hereto shall be applicable. Such clauses shall be incorporated by reference and have the same force and effect as if given in full text. In the event that a conflict exists between the basic terms and conditions set forth in the body of the purchase order and those provided by appendix, the latter shall prevail.

7.4 Order of Precedence - If there are any inconsistencies or conflicts in the provisions applicable to the Order, precedence shall be given in the following descending order: (i) typed provisions on the face of the Purchase Order, (ii) Purchase Order attachments, (iii) these Purchase Order Terms and Conditions (including Appendices A and/or B, if applicable), (iv) statement of work, (v) drawings and/or material specifications attached or incorporated by reference, and (vi) specification reference on the drawings. Buyer’s specifications shall prevail over those of the Buyer’s customer, including an agency of the U.S. Government and both shall prevail over those of Seller.

7.5 Tax - Federal sales, Manufacturer’s and Retailers’ Excise, State and Municipal Sales and Use Taxes, when applicable, shall be billed as separate items on invoices of Seller. Seller is solely responsible for the fulfillment of its obligations or any of its subcontractors under law or statute in respect to collecting and remitting Taxes collected from Buyer under the Order to the proper tax authority. Any penalties, fees or interest charges imposed by a tax authority or other authority as the result of non-payment of Taxes collected by Seller from Buyer will be borne by Seller. To the extent that Buyer is required to do so, under applicable United States law or tax regulations, Buyer may deduct from payments to Seller pursuant to this Purchase Order such taxes as Buyer is required to withhold from such payments and pay such taxes to the relevant tax authorities; provided, however, that Buyer provides Seller with relevant tax receipts or other suitable documentation evidencing the payment of such taxes promptly after such taxes are paid.

7.6 Warranty - (a) In addition to any warranty provisions incorporated into this purchase order, the Seller warrants to the Buyer that at the time of delivery the goods called for by this order will be new, free from defects in material and workmanship and will be suitable for the purposes intended whether expressed or implied. (b) At Buyer’s option, Buyer may return any non-conforming or defective items (including data) to Seller or require correction of replacement of the item at the time the defect is discovered, all at Seller’s risk and expense. Buyer shall have all other rights and remedies provided by law. Acceptance of items by Buyer shall not relieve Seller of its responsibilities hereunder. The warranties of Seller, together with its service warranties and guarantees, if any shall run to Buyer and its customers. These rights of Buyer are in addition to, but shall not be limited to, Seller’s standard warranties.

7.7 Delivery - Time and rate of delivery are the essence of this order. Seller will immediately notify Buyer if its timely performance under the Contract is delayed or is likely to be delayed. Buyer’s acceptance of such notice does not constitute a waiver of Seller’s obligation to timely delivery. If deliveries are made in advance of the date agreed upon, Buyer shall have the right to store or return the good s at Seller’s expense, and if returned, Seller shall hold them for delivery at the appropriate time. If Seller repudiates this contract, fails to make the delivery at the time agreed upon, or makes delivery at any time later than that agree upon, Buyer shall have the right, in addition to all other remedies, to terminate this Contract either in its entirety, or with respect to such goods as are delivered later than the time agreed upon and, at Buyer’s option, any remaining instalments, as the case may be, and charge Seller with any loss thereby incurred. Buyer shall have the right at its option to return any goods rejected for late delivery or store the same at Seller’s expense and subject to its instructions. The loss, which may be charged to Seller, shall include the difference between the cost of purchasing replacement (whether paid or contracted to be paid) in substitution for those due from Seller (“covering purchases”), and any incidental or consequential damages incurred, including penalties assessed by Buyer’s customer. Incidental damages shall include expenses incurred by Buyer in inspection, receipt, transportation, care and custody of goods rejected, charges, expenses or commissions incurred by Buyer in connection with effecting covering purchases, and any other reasonable expense incident to the repudiation, failure to deliver or late delivery of Seller. Consequential damaged shall include any loss resulting from general or
particular requirements or needs of the Buyer of which Seller either at the time of contraction, or at the time of its breach of this contract, had reason to know.

7.8 Title and Risk or Loss-Unless otherwise provided in this order, Seller shall have title to and bear the risk of any loss or damage to the items purchased hereunder until they are delivered in conformity with this order at the F.O.B. point specified on the face hereof and upon such delivery title shall pass from Seller and Seller’s responsibility for loss or damage shall cease, except for loss or damage resulting from Seller’s negligence or failure to comply with this order. Passing of title upon such delivery shall not constitute acceptance of the items by Buyer.

7.9 Inspection-(As used herein, the term “Inspection” will be read to include the term “Test” where applicable) (a) Except where specialized inspections are specified for performance solely by the Buyer or its customer, the Seller is responsible for performing or having performed all inspections and tests necessary to substantiate that the supplies and services provided under this Purchase Order conform to the drawings, specifications, and other contract requirements listed herein. Where the Seller is a distributor, technical inspection of the product is not required. (b) The Seller shall prepare records evidencing performance and outcome of inspections and tests performed. These records shall be complete and made available to the Buyer for a period of four (4) years following completion of the Order, and as long thereafter as the Order may require. (c) Equipment and devises used in the performance of inspections shall be suitable for the measurements made, and shall be compared periodically to Standards traceable to the National Institute of Standard and Technology (NIST) to ensure continuing accuracy. U.S. manufacturers may compare inspection equipment and devised to their national standards or international standard. Record of the performance and outcome of such comparison shall be maintained and made available to the Buyer upon request. (d) The Seller will submit to the Buyer for an acceptance only those supplies, which have been inspected by the Seller and found to be conformity with all requirements of this order. (e) All articles, raw materials, and work in process are subject to inspection, to the extent practicable, at all times and places, including during the period of performance and manufacture. (f) Unless otherwise provided, inspection and acceptance by the Buyer will be at destination; however, the Buyer reserves the right to perform source inspection for all items or any portion thereof if warranted by circumstances such as the delivery of nonconforming products. (g) The Seller shall act upon and make timely response to the Buyer concerning requests for corrective action related to receipt of nonconforming products or noncompliance with other Purchase Order requirements. (h) Until delivery and acceptance by the Buyer and after rejections, risk of loss will be on the Seller, unless loss results from negligence of the Buyer. (i) Notwithstanding prior inspection, payment for or use of the goods, the Buyer shall have the right to reject any of such goods, which do not conform to the requirements of this order. Such right shall be exercisable within six (6) months following receipt of the goods or as provided for in the Buyer’s applicable specifications. All such rejected items shall be returned to Seller, transportation collect, for credit or refund, unless otherwise specified by the Buyer. (j) The Buyer and its or Customer have the right to perform inspections on the premises of the Seller or subcontractors to the Seller. If this right is exercised, the Seller shall furnish, and shall require its subcontractors to furnish, without additional charge, all reasonable facilities and assistance for the safe and convenient performance of these activities. (k) The Seller hereby agrees that the Buyer has unequivocal rights to recover any and all reasonable costs associated with inspection or re-inspection, as may be appropriate, at any point other than designated F.O.B. Such costs may include, but are not limited to: labor, material, travel, and include quality provisions required by the United States Federal Government. If stated in the Purchase Order, specific, detailed Certification such as Certificate of Compliance, or Certificate of Analysis, Certificate of Test may be required.

7.10 Infringement of Patents-To the extent of items delivered hereunder are not manufactured pursuant to the detailed designs furnished by Buyer, Seller shall hold Buyer, its agents, customers, and users of its products harmless from all loss, damage, and liability which may be incurred on account of infringement of United Stated patent rights with respect to such items and shall, at its own expense, defend all claims, suits, and actions against Buyer, its agents, customers, or users of its products in which such infringement is alleged.

7.11 Compliance With Statutes, Laws, and Regulations- (a) Seller warrants and certifies that in performance of this order, it will comply with all applicable statutes, rules, regulations, and orders of the United states, and of any state or political subdivision thereof, including laws and regulations pertaining to labor, wages, hours, and other conditions of employment and applicable price ceilings, if any, and that the articles delivered hereunder shall be produced in compliance with the Fair Labor Standards Act. (b) Seller agrees to furnish, witho

Purchase Order Terms & Conditions
Effective March 1, 2016 and retroactive to all open PO's
7.14 Specifications- Seller shall comply with all specifications stated on the face of this order or contained in any document referred to herein. Seller shall immediately notify Buyer, in writing, of any failure of the Seller, the Goods or Services to comply with the Specifications.

7.15 Changes-The only representatives empowered to direct change or agree to modifications of this order are authorized representatives of the Buyer’s purchasing department. (a) No modifications of this order shall be binding on Buyer unless made by a formal amendment signed by an authorized agent of the Buyer. (b) Buyer's authorized procurement representative (which does not include Buyer's engineering and technical personnel) may unilaterally make changes within the general scope of the Order, including changes in whole or part to: (i) shipping, waste reduction or packing instructions, (ii) place of delivery, (iii) any designs, Specifications and drawings, (iv) the statement of work, (v) the method or manner of performance, (vi) Buyer Items, facilities, equipment, or materials, (vii) Prime Contract flowdown requirements and/or (vii) quality requirements (collectively "Change(s)"). Seller shall perform any Changes ordered by Buyer. Any Order terms that incorporate flexibility for variations or modifications shall not be considered Changes within the meaning of this Section. (c) If such changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly and the Purchase Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this section must be asserted in writing within fifteen (15) days from the date of receipt by Seller of notification of the change or suspension and contain specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse the Seller from proceeding with this Purchase Order as changed pending resolution of the claim. Seller agrees that any changes in delivery/performance schedule are normal and anticipated in the course of the program. Seller further agrees that the cost of such changes is included in the prices provided under the Order.

7.16 New Material- Unless this purchase order specifies otherwise, the Seller represents that the supplies and components are new as defined in FAR 52.211-5, including recycled (not used or reconditioned) items, and are of such age or so deteriorated as to impair their usefulness or life expectancy.

7.17 Packaging and Shipping- (a) Unless otherwise stated on the face of this Purchase Order, the Seller agrees to ship and deliver all items ordered herein F.O.B. destination (freight from expense for the Buyer), by the method of conversion and at the place specified in the order. (b) All package exteriors, packing lists, bills of lading, shipping notices, tags, correspondence, etc., must display the Buyer’s purchase order number. Material shall be packaged in accordance with any applicable specifications cited in the order. If no such packaging specifications are cited, packaging shall be in accordance with commercial packaging requirements to ensure that no damage shall result from weather and/or transportation. No charges will be allowed for packing, crating, freight, local cartage and/or any other services unless so specified in the Purchase Order. Seller’s packaging and shipping must also conform to section B of this Purchase Order Terms and Conditions.

7.18 Termination- (a) Default-Buyer may terminate this Purchase Order or any part thereof by written notice of default to Seller under any of the following circumstances. (i) Seller fails to perform any obligation hereunder, including a delivery obligation; (ii) when Buyer has reasonable grounds for insecurity, and Seller fails to provide adequate assurances of performance within ten (10) days following Buyer’s demand or, (iii) should Seller (a) become insolvent, (b) become unable to pay its debts as they mature, (c) make a general assignment for the benefit of creditors, (d) have a receiver appointed for the whole or any substantial part of its assets, or (e) become in any way the subject of a bankruptcy petition. Buyer shall have no liability in relation to those Goods terminated for Seller's default. Seller shall be liable to Buyer for any and all expenses, costs, and damages including increased repurchase costs, requalification costs, and other non-recurring costs, except in the circumstance of any failure or delay constituting an "Excusable Delay" as set forth in the Section herein entitled "Force Majeure."

(b) Termination for Buyer's Convenience- Buyer may terminate this Order in whole or in part at any time and for any reason, by notice in writing. Upon receipt of said notice, Seller shall take immediate action to minimize Buyer's cost and to protect Buyer's property. Seller will act immediately: (i) cease work and place no further subcontracts or orders for materials, services, or facilities, except as necessary to complete the continued portion of the Order; (ii) prepare and submit to Buyer an itemization of all completed and partially completed Goods and/or Services; (iii) deliver to Buyer any and all Goods completed up to the date of termination at the pre-termination Order price; and (iv) if requested by Buyer, deliver any work-in-process.

Seller shall use reasonable efforts to mitigate its own and Buyer's liability under this Section. In order to receive compensation, Seller’s termination claim must be submitted within ninety (90) days from the effective date of the termination.

7.19 Stop Work Order – (a) Seller shall stop work for a period of up to ninety (90) days in accordance with any written notice received from Buyer, or for such longer period of time as the parties may agree and shall take all reasonable steps to minimize the incurrence of costs allocable to the work during the period of work stoppage. Seller shall immediately comply with its terms at no charge.

(b) Within such period, Buyer may either terminate in accordance with provisions of this Purchase Order or continue the work by written notice to Seller. If Buyer has not exercised its rights set forth in either (i) or (ii) above prior to the expiration of the Stop Work Period, then at least thirty (30) days prior to said expiration, Seller shall notify Buyer of its intent to resume work under the applicable Order and shall obtain Buyer's written consent prior to resuming work.

7.20 Protection of Specific Acquisition Data/Technologies Information- (a) All technical data provided to the Seller by the Buyer shall be protected from public disclosure in accordance with the markings contained thereon. (b) Seller shall not, without first obtaining written consent, disseminate the fact that the Seller furnished or has contracted to furnish Buyer the times covered hereby, nor, except as is necessary for the performance of his Order, shall Seller disclose any of the drawings, specifications, and other details connected with this order to third parties or as a public disclosure. Dissemination of public disclosure includes, but is not limited to, permitting access to such information by foreign nations or by any other person or entity; publication of technical or scientific papers; advertising; or any other proposed public release. The Seller shall provide adequate physical protection to such information so as to prevent access by any person or entity not authorized such access by the Buyer.

7.21 Buyers Use of Data and Information- (a) Seller agrees that any data such as drawings, instructions, or information provided to Buyer in connection with this Purchase Order shall be free from confidential, proprietary, or restrictive use markings, other than statutory patent, copyright, or U.S. Government security notices. Buyer, its agents or assigns, may duplicate such documents in connection with further manufacture, use, or disposition of the material furnished under this order, and may remove, obliterate, or ignore any such markings as may be on such documents. All information and data disclosed or furnished to Buyer in connection with this Order shall be deemed to be disclosed or furnished as part of the consideration for this Order, and Seller agrees not to assert claims (except claims for patent infringement) by reason of Buyer’s use, duplication, or disclosure thereof.

(b) Seller will retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the Seller elects to retain title, the Buyer shall have a nonexclusive,
nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the Buyer the subject invention throughout the world.

7.22 Proprietary Information – “Proprietary Information” shall mean all information, knowledge or data (including without limitation financial, business, and product strategy information; product specifications; product designs; procedures; studies; tests; and reports) in written, electronic, tangible, oral, visual or other form, (i) disclosed by, or obtained from, Buyer or (ii) conceived, created, acquired, or first reduced to practice in connection with the Order.

Seller agrees that the Proprietary Information is to be considered confidential and proprietary to Buyer, and Seller shall hold the same in confidence, shall not use the Proprietary Information other than for purposes of its business with Buyer, and shall disclose it only to its officers, directors, or employees with a specific need to know. Seller will not disclose, publish or otherwise reveal any of the Proprietary Information received from Buyer or the existence of the Contract to any other party whatsoever except with specific prior written authorization of Buyer.

Proprietary Information furnished in tangible form shall not be duplicated by Seller except for purposes of this Agreement. Seller certifies that it will not disclose any Proprietary Information to any third party, including the existence of any Contract, without prior written consent of Buyer. Proprietary Information shall be returned to Buyer or destroyed immediately upon request. If Buyer furnishes sample products, equipment, or other objects or material to Seller, the items so received shall be used and the information obtained from said items shall be treated as if they were Proprietary Information disclosed in connection with the Order. Buyer shall have the right to audit all pertinent documentation of Seller, and to make reasonable inspection of Seller’s premises, in order to verify compliance with this Section. Obligations in this Section regarding Proprietary Information shall continue until such time as all Proprietary Information is publicly known and generally available through no improper act or omission of Seller or any third party.

Unless required otherwise by law or the Order, Seller shall promptly return, or otherwise dispose of Proprietary Information as Buyer may direct. Absent contrary instructions, Seller shall destroy all Proprietary Information one (1) year after termination or completion of the Order and provide written acknowledgement to Buyer of such destruction.

Notwithstanding any proprietary or confidential labels or markings, all information of Seller disclosed to Buyer relating to the Order will be deemed non-proprietary and the content of the Order may be disclosed by Buyer to Buyer’s Affiliates, or to Buyer’s Customer or Buyer’s subcontractors and potential subcontractors provided that Buyer’s Customer or subcontractors have a need to access or know such information. Moreover, Buyer may disclose all Seller information, in accordance with applicable governmental regulations, to the FAA, the European Aviation Safety Agency (EASA), TCCA, any other governing international airworthiness certifying authority, and/or any other department or agency of the U.S. Government, including, without limitation, for the purpose of obtaining necessary government approvals.

Seller agrees that it will not accept from any third party, or use, any information that appears to be similar to Proprietary Information without first obtaining Buyer’s express written consent, except that Seller may receive solicitations or purchase orders issued by a partner or higher-tier Seller of Buyer that expressly reference a Buyer Purchase Order and contain obligations no less stringent than this Section. Seller shall promptly notify Buyer if Proprietary Information is offered to Seller by a third party or of the suspected possession of Proprietary Information by a third party.

Seller acknowledges and agrees that due to the unique nature of the disclosing party’s Proprietary Information, there can be no adequate remedy at law for any breach of Seller’s obligation hereunder, which breach may result in irreparable harm to Seller, and therefore, that upon any such breach or any threat thereof, the Seller shall be entitled to appropriate equitable relief, without the requirement of posting a bond, in addition to whatever remedies Seller might have at law. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions shall be limited or eliminated to the minimum extent necessary so that his Agreement shall otherwise remain in full force and effect.

7.23 Assignment, Subcontracting and Insolvency – Seller shall not assign this purchase order in whole or in part nor enter into any subcontract hereunder without Buyer’s written consent.

7.24 Separability of Provisions – If any clause, sentence or provision of this order be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder hereof, but shall be confined in its operation to the clause, sentence, provision or part hereof, directly involved in the controversy in which judgment shall have been rendered.

7.25 Labor Disputes – Seller shall immediately notify Buyer of any actual or potential labor dispute which delays or threatens to delay the timely performance of this purchase order, and of all information relevant thereto.

7.26 Publicity – Seller shall not, without the prior written consent of Buyer, make public, by press release or otherwise, the fact that this purchase order has been placed with it, or any details thereof.

7.27 Applicable Law and Forum – This purchase order shall be governed by and interpreted pursuant to the laws of the Commonwealth of Pennsylvania without regard to conflicts of law principles. Buyer may, but is not obligated to, bring any action or claim relating to or arising out of the Order in the appropriate court, or arbitration forum, if arbitration is required by law or the Order, in the jurisdiction described above, and Seller hereby irrevocably consents to personal jurisdiction and venue in any such court.

7.28 Government Property
“Government Property” is property transferred from Government stocks, or purchased direct by the Government and delivered into the Seller’s custody for performance of the contract. Seller is required to identify and segregate Government Property in its possession. No Government property nor any part of Government Property shall be or become a fixture or lose its identity by incorporation in or attachment to property not owned by the Government. Every year by September 30, Seller must supply Buyer with an inventory of all Government Property in its possession. This must be done on form 1662.

7.29 ATF Regulations
In accordance with requirements of the United States Bureau of Alcohol, Tobacco and Firearms (ATF), where appropriate the Seller must provide the number of their Federal Explosive License / permit. The number must be identified on prescribed documentation pursuanta Federal Regulation 55.125 (6) –(e.g. on packing lists, certificates of conformance, lot data, etc.)

7.30 Liens/Indemnity Against Claims
(a) Seller shall keep its work and all items supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances, including mechanic’s liens, in any way arising from performance of this Purchase Order by Seller or by any of its Sellers or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.

(b) Seller shall without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees, and agents harmless from and against all claims including but not limited to claims by
7.31 Communication with Buyer’s Customers

Buyer shall be solely responsible for all liaison and coordination with Buyer’s customer, including the U.S. Government, as it affects the applicable prime contract, this Purchase Order, and any related contract.

7.32 Furnished Property

a. Buyer may provide to Seller property owned by either Buyer or its customer (Furnished Property). Furnished Property shall be used only for the performance of this Purchase Order.

b. Title to Furnished Property shall remain in Buyer or its customer. Seller shall clearly mark (if not so marked) all Furnished Property to show its ownership.

c. Except for reasonable wear and tear, Seller shall be responsible for, and shall promptly notify Buyer of, any loss or damage. Without additional charge, Seller shall manage, maintain, and preserve Furnished Property in accordance with good commercial practice.

d. At Buyer’s request, and/or upon completion of this Purchase Order, Seller shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by Buyer.

7.33 Suppliers Content Code

When the manufacturer’s part number uses a code to denote quantity put-up or package size, it will be incumbent upon Seller to supply in the appropriate put-up to accommodate this specific order. Therefore, the base part number must be used, but allowance for the put-up will be flexible.

8.0 PACKAGING, PRESERVATION and HANDLING

8.1 Packaging requirements

8.1.1 Electronic Devices (if applicable)

A) Electronic devices are to be inserted individually into an electrostatic discharge (ESD) bags.

B) ESD bags must be either folded over or sealed with an ESD indicated tape or in a zip-locked ESD bag.

C) Individual items in bags are to be wrapped in anti-static bubble wrap protection; one complete wrap.

D) PWA’s are to be inserted into a single slot of a corrugated box with partitions to allow the boards to be inserted vertically. Only one layer of boards should be packed per shipping container.

E) Corrugated shipper must be at least 275 pound burst strength.

F) Shipping container must be legibly labeled on the outside with at least the following information.

   1. Shipper’s Name
   2. Item Description
   3. PRIMUS Part Number

8.1.2 Pallets (if applicable)

A) For shipments of inventory goods delivered to PRIMUS on pallets, the pallets must be 42 inches wide by 48 inches deep pallet truck fork entrance on the 42 inch side with a clearance of 4 inches.

B) Total packed Pallet height must not exceed 40 inches

C) If shipments are made of wooden pallets, they must be in accordance with U.S. Customs and boarder protection rules.

D) Delicate or fragile items – These items need to be packaged to protect their integrity.

E) Large or heavy items. Packaging must have a space to accommodate lifting with a forklift.

F) Moisture protection (e.g. a desiccant) must be properly incorporated into the packaging where required.

8.2 Container Marking

A) Each individual container (can, bag, bottle, roll drum, etc.) containing the articles to be delivered must be clearly and permanently marked with Batch or Lot number.

B) Date of manufacture or shipping date, whichever controls shelf life limitations.

C) Hazardous material markings – Each individual container of toxic substances or hazardous chemicals to be delivered, shall bear a label from the manufacturer, importer, distributor, or Seller with the chemical name and hazardous warning as defined by OSHA HAZARD COMMUNICATION STANDARD 29 CFR 1910, 1200 and state employee “Right to Know” Laws. In addition, manufacturer, importers, distributors and / or Sellers shall provide Material Safety Data Sheets (MSDS) for these substances.

D) Non-Hazardous chemicals – Each individual container of non-hazardous chemicals delivered to Buyer shall bear a label from the manufacturer, importer, distributor and / or Seller so indicating that the contents are non-toxic and / or non-hazardous.

8.3 General Packing, shipping and documentation requirements

A) The goods delivered against Buyers Purchase Order shall be in accordance with any specified packing or shipping requirements and accordance with all applicable transportation regulations.

B) An itemized packing list shall accompany each shipment. Buyer’s count, weight or other measure of fulfillment shall be final.

8.4 Traceability

Seller will maintain traceability of either sub tier sources or Buyer supplied electrical components (such as, but limited to thermal fuses, slo-blo fuses, diodes, discharge switches and resistors). A lot number for completed assemblies shall be assigned (e.g. build date, sequential digits or numerals). Assemblies shall be identified in accordance with the appropriate subparagraph herein. If lot number for any component changes during assembly or rework, a new lot number shall be assigned to the completed assembly. Seller shall maintain records of each lot, and provide Buyer certificates of compliance (C of C) listing assigned assembly numbers. If components were supplied by Buyer the C of C should specify which Buyer RIR number(s) correspond to each assembly lot. Assembly shall be permanently marked with lot number. Smallest unit bag or carton containing assemblies shall be marked.

8.5 Time and Temperature Sensitive Materials

Time and temperature storage conditions must be attached to the packing sheet and accompany each shipment to be delivered. The outer most shipping box must be marked to indicate the time and temperature sensitive material and temperature storage range degrees. Any material with normal shelf life of one year or less must have three fourths of its shelf life left at time of shipping. The shelf life period begins with the date of manufacture and not with the date a distributor receives material. Additional information required on the Certificate of Conformance if it is not marked on the material or packaging is: name and address of manufacturer if different from Seller, and date of manufacture.

8.6 Shelf Life and Storage Environment

A) For items delivered under this Purchase Order, whose useable shelf life is time-limited or age-sensitive, the Seller shall clearly identify on each individual unit container that its contents have a shelf life, as well as the date of expiration.

B) Buyer will not accept any item(s) whose life has expired more than 25% when delivered.
8.7 Metal Parts
All parts must be free of oils, grease, corrosion, moisture and manufacturing soils/debris. There shall be no sharp edges all surfaces must be burr free. Adequate cleaning is required on all metal surfaces to remove any and all grease, fingerprints, oxides and tarnish. All unfinished metal surfaces must be cleaned using a solvent, emulsion or alkaline spray to remove the contaminants. All parts should then be protected in such a manner as to not allow for recontamination during shipping and handling. This is intended as a general guideline. More stringent qualification on drawings takes precedent over these requirements.

9.0 On-Site Commercial and Safety Requirements
A) Insurance coverage verification- Sellers performing work on-site shall provide Buyer purchasing evidence of insurance coverage via a copy of their insurance certificate.
B) Seller shall place Buyer as an additional insured on their policy for purposes of this order.
C) Seller’s Equipment and operators; Seller must provide a written statement that site employees operating equipment are competent. In addition, any Contractors employee operating their own equipment on Buyer’s premises must have on file with Buyer a copy of their operator’s certified license for the specific piece of equipment. Seller must provide all equipment necessary for the job. At the conclusion of the job, this equipment must be promptly removed.
D) On site construction or services if required per contract, Contractor must obtain and provide all applicable federal, state and local permits.
E) All on-site contractors must review with the Buyer Project Coordinator all Buyer rules and regulations (see SDN335). Any facility questions must be directed to Buyer’s facility manager, any commercial questions or changes must be approved by Buyer’s purchasing manager.
F) On site contractor may be required to carry a bond. This will be indicated on the Purchase Order as well as the bond amount.
G) All on-site sub-contractors must submit proof that they are US Citizens or Green Card Holders.

10.0 Counterfeit Parts/Work and Prohibited Items

10.1 Counterfeit Definitions
A) For purposes of this clause, Work consists of those parts delivered under this Contract that are lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). “Counterfeit Work: Work that is or contains items misrepresented as having been designed and/or produced under an approved system or acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
B) Seller agrees and shall ensure that Counterfeit Work is not delivered to Buyer.
C) Seller shall only purchase products to be delivered or incorporated as Work to Buyer directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Buyer.
D) Seller shall immediately notify Buyer with pertinent facts if Seller becomes aware or suspects that it has furnished Counterfeit Work. When requested by Buyer, Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to applicable OCM/OEM.
E) In the event that Work delivered under this Contract constitutes or includes Counterfeit Work, Seller shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirement of this Contract. Notwithstanding any other provision in this Contract, Seller shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation Buyer’s costs of removing Counterfeit Work, of reinserting replacement work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies Buyer may have at law, equity or under other provisions of this Contract.
F) This clause applies in addition to any quality provision, specification, statement of work or other provision included in this Contract addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.
G) Seller shall include paragraphs (a) through (d) of this clause in equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as work to Buyer.

10.2 Prohibited Materials
A) If there are any prohibited materials they will be indicated on attachments “Prohibited Materials”
B) Seller represents that each chemical substance constituting or contained in Work sold or otherwise transferred to Buyer attached is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.

10.3 Prohibited Software
A) This clause only applies to Work that includes the delivery of software.
B) As used herein, “Prohibited License” means the General Public License (“GPL”) or Lesser/Library GPL, the Artistic License (e.g., PERL), the Mozilla Public License, the Netscape Public License, the Sun Community Source License, the Sun Industry Standards License, or variations thereof, including without limitation licenses referred to as “GPL Compatible, Free Software License”.
C) As used herein, “Prohibited Software” means software that incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (1) open source, publicly available, or “free” software, library or documentation, or (2) software that is licensed under Prohibited License, or (3) software provided under license that (a) subjects the delivered software to any Prohibited License, or (b) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (c) obligates Buyer to sell, loan, distribute, disclose or otherwise make available or accessible to any third party (i) the delivered software, or any portion thereof, in object code and/or source code formats or (ii) any products incorporating the delivered software, or any portion thereof, in object code and/or source code formats.
(d) Unless Seller has obtained Buyer’s prior written consent, which Buyer may withhold in its sole discretion. Seller shall not use in connection with this Contract, or deliver to Buyer, any Prohibited Software. (e) Seller agrees to defend, indemnify, and hold harmless Buyer, its customers and Sellers from and against any claims, damages, losses, costs, and expenses, included reasonable attorneys’ fees, relating to use in connection with this Contract or the delivery of Prohibited Software.

11.0 Subcontractors
A) Buyers documents – all Proprietary Information, including but not limited to drawings, specifications, letters, electronic media are the property of the Buyer. Upon completion or at the Buyer’s request, all such documentation must be returned to the Buyer.
B) Government property - Seller shall establish and maintain a system to control protect, preserve, and maintain all Government property. This property control system shall be in writing.
C) Communication - A communication with respect to changes in the order MUST be communicated in writing through the Purchasing Department. Any such unsubstantiated changes run the risk of not being valid and will not be reimbursed.
D) All representatives of Seller and its subcontractors on site must obtain and have visible a Buyer’s contractor’s badge. Access to certain parts of the building may be restricted. Upon completion of the job, all contractors’ badges must be returned to Buyer. If not returned, a charge of $50.00 each will be deducted from the final invoice.

Purchase Order Terms & Conditions
Effective March 1, 2016 and retroactive to all open PO’s
12.0 Insurance
Without limiting Seller's duty to hold harmless and indemnify hereunder, Seller agrees to secure and carry as a minimum the following insurance with respect to all work to be performed and Goods to be produced under the Order for the duration of the Order: (i) Workers' Compensation Insurance, inclusive of an alternate employer endorsement, in an amount sufficient by virtue of the laws of the U.S., foreign country, state, or other governmental subdivision in which the work or any portion of the work is performed and Employer's Liability Insurance in the minimum amount of $1,000,000 for any one occurrence; (ii) Commercial General Liability Insurance including Premises Liability and contractual Liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of $5,000,000 for any one occurrence; (iii) if Seller vehicles are used on Buyer's premises and/or used to accomplish work under the Order or otherwise on behalf of Buyer, Automobile Liability Insurance in which the limit of liability for property damage and bodily injuries, including accidental death, shall be a combined single limit of $1,000,000 for any one occurrence; (iv) if Seller or its subcontractors have Buyer's materials or equipment in its care, custody or control, Seller shall have and maintain All-Risk Property Insurance in an amount sufficient to meet or exceed the value of such material; and (v) if Seller is performing professional services on behalf of Buyer, Seller shall maintain Professional Liability Insurance with a limit of no less than $5,000,000.

The certificate of insurance shall identify the contract number or work to be performed and shall acknowledge that such coverage applies to liabilities incurred by Seller, its employees, invitees or agents under the Order and that such insurance shall not be invalidated by any act or neglect of Seller whether or not such act or neglect is a breach or violation of any warranty, declaration or condition of the policies. Seller shall require its subcontractors to maintain insurance in the amounts and types required by this Section.

13.0 Force Majeure
Seller shall be liable for any failure or delay in performance in connection with the Order, except where such failure or delay results from causes that are, at one and the same time, unforeseeable, unavoidable, outside of its control and without its fault or negligence, provided Seller gives Buyer, within three (3) days of Seller's learning of such cause, written notice to the effect that a failure or delay by Seller will occur or has occurred (an "Excusable Delay"). If a failure or delay in performance is caused by an event affecting any of Seller’s Sellers, such failure or delay shall not be excusable unless such event is an Excusable Delay as defined above and the good or service to be provided by such Seller is not obtainable by Seller from other sources in time for timely delivery of the Goods to Buyer. Buyer may cancel without liability to Seller its purchase of any Goods affected by Seller's failure or delay in performance and, if the delay is expected to last for a period that could impact deliveries to Buyer's Customers, Buyer may cancel, without liability, any portion of or the entire Order.

Buyer shall be excused for any failure or delay in performance due to any cause beyond its reasonable control, including any cause attributable to Buyer's Customers.

Notwithstanding anything to the contrary in these Terms and Conditions or the Agreement, Buyer shall not be liable to Seller for any costs or damages whatsoever for a termination for convenience with respect to a particular aircraft program of any of Buyer's Customers, if the termination is due to the cancellation, in whole or in part, of such aircraft program by Buyer's immediate customer(s) or Buyer's ultimate customer(s) or the bankruptcy or insolvency of such customer(s).

14.0 Relationship of the Parties
The relationship between Seller and Buyer will be that of independent contractors and not that of principal and agent, nor that of legal partners. Neither Party will represent itself as the agent or legal partner of the other Party nor perform any action that might result in other persons believing that it has any authority to bind or enter into commitments on behalf of the other.

15.0 Remedies
Except as otherwise provided herein, the rights and remedies of both parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of either party to enforce any of its rights shall not constitute of waiver of such rights or of any other rights and shall not be construed as waiver or relinquishment of any such provisions, rights or remedies, rather, the same shall remain in full force and effect.

16.0 Survival
All rights, obligations, and duties hereunder, which by their nature or by their express terms extend beyond the expiration or termination of the Order, including but not limited to Warranties, indemnifications, Intellectual Property (including rights to and protection of Intellectual Property and proprietary information), and product support obligations shall survive the expiration or termination of the Order.

17.0 No Waiver
No failure of any Party to exercise any right under, or to require compliance with, the Order, or knowledge of past performance at variance with the Order, shall constitute a waiver by such Party of its rights hereunder. No concession, latitude or waiver allowed by either Party to the other at any time shall be deemed a concession, latitude or waiver with respect to any rights unless and only to the extent expressly stated in writing, nor shall it prevent

18.0 Disputes
Pending resolution or settlement of any dispute arising under this Purchase Order, Seller will proceed diligently as directed by Buyer with the performance of this Purchase Order.

19.0 Product Support Obligation
Seller shall maintain the ability to provide, and shall provide, product support for the Goods, which shall include, without limitation, assuring that subcomponents and materials are available, maintaining tooling and other production capability and re-engineering components or systems to address obsolescence until the later of twenty five (25) years after the last Order is placed by Buyer for Goods or less than five (5) end products incorporating Goods are in operation anywhere in the world.
APPENDIX A : SELLER QUALITY MANUAL/MILITARY & AEROSPACE ADDENDUMS

Q1.0 GLOBAL QUALITY REQUIREMENTS
A) The following general requirements apply to all outgoing PRIMUS purchase orders covered under the scope of this procedure.
B) Amendments and/or revisions to this document in effect at the contract date are applicable.

Q1.1 CERTIFICATE OF COMPLIANCE (C of C)
Seller shall include, with each shipment, a Certificate of Compliance stating that the items have been manufactured inspected and/or tested in conformance to the terms of the contract. The Certificate shall include as a minimum:
A) the date,
B) Purchase Order number,
C) PRIMUS part number,
D) Customer part number,
E) Revision number,
F) Quantity shipped,
G) Seller’s name,
H) Statement of conformance to the terms of the contract,
I) Specific statement of conformance of material to the specification required (for example: material conforms to C1010 steel per QQ-s-69-8)
J) Signature and Title of the authorized Quality Representative.

Q1.2 CERTIFICATE OF ANALYSIS (C of A)
When dictated by contract or based upon the type of product being supplied, a Certificate of Analysis shall be Required. Refer to Clause Q2.8. for specific detail regarding the requirements for Certificates of Analysis.

Q1.3. DOCUMENTATION REVISION LEVELS
Q1.3.1. Sellers (and their sub-tier sources) shall apply the issue / version (as specified in PRIMUS purchasing documents) of specifications, drawings, process requirements, inspection & test instructions, technical data, and other relevant documentation pertaining to the PRIMUS order.

Q1.4. RIGHT OF ENTRY
Q1.4.1. Contractors and Sellers (and their sub-tier sources) involved in the PRIMUS order, shall afford right of entry to their facility(ies) - by PRIMUS, PRIMUS’s customer(s) and to Regulatory Authorities.

Q1.5. RECORDS ACCESS
Q1.5.1. Contractors and Sellers (and their sub-tier sources) involved in the PRIMUS order, shall afford right of access to pertinent Quality Records - by PRIMUS, PRIMUS’s customer(s) and to Regulatory Authorities.

Q1.6. SUB-TIER FLOWDOWN
Q1.6.1. Contractors and Sellers involved in the PRIMUS order shall ‘flow down’ to their sub-tier sources (involved in the PRIMUS order) all applicable PRIMUS requirements.

Q1.7. RECORD RETENTION
Q1.7.1. Contractors and Sellers (and their sub-tier sources) involved in the PRIMUS order shall retain pertinent Quality Records for a period of ten- (10) years, or longer as specified by certain customers. Companies discontinuing or suspending business activities within that period will notify PRIMUS and seek their instruction on the disposition of those records.

Q1.8. NONCONFORMING PRODUCT
Q1.8.1. Contractors and Sellers (and their sub-tier sources) involved in the PRIMUS order, shall notify PRIMUS of, and seek their instruction on the disposition and approval of, nonconforming material, products and/or services.

Q1.9. SOURCE INSPECTION
Q1.9.1. PRIMUS and/ or its customers reserve the right to inspect all items covered in this purchase order at the Seller’s facilities at any time during the performance of this purchase order.

Q1.10. CALIBRATION SYSTEM REQUIREMENTS
Q1.10.1. The Seller or contractor’s calibration system shall conform to the requirements of ISO 10012-1 in conjunction with ANSI/ASQ Q9001-2000 and ANSI/NCSL Z-540-1 and is subject to review and approval at all times by PRIMUS.
Q1.10.2. The Seller or contractor’s signed certification must state:
Q1.10.2.1. Traceability to the National Institute of Standards & Technology (NIST) Q1.10.2.2. Tool or gage number
Q1.10.2.3. Contract number
Q1.10.2.4. The Seller or contractor shall maintain a Calibration System, which effectively controls the accuracy of measuring and testing equipment and is acceptable to PRIMUS Quality standards.

Q1.11. SELLER CORRECTIVE ACTION REQUESTS (SCAR)
Q1.11.1. The Seller shall respond with an initial reply within 7 days after submission (or return of failures if applicable) unless a waiver is granted by PRIMUS in writing. The initial reply shall note response team, including contact information, the problem description, and the initial / interim containment actions.
Q1.11.2. The Seller shall respond with a final reply within twenty one business days after receipt unless a waiver is granted by PRIMUS in writing. The final response should note root cause, solutions / corrective action, validation / permanent corrective actions, and prevention / preventative actions taken to prevent recurrence and future non-compliance.
Q1.11.3. Neglect to respond appropriately may result in a lowered Seller performance score.
Q1.11.4. Buyer may charge Seller up to $2,500 (the “SCAR/DMR Charge”) for each such SCAR or DMR. Buyer and Seller agree that a SCAR/DMR Charge is a reasonable estimate of the initial administrative costs Buyer will incur to process an SCAR or DMR, and that the SCAR/DMR Charge is not a penalty, and further agree that the SCAR/DMR Charge compensates Buyer for Buyer’s initial administrative costs but does not compensate Buyer for other damages it may sustain as a result of Seller’s failure to meet quality requirements, including but not limited to: (a) costs, expenses and damages Buyer incurs in responding to, correcting or mitigating the effects of Seller’s failure to meet quality requirements; and (b) costs, expenses and damages Buyer pays to its customers as a consequence of Seller’s failure to meet quality requirements. Except with respect to Buyer’s initial administrative costs and as otherwise limited herein, the SCAR/DMR Charge is not and shall not be construed as Buyer sole or exclusive remedy for Seller’s failure to meet quality requirements.

Q1.12. FAILURE ANALYSIS REPORT
Q1.12.1. The Seller shall perform failure analysis on item(s) returned under this contract and shall provide to PRIMUS as a minimum, the following information with the shipment or as directed by contract.
A) Date of Report
B) Contract Number
C) Contractor’s name and address
D) Part Name, number, revision level, serial/number.
E) Specific and contributory causes of failure
F) Corrective Action Taken to corrective the non-conformance
G) Serial number of the Corrective Action
H) Preventive Action Taken to preclude recurrence
I) Effectivity date
J) Signature and Title of Contractor’s Quality Representative approving the failure analysis report.

Purchase Order Terms & Conditions
Effective March 1, 2016 and retroactive to all open PO’s
Q1.13. SAMPLING INSPECTION
Q1.13.1 Sampling inspection plans used by Contractors and Sellers (and their sub-tier sources) involved in the PRIMUS order, shall be statistically valid and preclude the acceptance of lots / population whose sample contains any rejections to PRIMUS requirements. (Preferred Method C=0, reject on one)

Q1.14. INSPECTION BY PRIMUS
Q1.14.1 All shipments on this contract are subject to Receiving Inspection activity by PRIMUS

Q2.0. ORDER AND/OR DRAWING SPECIFIC REQUIREMENTS
Q2.0.1. The following requirements apply to outgoing PRIMUS purchase orders when specified on the Purchase Order and/or Drawing(s) / Specifications.

Q2.1. CALIBRATION CERTIFICATION REQUIRED
Q2.1.1. A calibration certification may be required with each shipment. The certification shall include be traceable to the National Institute of Standards & Technology (NIST) or Mil-STD-45662A

Q2.2. PRIMUS INTERNAL REQUIREMENTS
Q2.2.1. This item will be calibrated by PRIMUS personnel prior to use. Forward to Calibration department.

Q2.3. ACCEPTANCE TEST PROCEEDURES; IN-PROCESS AND FINAL
Q2.3.1. The Seller or contractor shall prepare separate detailed test procedures, encompassing test required for in-process and final acceptance. An Acceptance Test Procedure (ATP) shall cover each item of hardware or part thereof, which requires acceptance testing.
Q2.3.2. Final and In-process Acceptance Test Procedure requires PRIMUS approval prior to the delivery of the first item on the contract.
Q2.3.3. Subsequent changes are subject to PRIMUS approval prior to incorporation. Where these test are performed utilizing equipment controlled by computer software or firmware, the software or firmware associated with or affecting these test require PRIMUS approval at the same time(s) as the remainder of the Acceptance Test Procedure.

Q2.4. GOVERNMENT INSPECTION
Q2.4.1. Government inspection may be required prior to shipment from your Plant.
Q2.4.2. On receipt of these orders, promptly furnish a copy to the Government Representative who normally services your plant or, if none, to the nearest Army, Navy, Air Force or Defense Supply Agency Inspection Office, so that appropriate planning for government inspection can be accomplished.
Q2.4.3. In the event the Representative or Office cannot be located, the PRIMUS buyer should be notified immediately.

Q2.5. AS9110 / ISO 9001-2000 QUALITY MANAGEMENT SYSTEM
Q2.5.1. When specified by PRIMUS, the Seller shall institute and maintain an independently “certified” or “registered” ISO 9001-2000 Quality Management system - or otherwise demonstrate to PRIMUS (with documented objective evidence) that the Seller’s QMS complies with requirements in that Standard.

Q2.6. QUALITY PROGRAM / INSPECTION SYSTEM REQUIREMENTS
Q2.6.1. Seller shall provide and maintain a Quality management system that complies with the requirements and intent of ISO 9001 “Quality Management Requirements”.
Q2.6.2. The Contractor shall provide and maintain a Quality Inspection System. The Inspection System shall be approved by PRIMUS prior to the contract award. Only items that have been inspected in accordance with PRIMUS Approved Inspection System and are found by the Contractor to be in conformance with the requirements of the contract shall be presented to PRIMUS for acceptance.

Q2.6.3. Written Inspection Reports shall be prepared and maintained to provide objective evidence of conformance of the items to the requirements of the contract.
Q2.6.3.1. These records shall be available for review by PRIMUS and provided when requested.
Q2.6.3.2. As a minimum the Inspection Report shall include:
A) Part Number
B) Drawing level to which the items were manufactured
C) Part Name
D) Contract Number
E) Lot Number
F) Serial Numbers (when applicable)
G) Quantity Inspected
H) Parameters to be inspected/ tested
I) Results of inspection / test, stamp/signature of inspector,
J) Date of Inspection
K) Sampling Plan (when Applicable).

Q2.6.3.3. The Contractor shall notify the PRIMUS Quality Representative of any changes made to the Approved Inspection System.

Q2.7. SELLER NOTIFICATION OF CHANGES
Q2.7.1. Seller will not make any changes in design, material or processes without prior written approval from PRIMUS – for any item so specified in this purchase order.

Q2.8. TEST REPORT – CHEMICAL/ PHYSICAL ANALYSIS RESULTS
Q2.8.1. Seller shall include with each lot, a Certified Test Report, including the actual results of chemical analysis, mechanical property test and other properties designated in the contract. The Test Report, as a minimum shall include the date, purchase order number, the material tested, a statement to the effect that the material complies with the contract requirements and the signature and title of the authorized Quality Representative. Include the name and address of any independent laboratories used.

Q2.9. SPECIAL PROCESS CONFORMANCE
Q2.9.1. Contractor and any sub tier contractor engaged in special processes (example: Soldering, cleaning, x-ray, welding, magnetic particle and penetrant inspection, heat treating, plating) shall have processes approval by PRIMUS or the system to control sub tier’s special processes shall have been approved by PRIMUS. Contractor shall have records of review and approval of sub tier Seller available for review by a PRIMUS Quality Representative. The Contractor shall identify the sub tier contractor(s) that performs the special processes by specifications and supply this information to PRIMUS with each shipment. Sellers and sub tiers performing processes are responsible for training and periodic certification of operators in accordance with Government and /or Industry specifications.

Q2.10. FIRST ARTICLE INSPECTION (FAI)
Q2.10.1. The Contractor shall submit a First Article Report when:
Q2.10.1.1. the product supplied is new.
Q2.10.1.2. the product supplied is significantly changed from the last time received.
Q2.10.1.3. it is difficult, destructive, expensive, or otherwise inappropriate to inspect each delivered item.
Q2.10.1.4. the Seller has been changed from the last time the product was received.
Q2.10.1.5. the Seller’s manufacturing process has significantly changed from the last time the product was received.
Q2.10.1.6. the Seller’s manufacturing location has changed from the last time the product was received.
Q2.10.1.7. there has been a lapse in production for six months or more.
Q2.10.1.8. a quality incident necessitates a need for a First Article Inspection.
Q2.10.2. All assemblies and components shall have been produced by the Seller and/or contractor or furnished by a sub tier and shall have been manufactured using the same production processes, procedures and equipment which will be used in fulfilling the contract and/or order.

Q2.10.3. The preferred format for First Article Reporting shall be AS9102, latest revision, or an approved alternative or equivalent. Prior to submission, the Seller and/or contractor shall inspect the component or assembly to ensure that it conforms to the requirements of the contract and/or and submit a record of this inspection with the item including statement of findings for material, processes and test.

Q2.10.4. The First Article Inspection documentation shall be retained and shall include a list of the characteristics required by the design data and any required tolerances, the actual results, and when testing is required, the results of the test.

Q2.11. SPECIFIC MILITARY AND AEROSPACE REQUIREMENTS

Q2.11.1. The following requirements are for Military & Aerospace Products / Applications not included elsewhere in Purchase Order Supplement - Quality Program & Inspection System Requirements

Q2.11.2. CHANGES IN DESIGN, MATERIAL, PROCESSES

Q2.11.2.1 Seller shall not make any design, material, or process changes without prior written approval from PRIMUS Purchasing on item specified in this Purchase Order. Evidence of Conformity - Articles defined in the schedule of the contract will not be accepted by PRIMUS if the contractor fails to submit the required Certification, Documentation, Test Data, and Reports (i.e. evidence of conformance) specified herein.

Q2.11.3. CONTROLLED SOURCES

Q2.11.3.1. Contractors and Sellers (and their sub-tier sources) involved in the PRIMUS order are to list their sources of subcontracting and materials in their responses to RFQ’s and in Purchase Order Confirmations. In support of certain contracts, the customer (or PRIMUS on the Customer’s behalf) may designate specific sources to be used; in these cases, contractors and/or Sellers (and their sub-tier sources) must obtain material and/ or subcontracting as specified and affirm this in their responses to RFQ’s and in Purchase Order Confirmations.

Q2.11.4. OUTSOURCED PROCESSES

Q2.11.4.1 PRIMUS may procure external service(s) or work on a product during its manufacture. The purchase order or RFQ for such outsourced service(s) or work will clearly describe what is to be done and may specify the processes of procedures that are to be utilized in performance of the service(s) or work. Nothing in the purchase order or RFQ will abridge or abrogate provisions in this supplement providing for audits and inspections at the provider by PRIMUS or the Government customer. At the completion of the outsourcing, PRIMUS, at its discretion, may conduct inspection of its products to ascertain if the detailed processes and/or procedure have been followed and to assess if the quality meets the specified standard.

Q2.11.5. OUTSOURCING REQUIREMENTS FLOW-DOWN

Q2.11.5.1 Contractors and/or Sellers are expected to flow down contracts conditions and specifications (see section P8.0) to their sub-tier sources. In supplying services and/or materials to PRIMUS, the contractor and/or Seller affirms that such flow-down has been performed and acts in PRIMUS’ stead to ensure that their sub-tier sources are compliant.

Q2.11.6. QUALITY MANAGEMENT SYSTEM

Q2.11.6.1 When specifically required by PRIMUS (and/or its customers) Contractors and Sellers (and their sub-tier sources) must maintain and operate to a quality management system that demonstrates conformance to the latest or their current certification revision of Aerospace Standard AS9100.
APPENDIX B – STATUTORY NOTIFICATIONS & REQUIREMENTS

200 EXPORT CONTROL
Information furnished to Seller under this Request for Quote or Purchase Contract may contain technical data as defined in the International Traffic in Arms Regulation (ITAR) at 22 CFR 120.10.

Seller is advised and hereby acknowledges that such technical data may not be exported, disclosed or transferred to any foreign person, as defined in the ITAR at 22 CFR 120.16, without first complying with all requirements of the ITAR 22 CFR 120-13- including requirements for obtaining any required export authority.

Seller shall indemnify and hold Buyer harmless from and against any and all claims, liabilities and expenses resulting from Seller’s failure to comply with the export laws and regulations of the United States.

Seller hereby confirms that it is a registered manufacturer with the Department of State. Seller is prohibited from allowing any of its employees who are foreign persons, as defined in the ITAR at 22 CFR 120.16, to perform work in support of this Purchase Contract without first obtaining Buyer’s written approval.

201 PRIORITY RATING
If so identified, this contract is a “rated order” certified for national defense use, and the Seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).

202 FAR / DFAR / NASA FAR
Incorporated FAR/DFAR clauses:
The FAR / DFAR / NASA FAR clauses referenced in Purchase Order Terms and Conditions are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Contract. Any reference to a “Disputes” clause shall mean the “Disputes” clause of this Contract.

Government Subcontract
This Contract is entered into by the parties in support of a U.S. Government contract. As used in the FAR clauses referenced below and otherwise in this Contract:
1. “Commercial Item” means a commercial item as defined in FAR 2.101.
2. “Contract” means this contract.
3. “Contracting Officer” shall mean the U.S. Government Contracting Officer for PRIMUS’ government prime contract under which this Contract is entered.
4. “Contractor” and “Offeror” means the Seller, acting as the immediate subcontractor to PRIMUS.
5. “Prime Contract” means the contract between PRIMUS and the U.S. Government or between PRIMUS’ customer - who has a contract with the U.S. Government.
6. “Subcontract” means any contract placed by the Contractor or lower-tier subcontractors under this Contract.

203 FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters
(a)(1) Contractor certifies, to the best of its knowledge and belief, that--
(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property;
(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision; and
(ii) Contractor has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
(D) Have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds $3,000 for which the liability remains unsatisfied.
(1) Federal taxes are considered delinquent if both of the following criteria apply:
(i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
(ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent if the IRS has issued a notice of deficiency. A taxpayer is not delinquent if the IRS has issued a notice of deficiency.
(2) Examples. (i) The taxpayer has received a statutory notice of deficiency under I.R.C. Sec. 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.
(ii) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. Sec. 6320 entitled the taxpayer to request a hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.
(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. Sec. 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.
(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. 362 (the Bankruptcy Code).
(v) Principal, for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment; and similar positions).
(b) Contractor shall provide immediate written notice to PRIMUS - if, at any time prior to contract award, Contractor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
(c) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that Contractor knowingly rendered an erroneous certification, in addition to other remedies available, PRIMUS - may terminate this contract for default.

Purchase Order Terms & Conditions
Effective March 1, 2016 and retroactive to all open PO’s