

KAMATICS CORPORATION REV. 3/2008
PURCHASE ORDER CONDITIONS

CONDITIONS OF PURCHASE

Commencement of performance by Vendor of this order shall constitute Vendor's acceptance of these conditions notwithstanding any contrary provisions appearing on any of Vendor's forms. In the event of any inconsistency between the Vendor's terms and the terms set forth herein these terms shall govern.

1. SPECIFICATIONS. Vendor shall comply with any specifications stated on the face of this order and with any applicable United States Government Specifications. Upon request Vendor shall furnish Kamatics with a certification executed by an authorized representative of Vendor setting forth Vendor's compliance with all applicable specifications.

2. INSPECTION – SUPPLIES, PLANT, OR RECORDS. (a) Vendor agrees that its books, records, the ordered supplies, and its plant, or such parts of its plant as may be engaged in this order, shall at all reasonable times be subject to inspection and audit by Kamatics, any authorized representatives of its (Kamatics) customer, or any applicable representatives of the United States Government and Federal Regulatory Agencies. Vendor shall furnish without additional charge all reasonable facilities and assistance for safe and convenient inspections and tests.

(b) Notwithstanding any prior inspection, the passages of title at the F.O.B. point, or any prior payment, all supplies are subject to final inspection and acceptance at Kamatics plant. If the time for final inspection is not specified on the face of this order, such final inspection shall be made within one hundred eighty (180) days after receipt of the supplies at Kamatics plant.

(c) If any supplies are found to be defective or otherwise not in conformity with the requirements of this order, Kamatics, in addition to its other rights and remedies, may reject such supplies and require either their prompt correction or their replacement at Vendor's expense, including shipping and packing charges. Alternatively, Kamatics may at its option repair or replace such nonconforming supplies at Vendor's expense. Any supplies previously rejected shall not be resubmitted for Kamatics acceptance without concurrent notice of the prior rejection. No action taken by Kamatics under this section shall be deemed to extend any delivery dates specified on the face of this order.

(d) All risk of loss of or damage to the supplies to be delivered hereunder shall be upon Vendor until such supplies are delivered at the F.O.B. point specified on the face of this order; but Vendor shall bear all risk of loss of or damage to (i) improperly packed supplies during transport to the point of and prior to final inspection and (ii) supplies rightfully rejected by Kamatics after notice of rejection to Vendor until such supplies or replacements therefor are redelivered, except for any loss or destruction of, or damage to, such rejected supplies resulting from negligence of officers, employees or agents of Kamatics acting within the scope of their employment.

(e) In addition to its other rights and remedies Kamatics may charge back to Vendor's account the amount paid for rejected supplies pending redelivery of same or replacements therefor.

(f) Kamatics rights and remedies under this paragraph shall be in addition to and shall not be deemed to diminish its rights and remedies provided by law or under the paragraph hereof entitled "Warranty", and no action taken by Kamatics under this paragraph shall be deemed to extend any delivery dates specified on the face of this order.

3. WARRANTY. (a) In addition to all warranties implied by law Vendor represents and expressly warrants to Kamatics, its successors and assigns and to customers and users of Kamatics products that all supplies (which term as used in this order includes goods and services) called for by this order (i) will conform to applicable specifications and to the drawings, samples or other descriptions furnished by Kamatics and that all such supplies shall be nonsurplus goods of new manufacture, good quality, and free from defects in material and workmanship; (ii) if of Vendor's design, shall be free from defects in design; and (iii) shall be suitable for the purposes intended, whether expressly or reasonably implied.

(b) Vendor shall, at its own expense and as directed by Kamatics, replace or correct any supplies which are defective or otherwise nonconforming promptly upon receipt of notice from Kamatics, and Vendor agrees to proceed with correction of any such defects in a manner satisfactory to Kamatics. Vendor shall assume all risk of loss of or damage to supplies which are to be corrected or replaced pursuant to this warranty from the date on which Vendor is notified of the defect or other nonconformity until the corrected supplies or replacements are received at the destination(s) designated by Kamatics. Kamatics may charge back to Vendor's account the amount paid for nonconforming supplies pending redelivery of same or replacements therefor. Alternatively, Kamatics may at its option repair or replace such nonconforming supplies at Vendor's expense, charging such expense back to Vendor's account.

(c) All implied warranties and all warranties set forth in this order shall survive delivery, and shall not be deemed to have been waived by acceptance or inspection of or payment for the goods and services.

4. CHANGES. (a) Kamatics may at any time by written order to Vendor and without notice to sureties, if any, make changes within the general scope of this order in any one or more of the following: (1) shipping and billing instructions; (2) quantity of supplies ordered; (3) drawings or specifications; (4) delivery schedules; and (5) place of delivery.

(b) Vendor shall proceed promptly to make such changes in accordance with the terms of Kamatics written order. If any such change causes an increase or decrease in the cost of performance of this order, or in the time required for performance, an equitable adjustment shall be made in purchase order price or the delivery schedule or both and this order shall be amended in writing accordingly. Any claim by Vendor for adjustment under this clause shall be asserted within thirty (30) days after the date of the written order effecting the change. In the absence of such notification Kamatics shall not be obligated to consider Vendor's claim for an equitable adjustment resulting from the change, and in no event shall Kamatics be obligated to consider any claim for an increase in price after final payment to Vendor hereunder. Where the cost of property made obsolete or excess as result of a change is included in Vendor's claim for adjustment, Kamatics shall have the right to prescribe the manner of disposition of such property. Nothing in this paragraph or order shall excuse Vendor from proceeding with the order as

changed.

5. INSURANCE. (a) Vendor shall maintain insurance coverage in amounts not less than the following: (a) Workers' Compensation - Statutory limits for the State or States in which this order is to be performed (or evidence of authority to self-insure); (b) Employer's Liability - \$500,000; (c) Comprehensive General Liability (including Products/Completed Operations and Blanket Contractual Liability) - \$1,000,000 (\$5,000,000 in the event this purchase order relates to aircraft products) per occurrence Bodily Injury and Property Damage combined single limit; and (d) Automobile Liability (including owned, non-owned and hired vehicles) - \$1,000,000 per occurrence Bodily Injury and Property Damage combined single limit. At Kamatics request, Vendor shall furnish to Kamatics certificates of insurance setting forth the amount(s) of coverage, policy number(s) and date(s) of expiration for insurance maintained by Vendor and, if further requested by Kamatics, such certificates will provide that Kamatics shall receive thirty (30) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverages. Vendor's purchase of appropriate insurance coverage or the furnishing of certificates of insurance shall not release Vendor of its obligations, liabilities or indemnities under this order. In the event of Vendor's breach of this provision, Kamatics shall have the right to cancel the undelivered portion of any goods or services covered by this order and shall not be required to make further payments except for conforming goods delivered or services rendered prior to cancellation.

(b) If this order covers the performance of services on the premises of Kamatics, then notwithstanding any other insurance required to be carried hereunder, Vendor agrees to furnish a certificate from its insurance carries workers' compensation, automobile liability, public liability, and property damage insurance coverage in amounts satisfactory to Kamatics. Such insurance shall name Kamatics as an insured. If Vendor is a self-insurer for workers' compensation purposes, it must have the Department of Labor or other appropriate department of the state in which the services are to be performed furnish a certificate of same directly to Kamatics. Vendor will be and shall remain responsible for all materials and workmanship until the goods or services are completed and accepted by Kamatics. Vendor further agrees to accept such premises in their present condition as safe and satisfactory for the work to be performed, and to keep such premises free and clear of all mechanic's liens. Kamatics may withhold any and all payments due under this order until Vendor has furnished evidence satisfactory to Kamatics that all bills for labor and material referable to this order have been paid in full by Vendor.

6. INDEMNITY. Vendor agrees to indemnify and hold harmless Kamatics and all persons claiming under Kamatics against all claims, demands and liability, any and all losses or expenses relating thereto, for unfair competition and for actual and alleged infringement of any patent, trademark, copyright or trade name by the supplies covered by this order, unless the same are made to Kamatics drawings, designs or specifications. Vendor further agrees to indemnify and hold harmless Kamatics and any customer of Kamatics against loss or expense by reason of the liability imposed by law upon Kamatics or its customers for damages because of bodily injury or property damage, accidentally sustained by any person arising out of or in consequence of the performance of Vendor's work whether such injuries, to persons or property, are due or

claimed to be due to any negligence of Vendor, the owner, its or their employees or agents, or any other person. Vendor further agrees to indemnify and hold harmless Kamatics, its successors and assigns from and against any and all claims, losses, costs or damages based upon or arising out of (1) any defect in any item furnished under this order, (2) any construction, installation, services or facilities furnished under or in connection with this order, (3) the use of any equipment or goods furnished to Kamatics on an experimental basis, or (4) any violation by Vendor of any governmental law, ordinance, regulation or order with respect to any item, service or process sold or furnished under this order.

7. DISCLOSURE OF IDEAS AND DEVICES. (a) All information, specifications and drawings furnished to Vendor by Kamatics in connection with this order shall be used only in the manufacture of items or the performance of services for Kamatics under this order, and shall not be disclosed by Vendor or used for any purposes other than the performance of this order. In the absence of a written agreement to the contrary, all information, specifications, and drawings furnished to Kamatics in connection with this order shall be considered nonproprietary and may be used or disclosed to third parties by Kamatics as Kamatics chooses. Restrictions on data are only applicable to data furnished by Kamatics under this order.

(b) Any invention, sole or joint, made by employees of Vendor and arising out of the subject matter of this order, as amended or extended, shall be fully disclosed and completely assigned by Vendor to Kamatics without further compensation.

8. ASSIGNMENT. Neither this order nor its performance nor any rights of Vendor herein, other than claims for money due or to become due Vendor hereunder, may be assigned or otherwise transferred by Vendor without prior written consent of Kamatics. Claims for money due to Vendor from Kamatics arising out of this order may be assigned, but Kamatics shall not be bound by any such assignment unless and until Kamatics shall have received written notice and an executed original of the instrument of assignment, and suitable documentary evidence of Vendor's authority so to assign. All payments of money due made by Kamatics prior to receipt by Kamatics of the above evidence of assignment shall be fully credited against Kamatics obligation under this order. In no event shall copies of plans, specifications or other similar documents relating to work under this order be furnished to any Assignee as part of any assignment of money due, nor shall the order be so delivered if the same is designated on the face hereof as Classified under Government security requirements.

9. SUBCONTRACTING. Vendor agrees that it will not enter into a subcontract for the procurement of end items covered by this order in completed or substantially completed form, without first obtaining the written approval of Kamatics.

10. MATERIAL, TOOLING AND EQUIPMENT FURNISHED TO VENDOR. (a) All material, tooling and equipment which Kamatics or the Government is required hereunder to furnish to Vendor shall be delivered in sufficient time to enable Vendor to meet its delivery schedule. If any such material, tooling or equipment is not delivered to Vendor in sufficient time, the resultant delay of Vendor in delivery to Kamatics shall be excusable. Kamatics shall have no liability to Vendor by reason of any delay in delivery of, or failure to deliver, any such material, tooling or equipment; and if, as a result of any such delay in delivery or failure to deliver, Kamatics shall terminate this order, such termination shall be for the convenience of Kamatics and settlement shall be

made in accordance with Condition No. 12 (b) hereof.

(b) If any material, tooling, or equipment is furnished by Kamatics or the Government for performance of this order, all risk of loss of or damage to such material, tooling or equipment, other than from ordinary wear and tear, shall be upon Vendor until the same has been redelivered to Kamatics or the Government. Vendor shall properly segregate, identify, maintain and protect all such material, tooling and equipment and shall use the same only in the performance of this order. Title to any such material, tooling or equipment shall remain in Kamatics or the Government, as the case may be.

(c) Vendor shall not be required to account to Kamatics for the proceeds from the sale of scrap generated during the performance of this order by the processing of material furnished by Kamatics or the Government; provided, however, that Vendor shall replace by purchase from Kamatics at Kamatics price then current any such material lost or damaged because of spoilage, breakage or defective workmanship in excess of any allowance made therefor by Kamatics. Upon completion of this order, any of the material furnished by Kamatics or the Government and not consumed in the performance of this order, and any tooling or equipment furnished by Kamatics or the Government, shall be disposed of in accordance with instructions from Kamatics.

(d) When Kamatics or the Government furnishes any material, in whole or in part, for the supplies called for hereunder, Vendor shall not substitute material from any other source nor shall Vendor alter the physical or chemical properties of the material furnished to it except in accordance with applicable Kamatics specifications or except with Kamatics written approval; in addition, Vendor agrees that all "Domestic Specialty Metals" shall be melted in the United States.

11. EXCUSABLE DELAYS. (a) Vendor shall not be charged with any liability for failure or delay in making deliveries when such failure or delay is due to any cause beyond the control and without the fault or negligence of Vendor; provided that Vendor shall give to Kamatics prompt notice in writing when it appears that such cause will delay deliveries under this order. If any such failure or delay shall threaten to impair Kamatics ability to meet delivery requirements for its products or to meet other contractual obligations, Kamatics shall have the right, at its option and without being under any liability to Vendor, to cancel by notice in writing to Vendor the portion or portions of this order so affected.

(b) Kamatics shall be excused for failure or delay in its performance herein due to any cause beyond its reasonable control and without its fault or negligence.

12. TERMINATION. (a) Default. To the extent permitted by Law, Kamatics shall have the right to terminate this order or any part hereof without further cost or liability to Kamatics in the event of the happening of any one or more of the following: the commencement by Vendor of a voluntary case in bankruptcy; the commencement against Vendor of an involuntary case in bankruptcy, if such case is not dismissed within thirty (30) days from the date of filing; the appointment of a receiver or trustee for Vendor, if such appointment is not vacated within thirty (30) days from the date thereof; the execution by Vendor of an assignment for the benefit of creditors; Vendor's failure to make or delay in making deliveries hereunder which failure or delay is not otherwise excusable hereunder; Vendor's failure to provide adequate assurance of due performance when Kamatics has reasonable grounds for insecurity with respect to such performance and following a written demand by Kamatics for such assurance; or other failure of

Vendor to perform in accordance with this order. In the event Kamatics terminates this order in whole or in part as provided in this subparagraph, Kamatics may procure, upon such terms and in such manner as Kamatics may deem appropriate, supplies and services similar to those so terminated, and Vendor shall be liable to Kamatics for any excess costs for such similar supplies and services; provided, that Vendor shall continue the performance of this order to the extent the same is not terminated.

(b) CONVENIENCE. Kamatics may terminate this order in whole or in part whenever it determines for any reason that such termination is in its best interest and/or in accordance with the clause set forth in FAR 49.502, which clause as in effect on the date of this order, is incorporated herein by reference and made a part hereof except that, in lieu of the period set forth therein, Vendor shall submit its termination claim not later than four (4) months from the effective date of termination. The provisions of this subparagraph shall not limit the right of Kamatics to terminate this order for default.

(c) Upon termination by Kamatics of all or any part of this order by reason of any default by Vendor, Kamatics, in addition to any other lawful remedies, may at its option require Vendor to transfer to Kamatics all materials, work in process, completed goods, tooling, plans and specifications allocable to the cancelled portion of this order, in which event Kamatics shall credit Vendor with the fair value of such items transferred to Kamatics.

(d) If this order is a subcontract and is terminated for convenience as a result of the termination of a higher level contract or prime contract, then Vendor's termination recovery, if any, shall not exceed a prorated share of Kamatics termination recovery, if any, from its customer or the Government as determined by Kamatics.

13. COMPLIANCE WITH STATUTES AND REGULATIONS. (a) Vendor warrants and certifies that in performance of this order (i) it will comply with all applicable statutes, rules, regulations and orders, now in effect or hereafter enacted, of the United States or any agency or department thereof, and of any state or political subdivision of any state, including statutes, rules, regulations and orders pertaining to labor, wages, hours and other conditions of employment; (ii) it will comply with applicable wage and price controls and ceilings, if any, whether such are imposed by law or are a condition of a related prime contract between Kamatics and the Government, and (iii) the supplies delivered hereunder shall be produced in compliance with the Fair Labor Standards Act, as amended.

(b) In addition, the Vendor agrees to comply with all other existing and future laws and regulations of any other country or locality which may be applicable in connection with the products or services supplied hereunder. Vendor shall be responsible for providing any information that may be required under applicable laws and regulations. Vendor will not take any illegal action or provide any illegal payment or gratuity to any official representative or agent of any governmental entity or to any other person for the purpose of influencing an official act or any other purpose proscribed by law. Specifically, Vendor will take no action which, if taken by or with the knowledge of Kamatics, could be construed as or constitute a violation of the United States Foreign Corrupt Practices Act (U.S. Public Law 95-213). Vendor shall indemnify and hold Kamatics harmless from and against all costs, expenses, liabilities and charges incurred, contracted or created by Vendor which have not been specifically authorized by this purchase order. Vendor shall further indemnify Kamatics from and against any and all

claims, liabilities and damages arising as a result of Vendor's breach of any term or condition of this purchase order.

14. FEDERAL ACQUISITION REGULATIONS – FOR U.S. GOVERNMENT SUBCONTRACTING ONLY. (a) There are hereby incorporated herein by reference and made a part hereof the following Federal Acquisition Regulation and DoD FAR supplement clauses as in effect at the date of the prime contract, except for Cost Accounting Standards clauses which are in effect at the date of the subcontract if this order is a subcontract under a Government prime contract as may or may not be evidenced by the inclusion of a Government prime contract number on the face of this order: FAR 49.502 Termination for Convenience of the Government (including FAR 52.249-2), FAR 52.203-6 Restrictions on Subcontractor Sales to the Government, FAR 52.203-7 Anti-Kickback Procedures, FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions, FAR 52.204-2 Security Requirements (Excluding the portion of paragraph (c) thereof after the words “equitable adjustment”), DFAR 252.204-7000 Disclosure of Information, DFAR 252.211-7000 Acquisition Streamlining, FAR 52.211-15 Defense Priority and Allocation Requirements, FAR 52.215-2 Audit and Records -Negotiation, FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data, FAR 52.215-12 Subcontractor Cost or Pricing Data, FAR 52.215-13 Subcontractor Cost or Pricing Data -- Modifications, FAR 52.215-14 Integrity of Unit Prices, FAR 52.215-19 Notification of Ownership Changes, FAR 52.219-8 Utilization of Small Business Concerns, FAR 52.219-9 Small Business Subcontracting Plan, FAR 52.222-1 Notice to the Government of Labor Disputes, FAR 52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation , FAR 52.222-20 Walsh - Healey Public Contracts Act, FAR 52.222-21 Prohibition of Segregated Facilities, FAR 52.222-26 Equal Opportunity, FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (if this order is for \$100,000 or more), FAR 52.222-36 Affirmative Action for Workers with Disabilities (if the value of this order exceeds \$10,000), FAR 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (if this order if for \$100,000 or more), FAR 52.222-41 Service Contract Act of 1965 as Amended, FAR 52.223-3 Hazardous Material Identification and Material Safety Data, FAR 52.224-2 Privacy Act, FAR 52.225-9 Buy American Act -- Construction Materials, FAR 52.225-8 Duty-Free Entry, FAR 52.225-13 Restrictions on Certain Foreign Purchases, DFAR 225.72 Reporting Contract Performance Outside the United States (Where the Value of this Order Exceeds \$550,000), FAR 52.227-1 Authorization and Consent, FAR 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement, FAR 52.227-3 Patent Indemnity, FAR 52.227-10 Filing of Patent Applications - Classified Subject Matter, DFAR 252.227-7013 Rights in Technical Data – Noncommercial Items, DFAR 252.227-7018 Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program, DFAR 252.227-7019 Validation of Asserted Restrictions - Computer Software, DFAR 252.227-7034 Patents - Subcontracts, DFAR 252.227-7037 Validation of Restrictive Markings on Technical Data, FAR 52.228-5 Insurance -- Work on a Government Installation, FAR 52.228-7 Insurance -- Liability to Third Persons, DFAR 252.228-7005 Accident Reporting and Investigation

Involving Aircraft, Missiles and Space Launch Vehicles, FAR 52.230-2 Cost Accounting Standards, FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices, FAR 52.230-6 Administration of Cost Accounting Standards, DFAR 252.239-7016 Telecommunications Security Equipment, Devices, Techniques and Services, FAR 52.247-63 Preference for U.S. - Flag Air Carriers, DFAR 252.247-7023 Transportation of Supplies by Sea, DFAR 252.247-7024 Notification of Transportation of Supplies by Sea, FAR 52.248-1 Value Engineering.

(b) With respect to the above FAR clauses relating to cost, accounting or pricing, Vendor agrees to indemnify and hold harmless Kamatics and all persons claiming under Kamatics (1) against all claims, demands, and liability and all losses and expenses relating thereto, including prime contract price reductions for defective cost or pricing data, arising from cost or pricing data furnished by Vendor which was required to be complete, accurate, and current and was submitted to support a cost estimate furnished to the United States Government and (2) against all claims, demands and liability, and all losses and expenses relating thereto, including prime contract price reductions in accordance with the provisions of the Cost Accounting Standards requirements arising from any failure of Vendor to comply with rules, regulations and standards of the Cost Accounting Standards Board; and the Vendor further agrees to comply with all the requirements of section 114 of the Clean Air Act, as amended (42 U. S . C . 1857, et seq. as amended by Public Law 91-604) and section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251, as amended by Public Law 92-500), and all regulations and guidelines issued thereunder.

(c) It is recognized and agreed between Kamatics and Vendor, that since the phraseology of the FAR clauses incorporated by the paragraphs above has been primarily designated for Government prime contracts, words and phrases in the forgoing regulations importing the Government or the prime contractor or their representatives shall, when a fair, reasonable interpretation of the context of this order so requires in order to express properly the subcontract relationship be deemed to refer to Kamatics (the buyer) or Vendor or their respective representatives; provided, however, that all reference to "Government" in the patent clauses incorporated herein above shall refer only to the United States Government.

Copies of such FAR clauses and information as to the cognizant Contracting Officer shall be furnished by Kamatics to Vendor upon request.

15. **PRIORITY.** In the event of any conflict between the terms specified on the face of this order and any of these Purchase Order Conditions, the terms specified on the face of this order shall prevail.

16. **TAXES.** Unless otherwise specified the prices set forth in this order include all applicable federal, state and local taxes and duties or other charges.

17. **ENTIRE AGREEMENT.** This order sets forth the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, representations and agreements, whether oral or written. No agreement or understanding varying or extending the provisions of this order will be binding on Kamatics unless in writing and signed by its Purchasing Manager, Purchasing Agent, one of its officers, or other duly authorized representative. No usage of trade or course of dealing shall serve to alter or supplement the terms and conditions herein stated.

18. **APPLICABLE LAW.** All questions concerning the interpretation, construction, performance and enforcement of this order and remedies in the event of default shall be resolved in accordance with the laws of the State of Connecticut.

19. **CUMULATIVE RIGHTS AND REMEDIES.** The rights and remedies herein reserved to Kamatics shall be cumulative and in addition to any other or further rights and remedies provided by law or equity.

20. **CAPTIONS.** Captions as used in this order are for convenience of reference only and shall not be deemed or construed as in anyway limiting or extending the language of the provisions to which such captions may refer.

21. **ACCEPTANCE.** The order incorporating these Purchase Order Conditions becomes a binding contract on the terms set forth herein when it is accepted by Vendor's acknowledgement or commencement of performance. This order may be so accepted only on the exact terms herein set forth (including the modes of acceptance specified in the immediately preceding sentence), and no conditions stated by Vendor in accepting this order or in any invoice or order acknowledgement pertaining to this order shall be binding on Kamatics if different from or in addition to Conditions set forth herein. No acceptance by Kamatics of, or payment for, supplies ordered hereunder shall be deemed a waiver of the preceding sentence or an acceptance of any additional or different terms contained in any acknowledgement, invoice or other form sent or delivered by Vendor to Kamatics.

22. **TIME OF ESSENCE.** Time is of the essence in the performance by Vendor of this order. Failure of Vendor to make delivery of items or provide services within the time specified on the face hereof, or within any extension specified by written amendment hereto, shall be a breach hereof. If no time is specified herein, Kamatics may by reasonable advance notification to Vendor terminate this order in whole or in part if Vendor fails to make delivery of items or to provide services within a reasonable time after the date of this order.

23. **AFFIRMATIVE ACTION COMPLIANCE PROGRAM.** (a) Vendor certifies that if it has 50 or more employees and it has (i) a subcontract of \$50,000 or more, or (ii) has Government bills of lading which in any 12 month period total or can reasonably be expected to total \$50,000 or more, it has in effect or will develop a written affirmative action compliance program for each of its establishments in accordance with regulations of the Department of Labor published in 41 C.F.R. Chapter 60, and will comply with all applicable filing requirements relating thereto.

(b) The relevant affirmative action requirements of Executive Order 11246, the Rehabilitation Act of 1973, the Vietnam Era Veterans Readjustment Act of 1974, the Veteran's Employment Opportunities Act of 1998 (VEOA) and the implementing rules and regulations are incorporated by reference.

24. **WAIVERS.** A waiver of any failure on Vendor's part to carry out any condition, term or part of this order shall not act as a waiver with respect to any recurrence of such failure or with respect to a failure to carry out any other conditions, term or part.

25. **IMPORT/ EXPORT REGULATION COMPLIANCE** (a) Vendor shall comply with all import and export laws and regulations of the Vendor's country and the United States of America, including but not limited to the International Traffic in Arms Regulations (ITAR), 22 CFR 120-130, pursuant to the Arms Export Control Act

(22 U.S.C. 2778) and the Export Administration Regulations (EAR) pursuant to the Export Administration Act (50 U.S.C. 2401-2420). Vendor acknowledges its obligations to control access to technical data (as defined in 22 CFR 120.10), technical assistance, equipment, hardware, products, and services, which may also be collectively referred to as “Goods and/or Services”, under US export laws and regulations, and agrees to adhere to such laws and regulations and any authorization(s) issued thereunder with regard to any Goods and/or Services supplied hereunder to Kamatics. This control includes the restrictions on employment of foreign persons (as defined in 22 CFR 120.16) with respect to manufacturing processes, know-how, and/or expertise, and/or technical data subject to ITAR or EAR restrictions.

(b) Vendor further agrees that such Goods and/or Services subject to ITAR or EAR restriction may not be transferred to, trans-shipped through, or otherwise be disposed of in any other country, either in their original form or after being incorporated into other end-items, without the prior written approval of the US Government.

(c) Upon Kamatics’ request, Vendor shall promptly furnish to Kamatics all documentation including, but not limited to, import certificates, export regulation compliance certifications, letters of intent, or end-user certificates from Vendor or Vendor’s government, which is reasonably necessary to support Kamatics’ application for US import or export authorization(s). Kamatics shall not be responsible for delays in US importation or exportation of Goods and/or Services supplied hereunder to Kamatics due to lack of necessary documentation from Vendor or Vendor’s country.

(d) Vendor acknowledges that any Drawings or Specifications furnished by Kamatics in connection with any RFQ, or Order, may be subject to export controls as technical data or deemed exports, and Vendor shall not export such Drawings or Specifications, including disclosure of such Drawings or Services to foreign persons, including foreign persons who are employees of the Vendor or of any of Vendor’s lower-tier suppliers, unless Vendor has verified that such export will not violate U.S export control laws, including restrictions contained in any export license.

(e) Vendor shall be responsible for obtaining the export license(s) necessary to ship the Goods and/or Services to their final destination, as directed by Kamatics. Vendor shall also be responsible for immediately notifying Kamatics, in writing, of any designation (or change in designation) of the Goods and/or Services furnished hereunder which results in the Goods and/or Services being classified as “Defense Articles”, “Defense Services”, or “Technical Data” as those terms are defined in 22 CFR 120-130. Compliance with export laws and regulations shall not relieve Vendor of its obligations under this Order and shall not constitute a force majeure or give rise to an excusable delay hereunder.