

## STANDARD TERMS AND CONDITIONS FOR PURCHASE ORDERS.

### 1. DEFINITIONS. As used in this Agreement:

“AGREEMENT” - The Purchase Order, these Standard Terms and Conditions, including any supplements thereto, and all specifications and other documents referred to herein or in the Purchase Order.

“ARTICLE” – The numbered sections of these Standard Terms and Conditions.

“BUYER” - The legal entity issuing this Agreement - Mnemonics, Inc.

“CONTRACTING OFFICER” - The Government Contracting Officer for the Prime Contract, or authorized representative of the holder of the Prime Contract.

“FAR” - The Federal Acquisition Regulation and supplements thereto.

“GOVERNMENT” - The government of the United States.

“PRIME CONTRACT” - The contract between Buyer and the Government or Buyer and its higher-tier contractor who has a contract with the Government.

“PRODUCTS” – The goods or services to be furnished by Seller to Buyer as set forth in the Purchase Order.

“PURCHASE ORDER” – The instrument to which these Standard Terms and Conditions are attached which describes the Products under this Agreement.

“SELLER” - The legal entity which contracts with Buyer under this Agreement.

2. PARTIES. This Agreement together with all documents and written provisions expressly incorporated herein by reference shall constitute the entire and exclusive understanding and agreement between the parties, and replaces and supersedes any prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect to such subject matter.

3. AGREEMENT ACCEPTANCE. Seller’s unqualified acceptance of this Agreement is evidenced by either: (i) signing and returning to Buyer a written acknowledgment of this Agreement, (ii) commencing work under this Agreement, or (iii) acceptance of payment. By acceptance of this Agreement, Seller agrees to be bound by and comply with all terms and conditions of this Agreement, including any supplements thereto, and all specifications and other documents referred to herein. Any terms offered by Seller which are not included in this Agreement are rejected.

### 4. PRICE AND INVOICING.

Seller shall furnish the Products indicated in this Agreement at the prices and at the time specified herein. All prices shall include all applicable federal, state and local taxes, duties, tariffs, and similar fees imposed by any government, except sales taxes, all of which are to be separately shown where applicable. Buyer may provide Seller with a tax exemption certificate which is acceptable to the taxing authorities in lieu of any payment of sales or use tax.

Seller certifies that the prices charged for the Products ordered hereunder will be as low as the lowest prices charged by the Seller to any customers purchasing similar Products in the same or similar quantities and under like circumstances.

Invoicing: Seller shall invoice in duplicate with supporting documentation with each shipment. An invoice shall not be issued prior to shipment of items and payment shall not be made prior to the receipt of items and a correct invoice. Credit and discount periods will be computed from the date of receipt of the correct invoice to the date Buyer’s check is mailed. Unless freight and other charges are itemized, any discount will be taken on the full amount of the invoice.

### 5. PACKING, MARKING, AND SHIPPING.

No charge shall be made by Seller for packaging or storage unless specified in this Agreement.

Unless otherwise specified, all Products shall be packaged, marked, and otherwise prepared in accordance with the Procurement Specifications, Technical Data Package (TDP), applicable laws and regulations, and good commercial practices.

Seller shall use commercially reasonable efforts to obtain fair and reasonable shipping rates.

Seller shall mark containers or packages with necessary handling, and loading instructions, shipping information, Buyer's Purchase Order number, item and account number, shipment date, and names and addresses of Seller and Buyer. An itemized packing list shall accompany each shipment. Bills of lading shall include Buyer's Purchase Order number.

Failure of the Seller to provide all required deliverables and documentation as stated in this Agreement and in accordance with the quality assurance provisions may result in the assessment by the Buyer of damages for each occurrence in accordance with Article 6. Buyer shall have the right to set off any such damages against any amount owed Seller by Buyer under this Agreement.

#### 6. DELIVERY AND TITLE.

Seller shall follow the delivery schedule shown in this Agreement and shall not make deliveries later or substantially earlier than the dates shown. If items are shipped substantially in advance of schedule delivery dates, Buyer may return them at Seller's expense. If Seller does not adhere to the delivery schedule, Buyer may either agree to a revised delivery schedule or terminate this Agreement for default in accordance with Article 21. Seller shall notify Buyer promptly of any delays or of any actual or potential labor dispute, which is delaying or threatens to delay the timely performance of this Agreement. Such notice shall include all relevant information with respect to such dispute.

Time is of the essence in the performance of this Agreement. Subject to Article 30, Buyer may charge Seller for Buyer's premium transportation costs if necessary to meet Buyer's contract delivery schedule(s) if Seller cannot meet the agreed upon delivery schedule as set forth in this Agreement.

Unless otherwise stated in this Agreement, all Products delivered under this Agreement shall be shipped FOB Destination, and Seller shall prepay all transportation charges.

Seller assumes all risk of loss until delivery to locations specified herein. Title of the Products shall pass to Buyer upon acceptance by Buyer of such Products at the delivery locations specified herein, subject to acceptance per Article 7 below.

Buyer may return, or store at Seller's expense, any Products delivered more than ten (10) days in advance of the delivery date specified for such Products unless early delivery is authorized in writing by the Buyer.

Buyer shall have no obligation to accept over-shipments. In the event of an over-shipment, Buyer may, at its option: (i) retain Products shipped in excess of the quantities stated in this Agreement, at the price set forth in this Agreement, (ii) return

such items to Seller at Seller's expense, or (iii) place into storage the excess quantities of Products at Seller's risk and expense.

Seller agrees to immediately notify Buyer of any delays in meeting the required delivery schedule and the reasons therefore. In addition to any other remedy Buyer may have under this Agreement, Buyer shall be entitled to deduct an amount equal to five percent (5%) of the invoice amount for each delivery made after the scheduled delivery date. Said deduction is agreed by Buyer and Seller to be liquidated damages resulting from Seller's late delivery and shall not be construed as a penalty. Acceptance of late deliveries or waiver of the above stated liquidated damages does not constitute a waiver of any rights by the Buyer or of any other terms and conditions of this Agreement.

Schedule Deceleration. Buyer may, at Buyer's convenience, extend any part of or the entire delivery schedule as listed on this Agreement by as much as four weeks, at no additional cost to the Buyer, by notifying the Seller in writing a minimum of two weeks prior to the scheduled shipment date. Seller shall ensure that the shipment takes place so that the scheduled quantity arrives at Buyer's facility on or no more than ten (10) days prior to the revised due date.

#### 7. INSPECTION AND ACCEPTANCE; NONCONFORMING PRODUCTS.

All Products, including raw materials, components, intermediate assemblies, tools, equipment, and end products, may be inspected and tested by Buyer, its customers, higher tier contractors, and (in the case of Products purchased for a Government contract or subcontract) the Government, at all reasonable times and places. If this Agreement specifies that any inspection or testing is to be made on Seller's premises, Seller shall provide without additional charge, all reasonable access, facilities and assistance for such inspections and tests. In its internal inspection and testing of the Products, Seller shall provide and maintain an inspection system acceptable to the Buyer and Buyer's customers covering the Products hereunder. All inspection records relating to the Products shall be available to the Buyer and the Buyer's customers during the performance of this Agreement. Unless specified elsewhere, Seller shall maintain, for a period of seven (7) years, quality and inspection records, purchase order files for supplies, equipment, material, or services including supporting documentation, invoices and supporting memoranda.

Final inspection and acceptance by Buyer shall be at destination unless otherwise specified in this Agreement. Such inspection shall be in accordance with the stated requirements of this Agreement. If rejection of a shipment would result from Buyer's normal inspection level under such procedures, Buyer may, at its option, conduct an above-normal level of inspection, up to 100% inspection, and charge Seller the reasonable costs thereof. If a lot is rejected, Buyer may screen lot at Seller's expense.

No inspection (including source inspection), tests, approval (including design approval) or acceptance of the Products shall relieve Seller from responsibility for any defects in the Products or other failures to meet the requirements of this Agreement, or for latent defects, fraud, such gross mistakes as amount to fraud, and Seller's warranty obligations. Buyer's failure to inspect, accept or reject Products or failure to detect any nonconformity by inspection shall not relieve Seller from its obligations or any liability, nor impose liabilities on Buyer, its agents or customers.

If the Buyer determines at its sole discretion that any of the Products are nonconforming or otherwise do not meet the requirements of this Agreement, Buyer, at its option and at Seller's expense, may, without limiting any other remedies available to Buyer, require Seller to: (i) terminate this Agreement for default as to such Products; (ii) reject such Products and require the delivery of replacements; or (iii) retain and correct, at Seller's expense any Products that do not conform to the requirements of this Agreement, even if Buyer does not discover the nonconformity until after Buyer uses such Products or manufactures goods made with such Products. Deliveries of replacements shall be accompanied by a written notice specifying that such Products are replacements. If Seller fails to deliver required replacements within the date specified by Buyer, Buyer may terminate this Agreement for default as provided in Article 21. Buyer's right to reject nonconforming deliveries extends to those, which arrive late, in the incorrect quantity, or improperly labeled. The Buyer may charge Seller for expenses of inspection for Products which do not conform to this Agreement. The risk of loss of nonconforming Products remains with Seller.

Seller shall ensure that employees are aware of the following:

1. their contribution to product or service conformity;
2. their contribution to product safety;
3. the importance of ethical behavior.

When a nonconformance is determined to exist or is suspected to exist on goods and/or services already provided to Buyer under Contract, Seller shall provide notice to the Buyer within three (3) business days of when the nonconformance was identified. The Seller shall make notice in writing to the applicable procurement agent.

#### 8. SPECIALLY REQUIRED TOOLS:

Seller's acknowledgement of this Agreement represents acceptance of Buyer's unqualified ownership of any mold, die, tool, fixture and/or equipment of any nature that Seller manufactures or acquires to accomplish this Agreement immediately upon acceptance of production samples and payment of invoice covering such mold, die, tool, fixture and/or equipment.

Further, unless otherwise specified, it is understood that the above identified mold, die, tool, fixture and/or equipment is to be held in Seller's possession for production purposes as specified by Buyer and will be repaired, renewed, and fully insured against possible loss or damage and subject to removal from Seller's custody at any time without additional charge upon demand of Buyer. Upon completion or termination of this Agreement, Seller shall deliver to Buyer the above identified mold, die, tool, fixture and/or equipment at the expense of Seller.

#### 9. BUYER FURNISHED MATERIALS:

All material which Buyer is required to furnish to Seller under the provisions of this Agreement shall be delivered in sufficient time to enable Seller to meet its delivery schedule. If such materials are not delivered to Seller in sufficient time, the resultant delay of Seller in delivering to the Buyer shall be excusable. Buyer shall not be responsible for any expenses incurred by Seller resulting from delay or non-delivery of such material.

Title to any materials furnished by Buyer to Seller shall rest with Buyer or the Government. The risk of loss or damage to such materials from the time of delivery to Seller to the time of redelivery to the Buyer shall be borne by the Seller.

Upon completion of this Agreement any of the materials furnished by Buyer and not consumed in the performance of this Agreement shall be disposed of in accordance with instructions from Buyer.

When Buyer furnishes any material in whole or part for the manufacture of parts or assemblies, Seller shall not substitute material from any other source nor shall the Seller alter its physical or chemical properties except in accordance with applicable Buyer specifications or except with Buyer's written approval.

#### 10. PAYMENT.

Unless otherwise stated on the face of this Agreement, payment terms are net sixty (60) days after final acceptance by Buyer's incoming point of inspection. Unless otherwise specified in this Agreement, progress or performance-based payments are not authorized under this Agreement.

Payment of invoices shall not constitute acceptance of the Products, and shall be subject to appropriate adjustment if Seller fails to meet the requirements for this Agreement. Buyer may, at its option, withhold payment of up to ten percent (10%) of the total value of this Agreement or individual invoices until Seller satisfactorily fulfills all requirements herein; i.e., provides all required deliverables, objective quality evidence, and fulfills all other reporting requirements.

Buyer may set off any amount owed by Seller or Seller's affiliates to Buyer against any amount owed Seller by Buyer under this Agreement or any other agreement between Buyer and Seller, provided Buyer gives Seller prompt written notice of the set off.

#### 11. WARRANTY-QUALITY.

In addition to any other warranties provided at law, express or implied, and without limiting any other warranties that may appear in this Agreement, Seller expressly warrants that all Products shall be manufactured, provided and transported in full and complete conformity and in compliance with all requirements of this Agreement, specifications, drawings, designs, samples and other descriptions or requirements as Buyer may furnish or specify. Seller expressly warrants that all Products furnished by it or any of its subcontractors or suppliers at any tier shall be (i) merchantable, (ii) fit and sufficient for the purposes intended, and (iii) free from all deficiencies in materials, workmanship and design, whether or not Seller has supplied the design for the Products sold hereunder. The warranty period shall commence upon Buyer's acceptance, use or operation of the Products, whichever is later, and continue for a period of three (3) years thereafter.

All warranties of Seller or Seller's subcontractors or suppliers at any tier shall run to Buyer and Buyer's customers. Should Seller or Seller's subcontractor's or supplier's warranty provide for a longer period, Seller shall extend such longer warranty period to Buyer.

This warranty shall survive inspection, test, acceptance, and payment.

Buyer may, at its option, either return for full refund or credit, or require prompt correction or replacement of defective or nonconforming Products. Replacement Products shall be made at Seller's expense and no replacements of defective or nonconforming Products shall be made unless specified by Buyer. Transportation costs for returning nonconforming Products to Seller and the transportation costs for replacement Products shall be borne by Seller. Products required to be corrected or replaced shall be subject to a new full warranty period as described in Article 6 above to the same extent as Products originally delivered under this Agreement.

#### 12. DISCLOSURE OF INFORMATION.

Any information that Seller discloses or may hereafter disclose to Buyer in connection with the purchase of Products covered by this Agreement, shall not be deemed confidential or proprietary information, and shall be acquired free from any restrictions other

than a claim for patent infringement as part of the consideration for this Agreement, unless Buyer otherwise agrees in writing.

Diagrams, drawings, specifications, documents, formulas, trade secrets, processes, ideas, inventions, technical information, know-how, prototypes, business and financial information, and other data, materials and information related to Buyer and/or its affiliates and/or furnished by Buyer to Seller, or that Seller develops in connections with the Products supplied under this Agreement, whether or not identified as confidential or proprietary information (collectively, "Proprietary Information") shall remain the property of Buyer. Without the express written prior consent of Buyer, Seller shall not (i) disclose any of Buyer's Proprietary Information to any third party except as required by court order (so long as Buyer was notified in writing of the court order and given a reasonable opportunity to seek a protective order or similar protection) or (ii) derive or attempt to derive any commercial benefit from such Proprietary Information. Seller shall use such Proprietary Information only as expressly directed by Buyer. Proprietary Information may be reproduced, summarized or copied only in furtherance of the work contemplated hereunder. All Proprietary Information shall be returned to Buyer, along with any and all copies and reprints promptly upon completion of the work contemplated hereby or at Buyer's earlier request. No further use of such material will be made by Seller without the prior written consent of Buyer. The obligations of this Article 12 shall survive the cancellation, termination, or completion of this Agreement.

Seller acknowledges and agrees that, due to the unique nature of Buyer's Proprietary Information, there can be no adequate remedy at law for any breach of its obligations hereunder, and that any such breach will diminish the value of Buyer and may allow Seller or third parties to unfairly compete with Buyer. Therefore, upon any such breach or any threat thereof, Buyer shall be entitled to all remedies at law and appropriate equitable relief (without requirement of a bond or proof of monetary damage or an inadequate remedy at law), and to be indemnified by Seller from any damages, loss or harm (including, without limitation, attorneys' and court fees and costs, and recovery from Seller of all profit, remuneration, or other consideration that Seller gains) in connection with any breach or enforcement of Seller's obligations hereunder or the unauthorized use or release of any Proprietary Information. Buyer may exercise any of the above remedies concurrently, independently, or successively.

Neither party shall publicly release any information regarding this Agreement, unless mutually agreed to in writing.

#### 13. SUBCONTRACTS.

Seller shall not subcontract for complete or substantially complete parts of the work called for by this Agreement without Buyer's prior written approval.

#### 14. COMPLIANCE WITH LAWS.

Seller represents warrants and certifies that it shall comply with all applicable international, federal, state, and local laws, ordinances, rules and regulations. Such compliance is agreed to be a material element of the performance of this Agreement. Seller further certifies that it shall comply with all laws, rules regulations and executive orders, and any subsequent amendments, including but not limited to, International Traffic in Arms Regulation ("ITAR"), Foreign Corrupt Practices Act, the Occupational Safety and Health Act, the Resources Conservation and Recovery Act, Employment of the Disabled, Equal Opportunity, Employment of Veterans, Employment Discrimination due to Age, and Utilization of Disadvantaged Business Enterprises, and all applicable requirements of the Federal Fair Labor Standards Act. Without limitation, Seller certifies that all of its activities in providing Products under this Agreement conform and comply with the latest applicable environmental, health, and safety laws and regulations, and any other pertinent international, federal, state, or local statutes, laws, rules or regulations with respect to chemical substances, hazardous materials, and environmental matters. In addition to the above, for any Products shipped to European destinations, Seller shall comply with the European Agreement Concerning the International Carriage of Dangerous Goods.

Products supplied under this Agreement may be exported worldwide including countries that prohibit the importation of goods manufactured with child labor or forced, indentured or convict labor. Seller represents, warrants, and certifies that no Products supplied under this Agreement have been or will be produced using forced, indentured or convict labor, or the labor of persons in violation of the minimum working age or minimum wage, hour of service, or overtime laws of the country of manufacture. If Buyer determines that Seller has failed to comply with the requirements of this Article 14, Buyer may terminate this Agreement without further compensation to Seller. Seller shall defend, indemnify and hold harmless Buyer and Buyer's affiliate, agents, and customers for any violation of this Article 14.

15. LIEN WAIVERS. Seller warrants that all Products sold hereunder shall be free of any claim of any nature by any third person, party or entity, and that Seller shall convey clear and marketable title to Buyer. Seller shall furnish, upon Buyer's request, waivers by Seller and all other persons entitled to assert any lien rights in connection with the performance of this Agreement.

16. INDEMNIFICATION AND INSURANCE. Seller shall defend, indemnify, and hold harmless Buyer and Buyer's affiliates, agents, and customers from any and all damages, liabilities, claims, losses, suits, legal actions, investigations, or any threat of

the same, and any costs incurred in connection therewith, including but not limited to, attorney fees and litigation expenses, arising out of or related to an Agreement or any breach by Seller of this Agreement, or which may result in any way from any accident, injury, libel, or property damage, including but not limited to response or remedial action costs associated with damage to the environment or to natural resources, by reason of any act or omission by Seller, its agents, employees, or subcontractors, except to the extent that the accident, injury, libel, or property damage is due solely and directly to Buyer's negligence. Buyer may, at its sole option: (i) tender such claim to Seller to defend using legal counsel acceptable to Buyer, or (ii) defend such claim by legal counsel of Buyer's choosing and Seller shall reimburse Buyer for all costs of such defense. In either case Seller shall indemnify and hold Buyer harmless from and against all damages arising out of or relating to such claim. If Buyer tenders the defense of a claim to Seller and Seller accepts such defense, then Seller shall be conclusively deemed to have agreed that such claim is subject to indemnification hereunder, and that Seller has no claim or counterclaim against Buyer, all of which Seller shall be deemed to have waived. If Seller assumes the defense of a claim and thereafter fails to vigorously defend such claim, Buyer shall have the right, at its option, to assume the defense of such claim and Seller shall remain obligated to indemnify Buyer hereunder. If Seller assumes the defense of a claim, Seller shall not settle or compromise such claim without Buyer's prior written consent.

Seller shall maintain worker's compensation and occupational disease insurance, public liability, contractual liability, property damage, product's liability, employee's liability and compensation insurance and motor vehicle liability (personal injury and property damage) insurance in reasonable amounts to protect Seller and Buyer from the aforesaid risks. Upon Buyer's request, Seller shall supply Buyer with certificates of such insurance which shall provide that such insurance shall not be altered or cancelled without thirty (30) days' prior written notice to Buyer.

Seller will defend, indemnify and hold harmless Buyer and Buyer's affiliates, agents, and customers from any loss, damages, or costs arising from or caused in any way by any actual violation of any federal, state, or local law, ordinance, rule, or regulation, or failure by the Seller to (i) have any chemical substances sold hereunder included in the list of approved chemical substances published by the Environmental Protection Agency pursuant to the Toxic Substances Control Act; or (ii) provide a completed Material Safety Data Sheet (OSHA Form 20 or equivalent) for any chemical substances sold hereunder as required by any federal, state or local law, ordinance, rule or regulation.

17. INTELLECTUAL PROPERTY INDEMNIFICATION. Seller shall defend, indemnify, and hold harmless Buyer and Buyer's affiliates, agents, and customers from any and all damages, liabilities, claims, losses, suits, legal actions, investigations, or any threat of the

same, that the manufacture or furnishing of Products under this Agreement, or that the sale or use of such Products constitutes an infringement of any patent, trade secret, trademark, service mark, copyright, or related application, or other intellectual property or proprietary information infringement. If any Product is enjoined in any manner due to such infringement, Seller shall, at its own expense and at its option, either: (i) procure for Buyer and its customers the right to continue using said Products, (ii) replace the infringing item with a non-infringing equivalent, (iii) modify the item so that it becomes non-infringing, or (iv) upon showing an inability to do any of the foregoing, remove the Product and refund the purchase price and any related transportation and installation costs. Seller shall at all times maintain such intellectual property insurance in a sufficient amount that will protect Buyer from any or all of the foregoing risks, and upon Buyer's request shall supply certificates of insurance or other documentation as requested, to Buyer.

18. ASSIGNMENT. Seller shall not assign this Agreement or any rights under this Agreement, voluntarily or involuntarily or by operation of law, without the prior written consent of Buyer, and no purported assignments by Seller shall be binding on Buyer without such written consent.

19. NOTICE OF LABOR DISPUTES. Whenever an actual or potential labor dispute delays, or threatens to delay, the timely performance of this Agreement, Seller shall immediately notify Buyer verbally and in writing of all relevant information with respect to such dispute. Buyer has the right to cancel the Agreement without any penalty or obligation to the Seller and obtain the Products elsewhere if the Seller's labor disruption causes a delay exceeding fifteen (15) days.

#### 20. CHANGES.

Buyer may at any time, by written notice, stop work or make other changes in Seller's Products to be provided under this Agreement. Such changes include, but are not limited to: (i) quantities, (ii) drawings, designs, or other specifications, (iii) packing, method of shipment, or time or place of delivery; and (iv) the amount of Government-furnished property in a Government contract.

If such changes cause an increase or decrease in the cost of performance of the Agreement, the parties shall promptly negotiate in good faith an equitable adjustment, and the Agreement shall be modified in writing accordingly. Except where an extension is granted in writing by Buyer, any claim for adjustment under this Article 20 shall be deemed to be absolutely and unconditionally waived unless asserted in writing within twenty (20) calendar days from the date of receipt by Seller of the change. Seller shall submit to Buyer in writing any claim for an adjustment under this Article 20 within twenty (20) calendar days,

along with a specification of the amount claimed with supporting cost figures.

Seller may not make any changes to this Agreement without Buyer's express written consent. Buyer's engineering and technical personnel are not authorized to change the Products ordered or any other provision of this Agreement. No change order will be binding on Buyer unless issued by an authorized representative of Buyer's procurement department.

In the event of any change, Seller shall proceed immediately to perform this Agreement as changed. Nothing contained in this Article 20 shall excuse Seller from proceeding with this Agreement as changed, including the failure of Seller and Buyer to agree upon any equitable adjustment to be made under this Article 20.

Nothing in this Article 20, including any disagreement with Buyer as to an equitable adjustment to be made, shall excuse Seller from proceeding with this Agreement.

No changes in process or qualified design, or substitutions of materials or accessories may be made without Buyer's prior written consent. No charges for extras will be allowed unless Buyer has agreed to such extras in writing and the price agreed upon.

Seller must notify Buyer in writing to the responsible procurement agent for the placing of the Agreement of any changes in the procured items or changes to the Products' manufacturing process once acceptance of the first delivery has occurred by Buyer. Buyer reserves the right to review, approve, or disapprove any changes to the Products or the Products' manufacturing process after initial acceptance has occurred by Buyer. Seller may be subject to all charges that are incurred by Buyer, or its customers for the rejection of non-conforming Products.

#### 21. TERMINATION.

For Buyers Convenience. Buyer may terminate, for its convenience, all or any part of this Agreement at any time by written notice to Seller. Upon such termination settlement shall be made in accordance with the principles contained in Federal Acquisition Regulation (FAR) 52.249-2 in effect as of the date of this Agreement, except that Seller must submit any claim for equitable adjustment for termination to Buyer within forty-five (45) days after the effective date of termination, or such claim shall be absolutely and unconditionally waived.

For Default by Seller. If Seller fails to deliver any Products pursuant to the schedule(s) set forth in this Agreement, or fails to comply with any provision contained in this Agreement, such failure shall be deemed a default by Seller. In the event of Seller's default, Buyer may, at its sole discretion: (i) terminate all or part of this Agreement without further compensation to Seller by providing written notice, (ii) obtain

substitute or replacement goods or services without notice to Seller, and/or (iii) thereafter reject any Products tendered by Seller, even if conforming. Seller shall be responsible for all general, consequential, and incidental damages that Buyer may incur as a result of Seller's failure to meet delivery schedules, including, but not limited to, lost profits, the cost of obtaining goods or services from an alternate source and/or expedited or premium freight or transportation costs. Alternatively, Buyer at its sole discretion may extend the delivery schedule and/or waive other deficiencies in Seller's performance and Seller shall extend to Buyer an equitable reduction in the purchase price. If Buyer approves a revised delivery date, Seller shall pay any additional transportation charges. The rights and remedies of Buyer provided in this Article 21, shall not be exclusive, nor deemed an election of remedies, and are in addition to any other rights and remedies provided under this Agreement, or allowed by law. Seller's warranty, intellectual property, confidentiality, and related obligations under this Agreement, and all of Buyer's rights and remedies for any breach by Seller, shall survive Buyer's termination due to Seller's default.

If this Agreement is terminated for the default of Seller, Buyer, in addition to any other rights provided herein, may require Seller to transfer title and deliver to Buyer (i) any completed Products, and (ii) such partially completed Products and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights as Seller has specifically produced or specifically acquired for performance under this Agreement.

If this Agreement is terminated for the default of Seller, Buyer, in addition to the rights specified above shall be entitled to payment from the Seller equaling all amounts Buyer has paid to Seller for performance of the Agreement less the price for any completed items accepted by Buyer.

If, after notice of the termination of this Agreement for default, it is determined that the failure to perform is subject to Article 30 or if it is definitively determined that no such default existed, such notice of termination shall be deemed to have been issued for the convenience of Buyer.

22. NO WAIVER. The failure of Buyer to insist upon the performance of any provision of this Agreement, or to exercise any right or privilege granted to the Buyer under this Agreement, shall not be construed as waiving such provision or any other provision of this Agreement, and the same shall continue in full force and effect. If any provision of this Agreement is found to be illegal or otherwise unenforceable by any court or other judicial or administrative body, the other provisions of this Agreement shall not be affected thereby, and shall remain in full force and effect.

23. GOVERNING LAW, JURISDICTION, AND VENUE.

This Agreement and all acts and transactions under this Agreement and the rights and obligations of Seller and Buyer shall be governed, construed and interpreted in accordance with the laws of the State of Florida, without resort to its rules on conflicts of laws and the laws of the United States of America, as applicable. Each party submits itself to the exclusive *in personam* jurisdiction of the courts of the State of Florida and the courts of the United States situated therein. Venue shall lie exclusively in the federal and state courts in and for Brevard County, Florida.

24. DEMILITARIZATION. Seller agrees to comply with and be bound by the provisions of the demilitarization clause set forth in U. S. Army Material Command Procurement Instruction (AMCPI) 7-181 (Mar 1963) which is incorporated herein by reference.

25. DISPUTES/CLAIMS.

All claims arising under or related to this Agreement shall be referred to the management of each party prior to recourse to any action at law or in equity. Management of each party shall mean an officer of a party occupying a position of vice president or higher. Any claim by Seller shall be made in writing and submitted to Buyer for a decision within thirty (30) days after the writing is delivered to Buyer. Seller must include the following in its statement of claim:

(i) A representation that supporting data are accurate and complete to the best of Seller's knowledge and belief; and

(ii) A representation that the amount requested accurately reflects the adjustment for which Seller agrees Buyer is liable. Any claim presented by Seller must be signed by a senior official of Seller. Seller shall proceed diligently with the performance of work under this Agreement pending final resolution of any claim for relief, dispute between the parties or any action arising under this Agreement. Seller's performance under this Agreement during the pendency of the dispute shall be in accordance with Buyer's instructions. In the event the parties are unable to fully resolve the claim, then either party may pursue recourse in accordance with Article 23.

26. SURVIVORSHIP. On termination of this Agreement for any reason, all warranty, infringement, confidentiality, dispute, and liability obligations and limitations, and those terms, which by their nature are intended to survive, shall survive such expiration or termination. Termination shall not prejudice either party to require performance of any obligation due at the time of termination.

27. INDEPENDENT CONTRACTOR RELATIONSHIP. Buyer and Seller are independent entities. Nothing in this Agreement is intended to or will constitute either party as an agent, legal representative, or partner of the other for any purpose.

28. RIGHTS IN INVENTIONS AND INTELLECTUAL PROPERTY.

Any invention or intellectual property that Seller first makes or conceives in the performance of this Agreement, or which is derived from or based on the use of information supplied by Buyer, shall be considered a “work made for hire” and shall also be Buyer’s property, which Buyer shall own solely and exclusively. Seller shall execute any document and take all appropriate measures, as Buyer deems necessary, to perfect Buyer’s title to the same.

Seller shall disclose and assign on demand, and it does hereby assign, to Buyer any and all inventions, improvements, or developments, each whether patentable or not, which it may make or assist in making in the course of such development. Seller assigns, and agrees hereafter on demand to assign, to Buyer, all patents, copyrights, and applications for patents or copyrights, in connection with any such invention, improvement, or development and to do all acts and to execute all instruments which Buyer may request. Seller shall cause every appropriate person employed by or associated with it to enter into an agreement under which such person shall disclose and assign to Seller or Buyer all inventions and execute all papers and do all acts deemed necessary by Seller or Buyer relative to assignment and patent protection of such inventions. In addition, all information, ideas, results, and data developed by Seller as a result of developmental work contemplated by this Agreement shall be transmitted by Seller only to Buyer and shall become the exclusive property of Buyer.

Notwithstanding the foregoing, if this Agreement is issued pursuant to a Government contract, the Government shall have unlimited rights in data first produced in the performance of this Agreement; form, fit and function data delivered under this Agreement; data delivered under this Agreement that constitutes manuals or instructional and training material for installation, operation or routine maintenance and repair of items, components or process delivered or furnished for use under this Agreement; and all other data delivered under this Agreement as provided in other parts of this Agreement. For purposes of this Agreement, “data” shall have the same definition as contained in 48 C.F.R. § 52.227-14.

#### 29. WORK ON BUYER’S OR ITS CUSTOMER’S PREMISES.

Seller shall comply with all of Buyer’s, its affiliates and/or Buyer’s subcontractor’s safety and security procedures for all work that Seller, its employees, agents, or subcontractors may perform on either Buyer’s (or its affiliates’) or its subcontractors’ premises.

Seller shall also take all necessary precautions to prevent the occurrence of any injury to person or damage to property during

the performance of such work on Buyer’s, its affiliates’ or its subcontractors’ premises. Seller shall defend, indemnify, and hold harmless Buyer, its affiliates, and/or Buyer’s subcontractors against any claim that results from any act or omission by Seller, its employees, agents, and subcontractors, which is related to its work on Buyer’s, its affiliates’ or its subcontractors’ premises, except to the extent that the injury or damage is due solely to Buyer’s, its affiliates’ or its subcontractors’ negligence, as the case may be. The insurance provided by Seller pursuant to Article 16 shall cover the risks described in this Article 29.

Seller shall comply with any and all federal, state, or local drug or alcohol abuse and/or drug testing statutes or regulations for any of its employees who perform work on Buyer’s, its affiliates’ or its subcontractors’ premises.

Seller shall conduct a criminal background investigation of its employees before assigning such employee to perform work on Buyer’s, its affiliates’ or its subcontractors’ premises. Buyer may request, at its discretion, from Seller documentation of the completion of the investigation for any employee assigned to work on Buyer’s, its affiliates’ or its subcontractors’ premises. Seller shall not assign any person to perform work on Buyer’s, its affiliates’ or its subcontractors’ premises who has been convicted of any felony, or any crime of dishonesty or violence, whether the crime is a felony or a misdemeanor.

Seller shall impose the requirements of this Article 29 with its agents and subcontractors who will perform work on Buyer’s, its affiliates’ or its subcontractors’ premises pursuant to this Agreement.

If Seller fails to comply with any of the provisions of this Article 29, Buyer may immediately expel Seller’s employee(s) from Buyer’s, its affiliates’ or its subcontractors’ premises and Buyer may also terminate this Agreement for default.

Whenever performing on-site services, Seller shall at all times keep its work areas, including its storage areas, free from the accumulations of waste material or rubbish. In addition, prior to completion of the work, Seller shall remove any rubbish from its work areas and all of its tools, scaffolding, equipment, and materials that are not the property of the Buyer, its affiliate, its subcontractor, or the Government. Upon completion of the service, Seller shall leave its work areas in a clean, neat and good condition satisfactory to the Buyer.

30. EXCUSABLE DELAYS (FORCE MAJEURE). Following the occurrence of an event, circumstance or condition beyond the reasonable control of either party, including but not limited to, acts of God, actions by any government authority, strike, work slowdown or other labor unrest, fires, floods, windstorms, explosions, riots, natural disasters, wars, or sabotage, either party shall have the right, by written notice, to suspend work or make changes in delivery schedules for Seller’s Products to be provided under this Agreement, without liability



to either party. Seller shall promptly notify Buyer when an excusable delay has occurred or when Seller reasonably believes that such the occurrence of an excusable delay is inevitable. If the work suspension or any material change in delivery schedule lasts more than fifteen (15) calendar days, Buyer may cancel this Agreement without liability by providing written notice to Seller within two (2) business days after the expiration of such fifteen (15) day period.

### 31. PROHIBITION OF GRATUITIES.

Buyer may terminate this Agreement for default in the event Buyer determines that Seller or any of its officers, directors, employees or agents offered or gave a gratuity or thing of value to any officer, employee or agent of Buyer. The rights and remedies of Buyer under this Article 31 shall not be exclusive and/or in addition to any rights and remedies provided by law or under this Agreement.

32. **INSOLVENCY.** Buyer may terminate this Agreement for default if the Seller files a voluntary petition under any federal or state bankruptcy act, is adjudicated bankrupt, becomes insolvent or commits an act of bankruptcy, or engages in any act which reasonably causes Buyer to deem itself insecure.

33. **LIMITATION OF LIABILITY.** Notwithstanding any other provisions of this Agreement, under no circumstances shall Buyer be liable or held responsible for consequential, incidental, special, or indirect loss or damage including whether such loss or damage arises from this Agreement, negligence, recklessness, strict liability, or otherwise. In no event, however, shall any liability of Buyer exceed the price allocable to the Product that initially gives rise to a claim. The foregoing shall constitute the sole and exclusive remedy of Seller, and the sole and exclusive liability of Buyer. Seller hereby waives, releases, and renounces all other rights, claims, and remedies against Buyer.

34. **BUYER'S REMEDIES.** Buyer's remedies are cumulative and in addition to all remedies set forth herein or otherwise legally available. Buyer may exercise its remedies either individually or cumulatively. Buyer's remedies shall include, but not be limited to, incidental and consequential damages and the cost of any recall campaigns or other corrective actions. Buyer's selection of any particular remedy, or its forbearance in exercising any remedy available to it, shall not constitute an election or waiver of any other remedy.

35. **CHANGE IN OWNERSHIP.** As used herein, a "Change in Ownership" shall occur if: (a) a person or group of persons acting in concert directly or indirectly acquire more than fifty percent (50%) of Seller's or Seller's parent's voting power subsequent to the date that the parties enter into this Agreement; (b) Seller or

Seller's parent sells, leases, transfers or otherwise disposes of substantially all of Seller's or Seller's parent's assets, or of the assets relating to the Products Seller produces for Buyer under this Agreement; (c) Seller or Seller's parent becomes involved in a merger, reorganization, consolidation, share exchange, re-capitalization, business combination, liquidation or dissolution or similar transaction; or (d) Seller or Seller's parent is the subject of a tender or exchange offer for any of the outstanding shares of its capital stock. Seller shall provide notice to Buyer of any pending or possible Change in Ownership, as soon as Seller becomes aware of the events giving rise to the Change. If Seller is or becomes the subject of a Change in Ownership, Buyer may, at its discretion, terminate this Agreement for convenience except that notwithstanding the provisions of Article 21, Buyer shall not be required to reimburse Seller for any costs incurred by Seller prior to the date of termination. In the event Buyer consents to the Change of Ownership, Buyer may require that Seller provide adequate insurance of future performance as a condition thereof.

36. **AUTHORIZATION.** Seller represents and warrants to Buyer that Seller has the authority and right to enter into this Agreement without breaching or violating any fiduciary, contractual, statutory, or other legal obligations.

37. **THIRD PARTY BENEFICIARIES.** Nothing in this Agreement, expressed or implied, is intended to confer any rights, benefits, remedies, obligations, or liabilities on any individual or entity other than the parties to this Agreement, or their respective successors or assigns.

38. **ORDER OF PRECEDENCE.** Any inconsistency in this Agreement shall be resolved by giving precedence in the following order: (a) the Purchase Order; (b) Special Provisions, if any; (c) these Standard Terms and Conditions; (d) attachments, exhibits, or annexes, if any; and (e) the Statement of Work.

39. **SEVERABILITY.** In the event that any provision of this Agreement may be invalid, unlawful or incapable of being enforced by a rule of law or public policy, all other provisions shall, nonetheless, remain in full force and effect.

40. **ARTICLE HEADINGS.** Article headings are for the convenience of the parties only and shall not be used to construe or interpret the terms and conditions contained herein.

41. **EXPORT AND INTERNATIONAL TRAFFIC-IN-ARMS REGULATIONS.** Seller shall comply with all export regulations and ITAR. With respect to defense Products furnished hereunder, Seller certifies that it has not and will not pay, offer or agree to pay, for the purpose of soliciting, promoting or otherwise securing the sale of defense Products to or for the use of the armed forces of an international organization or non-U.S. country, any: (i) fees or commissions in excess of \$1,000, or (ii) political contribution (including any gift, rebate or payment of expenses) to a non-U.S.

person or entity. If Seller intends to conduct work for Buyer in a foreign country, including but not limited to the use of Seller's own facility outside of the U.S., or the use of a foreign affiliate or unrelated subcontractor, Seller shall provide advance written notification to Buyer. Seller is responsible for obtaining all export control licenses required by law or requested by Buyer.

42. **PRIORITY RATINGS.** When a priority rating is specified on the face of this Agreement for a Product, this is a rated order certified for national defense use and Seller shall follow all provisions of the then-current Defense Priorities and Allocations System Regulations (DPAS), including delivering such Products to Buyer before delivering any non-defense Product.

43. **PROHIBITED GOODS AND SERVICES.** The Government prohibits the importation of goods or the purchase of services, and certain financial transactions, from certain countries, which list may change from time to time. Seller shall not purchase or otherwise obtain goods or services, either directly or indirectly, from any prohibited country in providing goods or services to Buyer under this Agreement. Seller may obtain an updated list of such countries by visiting the U.S. Treasury Department's website at <http://www.treas.gov/ofac/>.

44. **COMMUNICATION WITH BUYER'S CUSTOMER.** Buyer shall be solely responsible for all liaison and coordination with Buyer's customer, including the Government, as it affects the applicable Prime Contract, this Agreement, and any related contract.

45. **ELECTRONIC CONTRACTING.** Buyer may issue and transmit agreements and attachment (s) electronically and execute such agreements by electronic signature in lieu of a hard copy agreement. Such electronic transmission may be the only document that Seller will receive for placement of any agreement. Both parties agree that the validity of this Agreement, and acknowledgement by Seller, shall not be contested on the basis that the documents contain an electronic signature.

46. **PARTS OBSOLESCENCE.** Buyer may desire to place additional orders for items purchased hereunder. Seller shall provide Buyer with a "Last Time Buy Notice" at least twelve (12) months prior to any action to discontinue any item purchased under this Agreement.

47. **EXAMINATION OF RECORD.** Seller agrees that the Comptroller General of the United States or any of his duly authorized representatives shall until expiration of three (3) years after final payment under this Agreement or stated by Government contracting per the FAR. Also, have access and the rights to examine any directly pertinent books, documents, papers, and records of Sellers involving transactions related to this

Agreement if it exceeds ten thousands dollars (\$10,000). Seller agrees to include this clause in each purchase order to lower-tier Subcontractors issued hereunder of \$10,000 or more. Seller also agrees to the right of access to Buyer, its customer and applicable regulatory agencies.

48. **COUNTERFEIT PARTS.** If suspect/counterfeit parts are furnished under this purchase order and are found in any of the goods delivered hereunder, such items will be impounded by the Buyer. The seller shall promptly replace such suspect/counterfeit parts with parts that are acceptable to the Buyer. The Seller shall be liable for all costs relating to the removal and replacement of said parts. Buyer reserves all contractual rights and remedies to address grievances and detrimental impacts cause by suspect/counterfeit parts.

49. **SPECIAL U.S. GOVERNMENT PROVISIONS.** The provisions set forth hereunder shall apply only if this Agreement bears a Government prime contract number. By acceptance of this Agreement, Seller hereby agrees to flow down the applicable FAR clauses to its lower-tier subcontractors.

**Audits.** Seller agrees that its books and records and its plans or any such part thereof as may be engaged in the performance of this Agreement, shall at all reasonable times be subject to inspection and audit by any person designated by the head of any executive department of the Government.

**Quality Control.** Except as otherwise provided in this Agreement, Seller's system of quality control during the performance of this Agreement shall be in accordance with the specifications as are required by the Prime Contract or higher tier agreement.

**Modification.** Seller agrees it will negotiate modification(s) to this Agreement in good faith to incorporate additions, deletions, and changes to the clauses set forth below if Buyer deems them necessary to comply with Buyer's contract with its customer or modifications to Buyer's contract. If any such modification to this Agreement causes an increase or decrease in the cost, or the time required for the performance, of any part of the work under this Agreement, an equitable adjustment shall be made pursuant to the "Changes" clause of this Agreement.

**Government Property.** Seller shall maintain and administer a program for the maintenance, repair, protection, and preservation of Government property. Seller shall comply with the provision of FAR Subpart 45.5, Management of Government Property in Possession of Contractors, as in effect on the date of this Agreement, which Subpart is hereby incorporated by reference and made a part of this Agreement. Seller assumes risk of and shall be responsible for any loss or damage to Government property except for reasonable wear and tear and except to the extent that such property is incorporated in the Products delivered under this Agreement. Upon completion of this Agreement or

at such earlier times as Buyer may request, Seller shall submit, in acceptable form, inventory schedules covering all items of Government property pertaining to this Agreement. To the extent that such use will not interfere with Seller's performance of this or other agreements from Buyer, this clause shall not limit the use by the Seller of property to which the Government has title in the production of end items on direct Government contracts; however, nothing herein will be deemed to contravene the rights of the Government under FAR 52.245-2, paragraph (b).

Executive Order 13201. Notification of Employee Rights Concerning Payment of Union Dues or Fees.

FAR Clauses: The following clauses of the FAR are incorporated herein by reference, as applicable, and made part hereof with the same force and effect as if they were given in full text, including any notes following the clause citations, to this Agreement and/or any other contractual Customer requirements. The applicable FAR clauses incorporated herein shall be those in effect for Buyer under the Prime Contract, or under the contract pursuant to which the Agreement is issued to support, if different, except where otherwise noted. 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. In the following FAR clauses, the term "Contractor" shall mean "Seller", the term "Contract" shall mean this Agreement, and the terms "Government", "Contracting Officer" and equivalent phrases shall mean "Buyer", unless for those clauses which are designated with an asterisk in which the foregoing terms shall remain as written.

**Commercial or Noncommercial Items**

**Contract Value (N/A)**

52.202-1 Definitions

52.203-10 Price or Fee Adjustment for Illegal or Improper Activity

52.203-5 Covenant Against Contingent Fees

52.209-6 Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment

52.211-15 Defense Priority and Allocation Requirements

52.219-8 Utilization of Small Business Concerns

52.219-9 Small Business Subcontracting Plan

52.222-1 Notice to the Government of Labor Disputes

52.222-2 Payment for Overtime Premiums

52.222-3 Convict Labor

52.222-4 Contract Work Hours and Safety Standards Act – Overtime Compensation

52.222-19 Child Labor—Cooperation With Authorities and Remedies

52.222-21 Prohibition of Segregated Facilities

52.222-22 Previous Contracts and Compliance Reports

52.222-25 Affirmative Action Compliance

52.222-26 Equal Opportunity

52.222-29 Notification of Visa Denial

52.222-50 Combating Trafficking in Persons

52.222-54 Employment Eligibility Verification

52.223-6 Drug-Free Workplace

52.224-2 Privacy Act

52.225-1 Buy American Act – Supplies

52.225-8 Duty-Free Entry

52.225-13 Restrictions on Certain Foreign Purchases

52.227-9 Refund of Royalties

52.227-14 Rights in Data – General

52.228-3 Workers' Compensation Insurance (Defense Base Act)

52.228-4 Workers' Compensation and War-Hazard Insurance Overseas

52.246-2 Inspection of Supplies—Fixed Price

52.246-3 Inspection of Supplies—Cost-Reimbursement

52.246-4 Inspection of Services—Fixed Price

52.246-5 Inspection of Services—Cost-Reimbursement

52.246-6 Inspection—Time-and-Material and Labor-Hour

52.246-7 Inspection of Research and Development—Fixed-Price

52.246-8 Inspection of Research and Development—Cost-Reimbursement

52.247-64 Preference for Privately Owned U.S. – Flag Commercial Vessels

252.204-7000 Disclosure of Information

252.204-7008 Compliance with Safeguarding Covered Defense Information Controls

252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting

259.219-7003 Small Business Subcontracting Plan (DOD Contracts)

252.223-7006 Prohibition on Storage, Treatment and Disposal of Toxic or Hazardous Materials--Basic

252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals

252.227-7016 Rights in Bid or Proposal Information

252.227-7019 Validation of Asserted Restrictions – Computer Software

252.235-7003 Frequency Authorization

252.247-7023 Transportation of Supplies by Sea

252.247-7024 Notification of Transportation of Supplies by Sea

**Contract Value – Exceeds \$10,000**

52.222-40 Notification of Employee Rights Under the National Labor Relations Act

**Contract Value - Exceeds \$15,000**

52.222-20 Contracts for Materials, Supplies, Articles and Equipment Exceeding \$15,000

52.222-36 Equal Opportunity for Workers with Disabilities

**Contract Value Equals or Exceeds \$150,000**

52.222-35 Equal Opportunity for Veterans

52.222-37 Employment Reports on Veterans

52.248-1 Value Engineering

**Contract Value Exceeds Simplified Acquisition Threshold (currently \$150,000; defined in 2.101, FAR)**

52.203-3 Gratuities

52.203-6 Restrictions on Subcontractor Sales to the Government

52.203-7 Anti-Kickback Procedures

52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights

52.215-2 Audit and Records – Negotiation

52.227-1 Authorization and Consent

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement

52.228-5 Insurance—Work on a Government Installation

252.225-7012 Preference for Certain Domestic Commodities

**Contract Value Exceeds \$150,000**

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

52.203-12 Limitation on Payments to Influence Certain Federal Transactions

252.249-7002 Notification of Anticipated Contract Termination or Reduction

**Contract Value Requires Submission of Cost or Pricing Data (currently \$750,000; defined in 15.403-4(a)(1), FAR)**

52.214-26 Audit and Records – Sealed Bidding

52.214-27 Price Reduction for Defective Certified Cost or Pricing Data—Modifications—Sealed Bidding

52.214-28 Subcontractor Certified Cost or Pricing Data –  
Modifications – Sealed Bidding

52.215-10 Price Reduction for Defective Certified Cost or Pricing  
Data

52.215-11 Price Reduction for Defective Certified Cost or Pricing  
Data – Modifications

52.215-12 Subcontractor Certified Cost or Pricing Data

52.215-13 Subcontractor Certified Cost or Pricing Data –  
Modifications

**Contract Value Exceeds \$750,000**

52.230-2 Cost Accounting Standards

52.230-3 Disclosure and Consistency of Cost Accounting  
Practices

52.230-5 Cost Accounting Standards – Educational Institution

52.230-6 Administration of Cost Accounting Standards

52.230-7 Proposal Disclosure—Cost Accounting Practice  
Changes

**Contract Value Exceeds \$1,000,000**

252.211-7000 Acquisition streamlining

**Contracts for Commercial Items**

**Contract Value (N/A)**

52.244-6 Subcontracts for Commercial Items

252.244-7000 Subcontracts for Commercial Items and  
Commercial Components (DoD Contracts)

**Contracts for Noncommercial Items**

**Contract Value (N/A)**

52.204-2 Security Requirements

52.208-8 Required Sources for Helium and Helium Usage Data

52.223-7 Notice of Radioactive Materials

52.227-10 Filing of Patent Applications – Classified Subject  
Matter

52.227-11 Patent Rights – Ownership by the Contractor

52.234-1 Industrial Resources Developed Under Defense Production  
Act Title III

52.247-63 Preference for U.S. – Flag Air Carriers

252.227-7037 Validation of Restrictive Markings on Technical Data

252.227-7013 Rights in Technical Data – Noncommercial Items

252.227-7014 Rights in Noncommercial Computer Software and  
Noncommercial Computer Software Documentation

**Contract Value Exceeds Simplified Acquisition  
Threshold (currently \$150,000; defined in 2.101,  
FAR)**

52.215-14 Integrity of Unit Prices

52.222-38 Compliance with Veterans' Employment Reporting  
Requirements

252.203-7001 Prohibition on Persons Convicted of Fraud or Other  
Defense Contract-Related Felonies

**Contract Value Requires Submission of Cost or  
Pricing Data (currently \$750,000; defined in 15.403-  
4(a)(1), FAR)**

52.215-15 Pension Adjustments and Asset Reversions

52.215-18 Reversion or Adjustment of Plans for Postretirement  
Benefits (PRB) Other Than Pensions

52.215-19 Notification of Ownership Changes