

TERMS AND CONDITIONS FOR FIXED-PRICE PURCHASE ORDERS

1. ACCEPTANCE

Acceptance of the offer represented by this Purchase Order is expressly limited to the terms of this Order. Signing and returning the acknowledgment document of this Purchase Order (if included herewith) or, in any event, any shipment of Articles, ordering of Supplies or commencement of performance hereunder shall constitute acceptance of this Order. **The Order is the entire contract and no changes are binding on the Buyer unless they are in writing and signed by an authorized representative of the Buyer's Purchasing Department.** This Purchase Order is limited to the terms and conditions contained therein or incorporated. Any additional or different terms in the Seller's form are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Any shipment of Articles shall be deemed to be only within the terms and conditions herein.

2. PACKING AND SHIPMENT

Unless otherwise specified in this Order all Articles shall be delivered f.o.b. destination. The Buyer's Order number and part numbers must be plainly marked on all invoices, packages, bills of lading and shipping orders. Shipping memos or packing lists must accompany Articles. The Buyer's count or weight shall be final and conclusive on shipments not accompanied by shipping memos or packing lists.

Unless otherwise specified, all Articles are to be packed and shipped in accordance with best commercial practices.

Notwithstanding anything to the contrary herein or contained within the Order, the risk of loss of or damage to Articles which fail to conform to the Order shall remain with seller until cure or acceptance.

3. OVERSHIPMENTS AND REJECTED MATERIAL - RETURN TO SELLER

The Buyer's needs are for the quantities of Articles specified within the Purchase Order. Articles delivered in excess of the quantity ordered result in substantial administrative expense to the Buyer. Therefore, Articles delivered under this Purchase Order in excess of the quantity specified may be retained by the Buyer at no additional cost. The Buyer is under no obligation hereunder to notify Seller of any overshipments.

Seller shall be liable for handling charges and return shipment costs for:

- (a) Any excess quantities shipped by Seller and returned by the Buyer, and
- (b) For any Articles which are rejected and returned to Seller for noncompliance with the specified requirements.

The Buyer shall have, in addition, any other rights and remedies provided by law, equity or under this Order, the right to a set off against any unpaid invoice/Purchase Order.

4. DELIVERY

The parties have agreed to the delivery dates established herein and the Buyer's schedules have been based thereon. Buyer may at its sole discretion agree to accept deliveries after the date established herein for delivery has passed. Buyer may in such an instance hold Seller responsible for all costs occasioned to the Buyer as a result of late delivery which may include any additional cost to the Buyer resulting from expediting shipment. Any such acceptance of late deliveries shall be at such reduction in price as is equitable under the

circumstances. Acceptance of late deliveries shall not relieve Seller of the obligation to make future deliveries in accordance with the delivery schedule established herein.

The Buyer reserves the right to refuse or return at Seller's risk and expense, shipments received more than two weeks in advance of the schedule of deliveries set forth in this Order.

5. INVOICING AND PAYMENT

Seller shall be paid the prices set forth herein less deductions, if any, after delivery and acceptance by the Buyer and upon the submission of proper invoices. Payment will be made on partial deliveries accepted by the Buyer. In case of conflict between unit prices and total price, unit prices shall control. Invoices shall be sent by the Seller to the Buyer's Accounts Payable Department at the address shown on the Purchase Order. Invoices are not to be enclosed with goods or submitted to individuals or other addresses. Any payments made for Articles delivered prior to final acceptance of the Articles shall not constitute final acceptance of the Articles. Delays in receiving invoices as well as errors and omissions thereon will be considered just cause for withholding payment without losing discount privileges. Unless otherwise agreed, invoices covering Articles shipped in advance of specified delivery dates will not be paid until their normal maturity after the date specified for delivery.

6. CHANGES

The Buyer may at any time prior to final delivery under this Purchase Order by notice in accordance with Clause 30, make changes within the general scope hereof in any one or more of the following: (1) drawings, designs or specifications where the Articles to be furnished are to be specially manufactured for the Buyer in accordance therewith; (2) method of shipment or packing; (3) the place of delivery; (4) description of services to be performed, (5) time of performance of the services (e.g.), hours of day, day of the week and place of performance of the services, and (6) the delivery schedule.

If any such change causes an increase or decrease in the cost or time required for performance of this Order, an equitable adjustment shall be made in the price or delivery schedule or both, and the Order shall be modified accordingly. Any claim by the Seller for adjustment under this clause must be asserted within fifteen (15) days from the date of notification of the change; provided, however, that the Buyer, if the Buyer decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment of this Order. Failure to agree to an adjustment shall not excuse the Seller from proceeding with this Order as changed. If this Order is placed under a Government prime contract, the cost principles set forth in Federal Acquisition Regulation (FAR), Part 31, and the Department of Defense (DoD) FAR Supplement (DFARS) Part 231 shall be applicable in the determination and negotiation of any equitable adjustment of price hereunder.

Whether made pursuant to this clause or by mutual agreement, changes shall not be binding upon the Buyer unless directed in writing by a member of the Buyer's Purchasing Department. The issuance of information, advice, approval, or instructions by the Buyer's technical personnel or other representative shall not affect the Buyer's and Seller's rights and obligations hereunder unless the same is in writing and signed by a member of the Buyer's Purchasing Department and it is expressly stated therein that it constitutes an amendment to this Order.

7. INSPECTION AND REJECTION

All Articles called for hereunder or portions thereof shall be subject to inspection and test by the Buyer and authorized Government representatives, if applicable, at any point during the manufacture thereof and in any event prior to acceptance. Final inspection and acceptance shall be after delivery in accordance with this Purchase Order. If any inspection or test is made on the premises of Seller, Seller shall provide reasonable facilities and assistance for the safety and convenience of inspection personnel. The Buyer shall have the right to reject Articles found upon inspection not to conform to this Purchase Order, to require their correction (either in place or at Seller's plant, at the Buyer's option), or to accept nonconforming Articles at a reduction in price which is equitable under the circumstances. If, as a result of sampling inspection, any portion of a lot or shipment of like or similar items is found not to be conformity with this Order, the Buyer may reject and return the entire shipment or lot without further inspection, or, at its option, complete inspection of all items in the shipment or lot, reject and return any or all nonconforming units (or accept them at a reduced price) and charge Seller the cost of such inspection. Items once rejected shall not thereafter be tendered for acceptance unless the former rejection is made known. The Buyer's acceptance of any nonconforming Articles shall not constitute a waiver of specification requirements for any additional Articles required to be delivered hereunder.

The Buyer shall not be required to inspect or test Articles hereunder. It shall be the Seller's responsibility to adequately test and inspect the Articles to be tendered for acceptance to assure that such Articles are in strict conformance with all the requirements of this Order. By such tender Seller assures the Buyer that such Articles offered so comply.

8. WARRANTIES

- (a) The Seller warrants that all Articles to be delivered hereunder shall be free from defect in workmanship and material and shall conform to the specification. If the Buyer shall give the Seller notice of any defect or nonconformity (whether latent or patent) within one year from the date of delivery of any Articles affected thereby, the Seller shall at no cost to the Buyer and with all possible speed, repair or replace Articles thereof. Warranties shall then continue for an additional one-year period as to the repaired or replaced goods. Warranties shall survive the Buyer's inspection, delivery, acceptance or payment by the Buyer and shall together with Seller's service guarantees, if any, run to the Buyer and its customer.
- (b) Seller warrants that each and every chemical substance delivered hereunder shall, at the time of sale, transfer, or delivery, be on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Agency pursuant to Section 8 of the Toxic Substances Control Act (Title 15 USC Para. 2601, et. seq.).
- (c) The above warranties shall be in addition to any other rights and warranties available to the Buyer.

9. TERMINATION

Buyer may terminate at any time for its convenience or terminate for Seller's breach, all or any part of this Order. If this Order is terminated for Seller's breach or if Seller is in breach of this Order when it is terminated for convenience, or the Articles are not custom made for Buyer, Seller shall have no claim against Buyer for any costs incurred or any profit with respect to the terminated or cancelled portion of the Order. If this Order is otherwise terminated by Buyer, and involves Articles custom made for buyer, Seller shall be paid an equitable amount to cover the effort actually expended by Seller plus a reasonable profit thereon; provided, however that no amount shall be paid for any anticipatory profits and the total amount shall not exceed the prices contained within the Order for the Articles terminated. In addition to Buyer's right to cancel at any time for Seller's breach of any of the provisions of this Order, including the

failure to meet their delivery schedule, all or any portion of this Order may be cancelled by Buyer, if Seller, in Buyer's judgment, is failing to make sufficient progress as to endanger performance of this Order in accordance with the terms, and Seller fails to furnish Buyer adequate assurance of due performance within ten (10) days (or such further period as Buyer may grant) after receipt of Buyer's written request for assurances.

The rights and remedies provided herein shall not be exclusive, but are cumulative and in addition to any other rights and remedies provided by law or covered under this Order.

10. BUYER PROPERTY

Unless otherwise expressly agreed in writing, all material, tooling, designs, data, documents and any other property furnished to the Seller by the Buyer or paid for by the Buyer in connection with this Purchase Order: (1) shall be and remain the property of the Buyer; (2) shall be subject to delivery to the Buyer upon request; (3) shall not without the Buyer's written permission be used for or disclosed to anyone other than the Buyer; (4) shall be held at the Seller's risk; and (5) shall be kept insured by the Seller at the Seller's expense while in its custody or control in a amount equal to replacement cost thereof, with loss payable to the Buyer. Copies of policies or certificates of such insurance shall be furnished to the Buyer upon request.

11. INDEMNIFICATION

- (a) Seller agrees to indemnify, hold harmless and defend Buyer, its agents, employees, officers and directors from any and all costs and expenses, including attorneys' fees, which Buyer may pay or become obligated to pay, on account of any, all and every demand or claim or assertion of liability arising, or alleged to have arisen, out of (1) Seller's breach of any expressed or implied warranty, or any provision of this Order; (2) Seller's default; (3) the negligent or deliberate acts and/or omissions of Seller or its agents, employees, officers, and directors; (4) Seller's or Seller's subcontractors' liabilities for non-compliance with the provisions of Clauses 18 and 19; (5) any and all actions or proceedings charging infringement of any patent, trademark, copyright, or mask work by reason of sale or use of any Articles furnished hereunder; and (6) bodily injury to or property damage of any person including Seller's or Seller's subcontractors' employees, arising out of performance of any work hereunder, including Seller's use of premises or equipment.
- (b) In the event the liability of Seller shall arise by reason of the negligence of Buyer or Buyer's agents, employees, officers, and directors, or by reason of specific compliance with detailed instructions of Buyer, Seller shall not be liable under the provisions of this clause except to the extent of the Seller's negligence. Buyer agrees to provide Seller with timely notice of any potential claim covered by this clause.

12. CONFIDENTIALITY

Seller shall keep confidential all information, drawings, specifications, or data, and return to the Buyer upon request all documents furnished by the Buyer, and shall not divulge or use such information, drawings, specification, or data for the benefit of any other party except as required for the efficient performance of this order, Seller shall not make copies or permit copies to be made without the prior written consent of the Buyer. Except for the performance of its obligations under this Order, Seller shall make no use, either directly or indirectly, of any such data or any information derived therefrom without obtaining the Buyer's written consent; provided, however, the foregoing limitation shall not apply to items produced for direct sale to the U.S. Government in the event that, and to the extent that the U.S. Government has properly authorized the use of the Buyer's information, drawings, specifications or data for such purpose and the Seller so notifies the Buyer in writing.

13. GRATUITIES/KICKBACKS

No gratuities (in the form of entertainment, gifts or otherwise) or kickbacks shall be offered or given by Seller, to any employee of Buyer with a view toward securing favorable treatment as a supplier.

By accepting this Contract, Seller certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (41 USC 51-58), both of which are incorporated herein by this specific reference, except that paragraph(c)(1) of FAR 52.203-7 shall not apply.

14. PATENTS AND DATA

(a) Patent Rights

Seller agrees to promptly disclose and upon request to assign to Buyer each invention conceived or first actually reduced to practice during the performance of this Order.

(b) Rights in Data

Seller hereby grants to Buyer a royalty-free non-exclusive transferable and irrevocable license throughout the world to use, duplicate, sublicense or disclose for any purpose whatsoever, and to authorize others to do so, all data (which term includes but is not limited to writings, recordings, pictorial reproductions, drawings, computer programs, or other graphic representations and works of any similar nature whether or not copyrighted) required to be or actually delivered to Buyer under this Purchase Order.

15. SUBCONTRACTING

Seller shall not subcontract for completed or substantially completed Articles called for hereunder without the prior written consent of the Buyer. This limitation does not apply to the purchase of standard commercial supplies or raw materials.

16. ASSIGNMENTS

Seller may not assign or delegate any rights or obligations under this Purchase Order or any portion thereof, except that claims for money due hereunder may be assigned by Seller to a bank, trust company or other financial institution including any federal lending agency. Any payment by Buyer to an assignee of any monies due or to become due hereunder shall be subject to set off or recoupment for any present or future claim or claims which Buyer may against the Seller arising under this and any other contract or Purchase Order. Any purported assignment or delegation in violation of the forgoing provisions shall be void.

17. ADVERTISEMENTS

Seller shall not advertise or make public in any manner the existence of this Purchase Order or any contents hereof without the Buyer's prior written consent.

18. COMPLIANCE WITH LAWS

Seller represents that it has and will continue during the performance of this Order to comply with the provisions of all applicable federal, state and local laws and regulations. Seller agrees to furnish the Buyer upon request, satisfactory evidence of compliance.

19. EXPORT CONTROLS

Seller agrees to comply with all U.S. export control laws and regulations. Without limiting the foregoing, Seller agrees that it will not transfer any export controlled item, data or services, to include transfer to foreign persons employed by or associated with, or under contract to Seller or Seller's lower-tier suppliers, without the authority of export authorization.

- (a) Seller agrees to notify Buyer if any Articles or service to be delivered under this Purchase Order is restricted by export control laws or regulations.
- (b) Seller shall immediately notify the Buyer's Purchasing Representative if Seller is listed in the Denied Parties List or if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.

20. DISPUTES

All claims, controversies, or disputes arising out of or relating to this Purchase Order (hereinafter, the "Dispute"), shall be resolved by negotiation and mutual agreement between the parties. If the dispute is not resolved by negotiation, the Dispute shall be resolved solely as indicated in this clause. Either Buyer or the Seller (separately a "Party" and collectively the "Parties") may invoke the procedures specified in this clause.

- (a) The Dispute shall be submitted in writing to a senior executive at each Party (hereinafter, "Executives") and those Executives shall attempt to resolve the Dispute within thirty (30) days after such submittal.
- (b) If the Executives are unable to resolve the Dispute within the thirty (30) day period provided above, the Parties shall endeavor to settle the Dispute by mediation under the then current commercial mediation rules of the American Arbitration Association (AAA). If the parties are unable to agree on a mediator within thirty (30) days after a request for mediation, the mediator will be selected pursuant to the rules and procedures of the AAA.
- (c) Any Dispute which remains unresolved thirty (30) days after the appointment of a mediator shall be settled by binding arbitration by a sole arbitrator in accordance with the then current commercial arbitration rules of the AAA. If the Parties are unable to agree on an arbitrator within thirty (30) days of the filing of the Demand for Arbitration, an arbitrator shall be selected pursuant to the rules and procedures of the AAA. The Parties shall bear their own costs and expenses, including attorney's fees, but the arbitrator may, in the award, allocate all the administrative costs of the arbitration (and the mediation, if applicable), including the fees of the arbitrator and mediator, against the Party who did not prevail. The arbitration award shall be in writing and shall specify the factual and legal bases for the award. Judgment on the award may be entered in any court having jurisdiction. The arbitrator is not empowered to award damages in excess of compensatory damages and each Party hereby irrevocably waives any right to recover such excess damages.
- (d) Notwithstanding the above, if this Purchase Order has been issued in support of a US Government prime contract or higher tier subcontract, and the cognizant Government Contracting Officer issues a final decision relating to this Order or to the Articles to be delivered hereunder, such decision, if binding on Buyer, shall in turn be binding upon Seller and Seller shall not be entitled to additional compensation or reimbursement for compliance therewith.
- (e) The Parties will continue to perform under this Purchase Order during the Dispute resolution process.

21. APPLICABLE LAW

This Order is to be construed and interpreted in accordance with the laws of the state in which the Buyer's office, contained within this Order, is located, except for its conflict of laws rules (if any).

22. WAIVER

No waiver by the Buyer of any breach of this Purchase Order shall be held to be a waiver of any other or subsequent breach. All rights and

remedies available to the Buyer shall be taken and construed as cumulative, that is, in addition to any other rights and remedies provided herein or by law.

23. TAXES

The prices set forth in the Purchase Order include all applicable federal, state and local taxes.

24. OFFSET CREDIT/COOPERATION

All offset or countertrade credit value resulting from this Purchase Order shall accrue solely to the benefit of Buyer. Seller agrees to cooperate with Buyer in the fulfillment of any foreign offset/countertrade obligations.

25. PARTS OBSOLESCENCE

Buyer may desire to place additional Orders for Articles purchased hereunder. Seller shall provide Buyer with a "Last Time Buy Notice" at least twelve (12) months prior to any action to discontinue any Articles purchased under this Purchase Order.

26. PRIORITY RATING

If so identified, this Order is a "rated order" certified for national defense use, and the Seller shall follow all the requirements of the Defense Priorities and Allocation System (DPAS) Regulation (15 CFR Part 700). The full text of this regulation can be found http://www.access.gpo.gov/nara/cfr/waisidx_07/15cfr700_07.html. If this Order exceeds \$50,000.00, Seller must provide written acceptance of Order within (10) days for DX-Rated order and fifteen (15) days for DO-Rated order. In the absence of Seller's written acceptance, commencement of work by the Seller shall be deemed acceptance of the Order as written for the purpose of this provision and regulation.

27. QUALITY CONTROL SYSTEM

Seller shall provide and maintain a quality control system to an industry recognized Quality Standard and in compliance with any other specific quality requirements identified in this Purchase Order.

Records of all quality controls inspection work by Seller shall be kept complete and available to Buyer and its customers.

28. SEVERABILITY

Each paragraph and provision of this Order is severable, and if one or more paragraphs or provisions are declared invalid, the remaining provisions of this Purchase Order will remain in full force and effect.

29. SURVIVABILITY

If this Purchase Order expires, is completed or is terminated, Seller shall not be relieved of the obligations in the following provisions:

(a) Clause 8 (Warranty); Clause 10 (Buyer's Property); Clause 11 (Indemnification); Clause 12 (Confidentiality); Clause 14 (Patents and Data); Clause 17 (Advertisement); Clause 18 (Compliance with Laws); Clause 19 (Export Controls); Clause 20 (Disputes); Clause 21 (Choice of Law) and Clause 25 (Parts Obsolescence).

(b) Those U.S. Government flowdown provisions that by their nature should survive.

30. NOTICES

Any notice to be given under a Purchase Order issued under the Terms and Conditions hereunder must be in writing. Notices may be sent via certified or registered mail; via fax with a conforming copy; or via electronic means provided an electronic signature confirms its authenticity, in a manner agreed to in advance. Notice will be deemed to have been given when received. All notices from Seller to Buyer

should be mailed to the attention of the Purchasing Director, at the facility from which the specific Purchase Order was issued.

31. DEFINITIONS

The following terms shall have the meanings set forth below:

- (a) "Buyer" means "CUBRC, Inc." or "CUBRC" acting through its companies or business sites as identified on the face of the Purchase Order.
- (b) "Buyer's Purchasing Representative" means the person authorized by CUBRC's cognizant procurement organization to administer and/or execute this Purchase Order.
- (c) "PO" or "Purchase Order" or "Order" as used in any document constituting a part of this contract shall mean this "Contract."
- (d) "Seller" means the party identified on the face of the Purchase Order with whom CUBRC is contracting.
- (e) "Articles(s)" means all required materials, supplies, goods and services constituting the subject matter of this Purchase Order.

32. SUPPLEMENTAL FAR/DFAR CLAUSES FOR PURCHASE ORDERS ISSUED UNDER GOVERNMENT PRIME CONTRACT(S)

Should this Purchase Order incorporate (or reference) a U.S. Government Prime contract, the following Federal Acquisition Regulation (FAR) and Defense FAR Supplement (DFARS) provisions are incorporated and made part of this order by reference with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation during the performance of the Order.

In accepting this Order, Seller agrees to be bound by these clauses. Where necessary to derive proper meaning, the terms "Government" and "Contracting Officer" shall mean "CUBRC" or "Buyer", and the term "Contractor" shall mean "Seller". Clauses that are not applicable to the type of procurement, scope of work and/or dollar value of this Order are self-deleting.

[X] SUPPLEMENTAL FAR CLAUSES FOR COMMERCIAL PURCHASE ORDERS (CLAUSE DATE IN EFFECT AS OF THE DATE OF THIS ORDER)

- 52.203-6 Restrictions on Subcontractor Sales to the Government (Alternate 1);
- 52.211-14 Notice of Priority Rating for National Defense, Emergency Preparedness, and Energy Program Use
- 52.211-15 Defense Priority and Allocation Requirements;
- 52.212-1 Instructions to Offerors-Commercial Items;
- 52.212-3 Offeror Representations and Certifications—Commercial Items (Alternate 1 & 2);
- 52.212-4 Contract Terms and Conditions-Commercial Items;
- 52.212-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders-Commercial Items (Alternate 1 & 2);
- 52.216-24 Limitation of Government Liability;
- 52.216-25 Contract Definitization;
- 52.219-8 Utilization of Small Business Concerns;
- 52.222-26 Equal Opportunity;
- 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and other Eligible Veterans;
- 52.222-36 Affirmative Action for Workers with Disabilities;
- 52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees;
- 52.222-41 Service Contract Act of 1964;
- 52.222-50 Combating Trafficking in Persons;
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving;
- 52.225-13 Restrictions on Certain Foreign Purchases;
- 52.225-25 Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran-Representations and Certifications;

52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels;
252.225-7008 Restriction on Acquisition of Specialty Metals
252-225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals
252.225-7014 Alt I Preference for Domestic Specialty Metals

[] SUPPLEMENTAL FAR/DFARS FLOW-DOWN CLAUSES FOR NON-COMMERCIAL PURCHASE ORDERS PER ATTACHED EXHIBIT "A" – PRIME CONTRACT CLAUSES

The intent of the parties is for these clauses to govern the respective rights and responsibilities of the parties to this Order so as to enable CUBRC to carry out its contract responsibilities to the Government.

33. SUPPLIER REPRESENTATIONS AND CERTIFICATIONS

[] The Seller's online Representations and Certifications Application (ORCA) found at <http://www.sam.gov> valid from _____ to _____ are incorporated herein by reference and made part of this Order.

[] The Seller's Representations and Certifications valid from _____ to _____, on file at Buyer facility, are incorporated by reference and made part of this Order.

34. COUNTERFEIT PARTS PREVENTION

(a) Definitions for purposes of this Purchase Order:

(i) "Counterfeit Parts" shall mean a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented. This term includes, but is not limited to, (A) parts that have been (re)marked to disguise them or falsely represent the identity of the manufacturer, (B) defective parts and/or surplus material scrapped by the original manufacturer, and (C) previously used parts pulled or reclaimed and provided as "new".

(ii) As used herein, "authentic" shall mean (A) genuine; (B) from the legitimate source claimed or implied by the marking and design of the product offered; and (C) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.

(iii) "Independent Distributor" shall mean a person, business, or firm that is neither authorized nor franchised by an Original Component Manufacturer ("OCM") to sell or distribute the OCM's products but which purports to sell, broker, and/or distribute such OCM products. Independent Distributors are also referred to as unfranchised distributors, unauthorized distributors, and/or brokers.

(b) Seller represents and warrants that only new and authentic materials are used in products required to be delivered to Buyer and that the Work delivered contains no Counterfeit Parts. No other material, part, or component other than a new and authentic part shall be used unless approved in advance in writing by Buyer's Procurement Representative. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase authentic parts/components directly from the Original Equipment Manufacturers ("OEMs")/OCMs or through the OEM's/OCM's authorized distribution chain. Seller must make available to Buyer, at Buyer's request, OEM/OCM documentation that authenticates traceability of the components to that applicable OEM/OCM. Purchase of parts/components from Independent Distributors is not authorized unless first approved in writing by Buyer's Procurement Representative. Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller request(s) does not relieve Seller's responsibility to comply with all Contract requirements, including the representations and warranties in this paragraph.

(c) Seller shall maintain a documented system (policy, procedure, or other documented approach) that provides for prior notification to the Buyer's Procurement Representative and his/her written approval before parts/components are procured from sources other than OEMs/OCMs or through the OEM's/OCM's authorized distribution chain. Seller shall provide copies of such documentation for its system for Buyer's inspection upon Buyer's request.

(d) If the Seller is providing electronic components/devices only, the following certification applies:

Certification of Origin of Product: Acceptance of this Contract constitutes confirmation by the Seller that it is either the Original Equipment Manufacturer (OEM), Original Component Manufacturer (OCM), or a franchised or authorized distributor of the OEM/OCM for the product herein procured. SELLER further warrants that OEM/OCM acquisition documentation that authenticates traceability of the components to that applicable OEM/OCM is available upon request. If the Seller is not the OEM/OCM or a franchised or authorized distributor, the Seller confirms by acceptance of this Purchase Order that each product supplied to Buyer has been procured from the OEM/OCM or a franchised or authorized distributor of the OEM/OCM. The Seller further warrants that OEM/OCM acquisition traceability documentation is accurate and available to Buyer upon Buyer's request.

(e) Seller shall comply with and flow down the requirements of this paragraph 34 and DFAR 252.246-7007, as applicable, to its subcontractors and suppliers at any tier for the performance of this Purchase Order.

35. INSURANCE FOR ON-SITE SERVICES

To the fullest extent permitted by law, Seller shall defend, indemnify and hold harmless BUYER and its consultants, agents and employees of any of them (individually or collectively, "Indemnitee") from and against all claims, damages, liabilities, losses and expenses, including but not limited to attorneys' fees, arising out of or in any way connected with the performance or lack of performance of the work under the agreement and/or any change orders or additions to the work included in the agreement, provided that any such claim, damage, liability, loss or expense is attributable to bodily injury, sickness, disease or death, or physical injury to tangible property including loss of use of that property, or loss of use of tangible property that is not physically injured, and caused in whole or in part by any actual or alleged:

- Act or omission of the Seller or anyone directly or indirectly retained or engaged by it or anyone for whose acts it may be liable; or
- Violation of any statutory duty, regulation, ordinance, rule or obligation by an Indemnitee provided that the violation arises out of or is in any way connected with the Seller's performance or lack of performance of the work under the agreement.

The Seller's obligations under this Article shall apply regardless of whether or not any such claim, damage, liability, loss or expense is or may be attributable to the fault or negligence of the Seller. In the event that an Indemnitee is determined to be any percent negligent pursuant to any verdict or judgment, Seller's obligation to indemnify the Indemnitee for any amount, payment, judgment, settlement, mediation or arbitration award shall extend to the percentage of negligence of the Seller and anyone directly or indirectly engaged or retained by it and anyone else for whose acts the Seller is liable.

In any and all claims against an Indemnitee by any employee of the Seller or anyone directly or indirectly retained or engaged by it or anyone for whose acts it may be liable, the obligations under this Article shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for the Seller under workers' compensation acts, disability benefit acts or other employee benefit acts.

The obligations under this Article shall not be limited in any way by the amount or type of insurance required to be provided to or for the benefit of an Indemnitee as described in the Insurance Requirements section of this agreement.

The obligations under this Article shall not be construed to negate, abridge or reduce any other right or obligation that would otherwise exist as to any person or entity described in this Article.

If any portion of this Article is declared unlawful or void by a court of competent jurisdiction, the remaining portions shall remain in full force and effect.

The Seller shall purchase and maintain at a minimum the following types of insurance coverage and limits of liability:

- 1) Commercial General Liability (CGL) with limits of insurance of not less than \$1,000,000 each Occurrence and \$2,000,000 Annual Aggregate. CGL coverage shall be written on ISO Occurrence form CG 00 01 10 93 or a substitute form providing equivalent coverage and shall cover liability arising from premises, operations, independent Sellers, products-completed operations, and personal and advertising injury. If the CGL coverage contains a General Aggregate Limit, such General Aggregate shall apply separately to each project.

BUYER shall be included as Additional Insureds on the Seller's CGL policy using ISO Additional Insured endorsement CG 20 10 11 85, or CG 20 10 10 93 and CG 20 37 10 01, or CG 20 33 10 01 and CG 20 37 10 01, or an endorsement providing equivalent coverage to the Additional Insureds. This insurance for the Additional Insureds shall be as broad as the coverage provided for the named insured Seller. This insurance for the Additional Insureds shall apply as primary and non-contributing insurance before any insurance or self-insurance, including any deductible, maintained by, or provided to, the Additional Insureds.

- 2) Business Automobile Liability (AL) with limits of insurance of not less than \$1,000,000 each accident. AL coverage must include coverage for liability arising out of all owned, leased, hired and non-owned automobiles.

BUYER shall be included as Additional Insureds on the Seller's AL policy. The AL coverage for the Additional Insureds shall apply as primary and non-contributing insurance before any insurance maintained by the Additional Insureds.

- 3) Workers Compensation (WC) & Employers Liability (EL) with limits of insurance of not less than \$100,000 each accident for bodily injury by accident and \$100,000 each employee for injury by disease.
- 4) Commercial Umbrella Liability (UL) with limits of insurance of not less than \$5,000,000.

UL coverage must include CUBRC, Inc. as an Additional Insured.

- 5) Waiver of Subrogation:

Seller waives all rights against BUYER and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by CGL, AL, WC & EL or UL insurance maintained per the requirements stated above.

- 6) Certificate of Insurance:

A Certificate of Insurance acceptable to BUYER shall be filed with the BUYER prior to commencement of the Seller's work. A copy of the General Liability Additional Insured endorsement shall be attached to the Certificate of Insurance.

- 7) Notice of Cancellation or Coverage Modification:

No insurance policy required above will be cancelled, allowed to expire or reduced in coverage without at least 30 days prior written notice to the BUYER.