



1. **Acknowledgment of Purchase Order.** This order is Buyer's offer to Seller and when accepted either by acknowledgment or by performance, it shall become a binding contract subject to the terms and conditions hereof, and shall constitute the entire agreement between Buyer and Seller, and shall supersede any other agreements prior to the date of this order.
2. **Packing and Shipment.** Deliveries shall be made as specified without charge for boxing, crating or storage unless otherwise specified and material shall be suitably packed to secure lowest transportation costs. Buyer order numbers and symbols must be plainly marked on all invoices, packages, bills of lading and shipping orders. Packing list shall accompany each box or package shipment showing Buyer's order number, item number and description of materials. Buyer's count or weight shall be final and conclusive on shipments not accompanied by packing lists. Goods shall be packed to assure against damage from weather or transportation, invoices shall be mailed to the attention of Buyer's Accounting Department immediately after each shipment.
3. **Overshipment.** Buyer reserves the option to return at Seller's expense any shipment of products either in excess of the amount stated on the face of this order or in advance of the agreed upon schedule. Such shipments will be held at Seller's risk and expense including reasonable storage charges while awaiting shipping instructions. Return shipping charges for excess quantities will be Seller's expense.
4. **Invoices.** Invoices shall be submitted and shall include the following information; purchase order number, product number, description of products, sizes, quantities, unit prices, and extended totals in addition to any other information specified elsewhere herein. Payment of invoice shall not constitute acceptance of products and shall be subject to adjustment for errors, shortages, defects in the products or other failure of Seller to meet the requirements of the order. Buyer may at any time set off any amount owed by Buyer to Seller against any amount owed by Seller or any of its affiliated companies to Buyer.
5. **Warranty.** Seller warrants that all material and work covered by this order will conform to applicable specifications, drawings, samples and/or other descriptions given and will be merchantable and free from defect in workmanship and material. Unless the materials or articles covered by this order are manufactured completely to detailed design furnished by Buyer, Seller warrants design. The warranties of the Seller together with its service warranties and guarantees shall run to the Buyer and/or its customers.
6. **Inspection.** All items furnished hereunder by Seller shall be subject to inspection at destination notwithstanding any previous inspection. In addition to its rights under any other provision hereof and its remedies for any breach of this order. Buyer may reject or direct the prompt correction in place of any items which are defective in material, or workmanship, or otherwise fail to meet the requirements of this order. Buyer may at Seller's expense, prepare for shipment, and ship rejected items to Seller or may require Seller to remove them. If Seller fails promptly to remove defective items or to provide promptly to replace or correct them Buyer may replace or correct such items at the expense of Seller. Seller shall not tender rejected or corrected items, unless Seller discloses the former tender and rejection. If minor corrections are required for any nonconforming items, Buyer at its option and without prior notice to Seller, may make or have made such corrections at Seller's risk and expense.
7. **Delivery.** Except as hereinafter specified delivery shall be strictly in accordance with the delivery schedule of this order. If Seller's deliveries fail to meet such schedule with the result that Buyer elects to call upon Seller for express shipments. Seller will allow the difference between freight and air express. Parts fabricated beyond Buyer's releases are at Seller's risk. Invoices covering material shipped in advance of specification will not be paid unless otherwise agreed until their normal maturity after the specified delivery.
8. **Risk of Loss.** Notwithstanding any prior inspections, the Seller shall bear all risk of loss, damage, or destruction to the product called for hereunder until the delivery at the F.O.B. point named on the face hereof. Further, the Seller shall also bear the same risks with respect to any product rejected by the Buyer provided, however, that in either case the Buyer shall be responsible for any loss occasioned by the gross negligence of its employees acting within the scope of their employment.
9. **Changes.** The Buyer at any time by written order, and without notice to sureties or assignees, suspend performance here under, increase or decrease the ordered quantities, or make changes in anyone or more of the following: (a) applicable drawing, designs or specifications; (b) method of shipment or packing; and/or (c) time or place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for performance of this order, an equitable adjustment shall be made in the order price or delivery schedule, or both, and the order shall be modified in writing accordingly; No claim by the Seller for adjustment hereunder shall be valid unless asserted in writing accompanied by an estimate of costs, within twenty (20) days from the date of receipt by the Seller of the notification of change and, in any even, Seller must submit its final claim in writing with supporting documentation within the next succeeding twenty (20) day period. Failure of the Seller to either (a) assert a claim within twenty (20) days, or (b) submit a final claim within the next succeeding twenty (20) days as provided above, shall constitute an unconditional and absolute waiver by the Seller of any right to make a claim for adjustment. Buyer reserves the right to verify claims hereunder and Seller shall make available to Buyer, upon its request all relevant books, records, inventories and facilities for inspection and audit.
10. **Cancellation.** Buyer reserves the right to cancel all or any part of the undelivered portion of this order if Seller does not make deliveries as provided or if Seller breaches any of the terms hereof, including the warranties of Seller.
11. **Compliance with Law.** (a) Seller warrants that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, orders, rules ordinances, and regulations and in compliance with applicable international prohibitions on child labor. Seller certifies that with respect to the production of the articles and/or the performance of the services covered by this Purchase Order, it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof, if applicable.
(b) Seller warrants that all equipment and materials delivered under this Purchase Order are in conformance with the latest OSHA requirements. (c) The Seller warrants that in the performance of the Purchase Order, it will comply with all applicable U.S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules or regulations; and Seller further agrees to save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of the Purchase Order. (d) Seller warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller. (e) For orders placed in support of and charged to a U.S. Government Prime Contract or subcontract there under procuring an item meeting the Federal Acquisition regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of said prime contract are incorporated herein by reference. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under this Purchase Order. The Seller shall include the terms of this Article, including this Section 19 (e) in all purchase orders or subcontracts awarded under this Purchase Order.



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| 1. Utilization of Small Business Concerns | 52.219-8 |
| 2. Equal Opportunity | 52.222-26 |
| 3. Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans | 52.222-35 |
| 4. Affirmative Action for Workers with Disabilities | 52.222-36 |
| 5. Subcontracts for Commercial Items | 52.244-6 |
| 6. Preference for Privately Owned U.S. Flag Commercial Vessels | 52.247-64 |
| 7. Preference for Domestic Specialty Metals – Alternate 1(DoD Contracts) | 252.225-7014 |
| 8. Subcontracts for Commercial Items and Commercial Components (DoD Contracts) | 252.244-7000 |
| 9. Transportation of Supplies by Sea (DoD Contracts) | 252.247-7023 |
| 10. Notification of Transportation of Supplies by Sea (DoD Contracts) | 252.247-7024 |
13. **Right of Access:** Seal Science, Inc., its customer, and regulatory authorities reserve the right to verify the quality of work, records, and material at any place, including the plant of its vendors.
12. **Responsibility and Insurance.** Seller shall be responsible for the actions and failure to act of all parties retained by, through, or under Seller in connection with the performance of this Purchase Order. Seller shall also maintain and cause its subcontractors to maintain such General Liability, Property Damage, Employer's Liability, and Workers' Compensation Insurance, Professional Errors and Omissions Insurance, and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as are specified in the Purchase Order, or, if none are specified, such amount as will protect Seller (and its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes. Seller shall provide Buyer with certificates evidencing required insurance upon Buyer's request.
13. **Indemnity against Claims.** (a) Seller shall keep its work and all items supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance of this Purchase Order by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment. (b) Seller shall, without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees and agents harmless from and against (i) all claims (including claims under Workers' Compensation or Occupational Disease laws) and resulting costs, expenses and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods, services or other items supplied by Seller pursuant to this Purchase Order except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors.
14. **International Transactions** (a) Payment will be in United States dollars unless otherwise agreed to by specific reference in the Purchase Order. (b) Seller agrees that the Buyer, its subsidiaries, affiliates or its designees may exclusively use the value of the Purchase Order to satisfy any international offset obligations with Seller's country, subject to the offset qualifying laws, rules and regulations of that country.
15. **Export/Import Controls.** (a) If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles of furnishing defense services, the Seller hereby certifies that it has registered with the U.S. Department of State Directorate of Defense Trade Controls and understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR"). (b) Seller shall control the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the ITAR. Seller agrees that no technical data, information or other items provided by the Buyer in connection with the Purchase Order shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express written authorization of the Buyer and Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite documentation for ITAR controlled technical data or items. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller. (c) Seller shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the U.S. Government or its export privileges are denied, suspended or revoked.
16. **Calibration Requirements:** All Certificates provide traceability to NIST and meet ANS/NCSL Z540-1 requirements.