

General Provisions for Commercial Subcontracts/Purchase Orders

1. **ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS.** (a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties. (b) SELLER's acknowledgment, acceptance of payment, or commencement of performance, shall constitute SELLER's unqualified acceptance of this Contract. (c) ADDITIONAL OR DIFFERING TERMS OR CONDITIONS PROPOSED BY SELLER OR INCLUDED IN SELLER'S ACKNOWLEDGMENT HEREOF ARE HEREBY OBJECTED TO BY DEFENSE TECHNOLOGY AND HAVE NO EFFECT UNLESS EXPRESSLY ACCEPTED IN WRITING BY DEFENSE TECHNOLOGY. All orders are non-binding and subject to review and acceptance by Defense Technology in Casper, Wyoming.
2. **APPLICABLE LAWS.** (a) This Contract and all matters arising from or related to it shall be governed by and construed in accordance with the laws of the State of Florida, excluding its choice of law rules. (b)(1) SELLER shall comply with all applicable laws, orders, rules, regulations, and ordinances. SELLER shall procure all licenses and permits, and pay all fees and other required charges necessary to conduct its business, all at SELLER's expense. (2) SELLER shall be responsible for compliance with all requirements and obligations relating to its employees under all applicable local, state, and federal statutes, ordinances, rules, and obligations including, but not limited to, employer's obligations under laws relating to: income tax withholding and reporting; civil rights; equal employment opportunity; discrimination on the basis of age, sex, race, color, religion, disability, national origin, or veteran status; work eligibility status in the United States as determined through E-Verify, a federal immigration verification system; overtime; minimum wage; social security contribution and withholding; unemployment insurance; employer's liability insurance; worker's compensation; veteran's rights; employment of child labor, convict labor, or sweatshop labor; and all other employment, labor, or benefits related laws. (3) SELLER certifies they are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency. (4) If Defense Technology incurs or is assessed any fines, penalties or interest or any other costs or damages as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by SELLER, its directors, officers, employees, agents, suppliers, or subcontractors at any tier, DEFENSE TECHNOLOGY may proceed as provided for in subparagraph 2(b)(5) below. (5) Upon the occurrence of any of the circumstances identified herein, DEFENSE TECHNOLOGY may make a reduction of corresponding amounts (in whole or in part) in the price, or in the costs and fee, of this Contract or another contract with SELLER, and/or may demand payment (in whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded. (c) SELLER shall not import any chemicals as defined in the Toxic Substances Control Act (hereinafter "TSCA") 15 U.S.C.2601 et seq. to DEFENSE TECHNOLOGY in the performance of this order. The term "chemical substance" or "mixture" shall include, but is not limited to, formulated products such as hydraulic fluids, solid and liquid fuels, lubricants, solvents, adhesives, resins, paints or other coatings. Should any chemical be required to be imported to DEFENSE TECHNOLOGY, SELLER shall do the following: (i) provide a written request at least 30 days prior to shipment for authorization to import the chemical from DEFENSE TECHNOLOGY; (ii) SELLER shall verify that the chemical, or each chemical substance within a mixture, is listed on the TSCA Inventory, maintained by the United States Environmental Protection Agency, §8 (b) of TSCA, 15 U.S.C. §2607 and is otherwise in full compliance with TSCA; (iii) SELLER shall have DEFENSE TECHNOLOGY's written authorization of the intended importation of the chemical substance prior to the shipment leaving the foreign destination. SELLER shall not include any chemicals, such as paint or oils, with any shipment of an article unless it is an integral part of the article itself. SELLER shall be liable for ensuring that all shipments containing such chemical substance are properly certified per US EPA regulations 40 CFR 700 through 799 and Customs and Border Control regulations 19 CFR 12.118 through 12.128, and that SELLER is identified at the importer of record for all shipments. Under no circumstances shall SELLER cause DEFENSE TECHNOLOGY to be identified as the importer of record or the consignee for a shipment containing a chemical substance that SELLER caused to be imported into the United States. (d) SELLER shall provide to DEFENSE TECHNOLOGY with each delivery any Material Safety Data Sheet (29 C.F.R. 1910.1200) applicable to the Work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its state approved counterpart.
3. **ASSIGNMENT.** Any assignment of SELLER's contract rights or delegation of duties shall be void, unless prior written consent is given by DEFENSE TECHNOLOGY. However, SELLER may assign rights to be paid amounts due, or to become due, to a financing institution if DEFENSE TECHNOLOGY is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned to an assignee shall be subject to setoffs or recoupment for any present or future claims of DEFENSE TECHNOLOGY against SELLER. DEFENSE TECHNOLOGY shall have the right to make settlements and/or adjustments in price without notice to the assignee.
4. **CHANGES** (a) The DEFENSE TECHNOLOGY Procurement Representative may at any time, by written notice, and without notice to sureties or assignees, make changes within the general scope of this Contract in any one or more of the following: (i) technical requirements and descriptions, specifications, statement of work ("SOW"), drawings or designs; (ii) shipment or packing methods; (iii) place of delivery, inspection or acceptance; (iv) reasonable adjustments in quantities or delivery schedules or both; and (v) if this Contract includes services, description of services to be performed; time of performance (e.g., hours of the day, days of the week, etc.); and place of performance, then SELLER shall comply immediately with such direction. (b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of this Contract, DEFENSE TECHNOLOGY may make an equitable adjustment in the Contract price and/or delivery schedule, and modify the Contract accordingly. Changes to the delivery schedule will be subject to a price adjustment only. (c) Any claim for an equitable adjustment by SELLER must be submitted in writing to DEFENSE TECHNOLOGY Procurement Representative within thirty (30) days from the date of notice of the change, unless DEFENSE TECHNOLOGY and SELLER agree in writing to a longer period. (d) Failure to agree to any adjustment shall be resolved in accordance with paragraph 8 "Disputes/Jury Waiver." However, nothing contained in this paragraph 4 shall excuse SELLER from proceeding without delay in the performance of this Contract as changed.
5. **CONTRACT DIRECTION.** (a) Only a DEFENSE TECHNOLOGY authorized representative has authority make changes in, to amend, or to modify this Contract. Such changes, amendments or modifications must be in writing. (b) DEFENSE TECHNOLOGY program, operations, engineering, technical, or other personnel may from time to time render assistance, give technical advice, discuss, or exchange information with SELLER's personnel concerning the Work hereunder. Such actions shall not be deemed to be a change under paragraph 4 "Changes" and shall not be the basis for equitable adjustment. If SELLER believes the foregoing creates an actual or constructive change, SELLER shall notify the DEFENSE TECHNOLOGY Procurement Representative and shall not accept such direction or perform said action unless authorized under subparagraph 5(a). (c) Except as otherwise provided herein, all notices to be furnished by SELLER shall be sent to the DEFENSE TECHNOLOGY Procurement Representative.

6. **TITLE & RISK OF LOSS.** Unless otherwise specified in this Order, all goods shipped by SELLER shall be DAP, DEFENSE TECHNOLOGY receiving dock, or if DEFENSE TECHNOLOGY pays for all shipping then FCA SELLER WAREHOUSE (INCOTERMS 2010), subject to DEFENSE TECHNOLOGY's later right of inspection and acceptance. Title and risk of loss shall pass to DEFENSE TECHNOLOGY only upon delivery to DEFENSE TECHNOLOGY receiving dock. Under DAP shipping terms, the SELLER shall pay for all shipping, handling, and insurance costs.
7. **COUNTERFEIT PARTS PREVENTION.** (a) Definitions for purposes of this Contract: (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. (b) SELLER represents and warrants that only new and authentic materials are used in products required to be delivered to DEFENSE TECHNOLOGY and that the Work delivered contains no Counterfeit Parts. No other material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by DEFENSE TECHNOLOGY.
8. **DEFINITIONS.** The following terms shall have the meanings set forth below: (a) "DEFENSE TECHNOLOGY" means the DEFENSE TECHNOLOGY legal entity as identified on the face of the Contract; (b) "DEFENSE TECHNOLOGY Procurement Representative" means the person authorized by DEFENSE TECHNOLOGY'S cognizant procurement organization to issue this Contract; (c) "Contract" means the instrument of contracting, such as "PO", "Purchase Order", or other such type designation, including all referenced documents, exhibits and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a purchase order or other such document) the term "Contract" shall also mean the release document for the Work to be performed; (d) "Customer" means the entity with whom DEFENSE TECHNOLOGY has or anticipates having a contractual relationship to provide services or goods that utilize or incorporate the Work; (e) "Intellectual Property" shall mean any legally enforceable rights, worldwide under statute or common law in respect of inventive subject matter or original works of authorship, including, but not limited to, inventions, designs, whether registered or not, patents, copyrights (including mask works), trademarks and trade secrets, discoveries, improvements, technology, designs mask works, technical information, data, Software, business information and other information; (f) "PO" or "Purchase Order" as used in any document constituting a part of this Contract shall mean this "Contract"; (g) "SELLER" means the party identified on the face of this Contract with whom DEFENSE TECHNOLOGY is contracting; (h) "Software" means: (1) computer programs, source code, source code listings, executable code, machine readable code, object code listings, design details, algorithms, processes, flow charts, formulae, and related material that would enable software to be read, reproduced, recreated, or recompiled; (2) associated documentation such as operating manuals, application manuals, and installation and operating instructions that explain the capabilities of software and provide instructions on using the software; and (3) derivative works, enhancements, modifications, and copies of those items above; (i) "Work" means all required articles, materials, supplies, goods and/or services purchased by DEFENSE TECHNOLOGY as well as the resale of such articles, materials, supplies, goods and/or services provided hereunder, and including, but not limited to, technical data and Software constituting the subject matter of this Contract.
9. **DISPUTES/JURY WAIVER.** (a) All disputes arising from or related to this Contract, which are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity in accordance with subparagraph 9 (b) below. Until final resolution of any dispute hereunder, SELLER shall diligently proceed with the performance of this Contract as directed by DEFENSE TECHNOLOGY. (b) DEFENSE TECHNOLOGY and SELLER agree to timely notify each other of any claim, dispute or cause of action arising from or related to this Contract, and to negotiate in good faith to resolve any such claim, dispute or cause of action. To the extent that such negotiations fail, DEFENSE TECHNOLOGY AND SELLER AGREE THAT ANY LAWSUIT OR CAUSE OF ACTION THAT ARISES FROM OR IS RELATED TO THIS CONTRACT SHALL BE FILED WITH AND LITIGATED ONLY IN FEDERAL OR STATE COURT IN DUVAL COUNTY, STATE OF FLORIDA; AND DEFENSE TECHNOLOGY AND SELLER EACH HEREBY CONSENT AND AGREE TO THE PERSONAL JURISDICTION AND VENUE OF SUCH COURTS, AND WAIVE ANY DEFENSE OR OBJECTION TO THE EXERCISE OF PERSONAL JURISDICTION AND/OR VENUE BY ANY SUCH COURT. (c) TO THE EXTENT PERMITTED BY APPLICABLE LAWS, DEFENSE TECHNOLOGY AND SELLER EACH WAIVE ANY RIGHTS WHICH EITHER MAY HAVE TO TRIAL BEFORE A JURY OF ANY DISPUTE ARISING FROM, OR RELATED TO, THIS CONTRACT. SELLER AND DEFENSE TECHNOLOGY FURTHER STIPULATE AND CONSENT THAT ANY SUCH LITIGATION BEFORE A COURT OF COMPETENT JURISDICTION SHALL BE NON-JURY.
10. **ES&H.** In the performance of this Order, Vendor shall comply with all applicable environmental, safety & health regulations, codes and standards.
11. **EXPORT CONTROL.** (a) SELLER shall comply with all applicable United States export control laws and regulations, including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2794, the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq., the Export Administration Act, 50 U.S.C. app. 2401-2420, and the Export Administration Regulations, 15 C.F.R. 730-774. SELLER shall obtain all required export licenses or agreements necessary to perform SELLER'S Work, as applicable. (b) Without limiting the foregoing, SELLER shall not transfer any export-controlled item, data or services, to include transfer to a person who is not a "U.S. Person" as defined in the ITAR (22 C.F.R. 120.15), without the authority of a United States Government export license, technical assistance agreement, or other authority. The restrictions on the transfer of export controlled data apply equally to data furnished by DEFENSE TECHNOLOGY and to any such data incorporated in documents generated by SELLER. Additionally, no disclosure of data furnished by DEFENSE TECHNOLOGY can be made unless and until DEFENSE TECHNOLOGY has considered the request and provided its written approval through contractually authorized channels. SELLER will strictly comply with the conditions in any such approval and in the export license or other Government authorization for such disclosure. (c) Export License, Export Agreement, or Applicable License Exemption or Exception. Further, a United States Government export license, export agreement, or applicable license exemption or exception shall be obtained by SELLER prior to the transfer of any export-controlled item, data or services to any U.S. Person that is employed by any "Foreign person" within the meaning of 22 C.F.R. 120.16. (d) SELLER shall notify DEFENSE TECHNOLOGY if any use, sale, import or export by DEFENSE TECHNOLOGY of Work to be delivered under this Contract is restricted by any export control laws or regulations applicable to SELLER. (e) SELLER shall immediately notify the DEFENSE TECHNOLOGY Procurement Representative if SELLER is listed in any Denied Parties List or if SELLER'S export privileges are otherwise denied, suspended or revoked in whole or in part by any government entity or agency. (f) If SELLER is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, SELLER represents that it maintains an effective export/import compliance program in accordance with the ITAR and it is registered with the United States Office of Defense Trade Controls (unless covered by one of the exemptions set forth in 22 C.F.R. 122.1) as required by the ITAR. (g) Where SELLER is a signatory under a DEFENSE TECHNOLOGY export license or export agreement (e.g. TAA, MLA), SELLER shall provide prompt notification to the DEFENSE TECHNOLOGY Procurement Representative in the event of changed circumstances affecting said license or agreement. (h) SELLER shall

- indemnify, hold harmless and, at DEFENSE TECHNOLOGY'S election, defend DEFENSE TECHNOLOGY, its directors, officers, employees, and agents from and against all losses, costs, claims, causes of action, damages, liabilities and expense, including, but not limited to, reasonable attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from or related to any act or omission of SELLER, its directors, officers, employees, agents, suppliers, or subcontractors at any tier in the performance of any of its obligations under this paragraph 10. SELLER shall include the requirements of this paragraph 9 in all agreements with lower tier subcontractors. (i) Failure of the United States Government or any other government to issue any required export or import license, or withdrawal/termination of a required export or import license by the United States Government or any other government, shall relieve DEFENSE TECHNOLOGY of its obligations under this Contract. Provided SELLER has diligently pursued obtaining such license and, through no fault of SELLER, such license has been denied, withdrawn, or terminated, SELLER shall also be relieved of its obligation under this Contract. In either event, this Contract may be terminated by DEFENSE TECHNOLOGY without additional cost or other liability. (j) If the technical data required to perform this Contract is subject to the United States International Traffic in Arms Regulations (ITAR), SELLER shall comply with the following: (1) The technical data shall be used only in performance of Work required by this Contract; and (2) The data shall not be disclosed to any other person, including lower-tier subcontractors within the same country, unless said person is expressly authorized pursuant to an export license or export agreement. The restrictions on the disclosure of export controlled data apply to both data furnished by DEFENSE TECHNOLOGY and to any such data incorporated in documents generated by SELLER; and (3) Any rights in the data may not be acquired by SELLER or any other Non-U.S. Person; and (4) SELLER shall return, or at DEFENSE TECHNOLOGY'S direction, destroy all of the technical data exported to SELLER pursuant to this Contract upon fulfillment of its terms; (5) Unless otherwise expressly directed by DEFENSE TECHNOLOGY, SELLER shall deliver the Work only to DEFENSE TECHNOLOGY or to an agency of the U.S. Government.
12. **EXTRAS.** Work shall not be supplied in excess of quantities specified in this Contract. SELLER shall be liable for handling charges and return shipment costs for any excess quantities.
 13. **FOREIGN CORRUPT PRACTICES PROHIBITION.** (a) By accepting this Contract, SELLER certifies and represents that it has not made or solicited and will not make or solicit any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value to any governmental official or any political party, party official or candidate, either directly or through an intermediary, corruptly for the purpose of influencing any official act, omission, or exercise of influence by the recipient, to assist DEFENSE TECHNOLOGY or SELLER in obtaining or retaining business. (b) SELLER shall ensure that all lower tier subcontracts include this paragraph 12.
 14. **GRATUITIES/KICKBACKS/ETHICAL CONDUCT.** (a) No gratuities (in the form of entertainment, gifts or otherwise) or kickbacks shall be offered or given by SELLER, or anyone acting on SELLER'S behalf, to any employee of DEFENSE TECHNOLOGY with a view toward securing favorable treatment as a supplier. (b) 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 U.S.C. Sec. 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. (c) DEFENSE TECHNOLOGY maintains an ethics program that includes a written code of conduct, training and awareness for all employees, details of which can be found at <http://www.DefenseTechnology.com/Catalogs/EViews/CodeOfConduct/index.html>. DEFENSE TECHNOLOGY expects and encourages all its suppliers to embrace ethical values of a comparable standard (including a method for reporting possible violations).
 15. **INDEPENDENT CONTRACTOR RELATIONSHIP.** (a) SELLER'S relationship to DEFENSE TECHNOLOGY shall be that of an independent contractor and this Contract does not create an agency, partnership, or joint venture relationship between DEFENSE TECHNOLOGY and SELLER or DEFENSE TECHNOLOGY and SELLER personnel. SELLER personnel engaged in performing Work under this Contract shall be deemed employees of SELLER and shall not for any purposes be considered employees or agents of DEFENSE TECHNOLOGY. SELLER assumes full responsibility for the actions and supervision of such personnel while engaged in Work under this Contract. DEFENSE TECHNOLOGY assumes no liability for SELLER personnel. (b) SELLER personnel: (i) will not remove DEFENSE TECHNOLOGY or its Customer's assets from DEFENSE TECHNOLOGY'S or Customer's premises without DEFENSE TECHNOLOGY authorization; (ii) will use DEFENSE TECHNOLOGY or Customer assets only for purposes of this Contract; (iii) will only connect with, interact with or use DEFENSE TECHNOLOGY'S computer networks and equipment, communications resources, programs, tools or routines as DEFENSE TECHNOLOGY agrees, all at SELLER'S risk and expense, and then only in compliance with applicable DEFENSE TECHNOLOGY policies; and (iv) will not share or disclose user identifiers, passwords, cipher keys or computer dial port telephone numbers. DEFENSE TECHNOLOGY may monitor any communications made over or data stored in DEFENSE TECHNOLOGY computer networks and equipment or communications resources.
 16. **INFORMATION OF DEFENSE TECHNOLOGY.** Information provided by DEFENSE TECHNOLOGY to SELLER remains the property of DEFENSE TECHNOLOGY. SELLER shall comply with all proprietary information markings and restrictive legends applied by DEFENSE TECHNOLOGY to anything provided hereunder to SELLER. SELLER shall not use any DEFENSE TECHNOLOGY provided information for any purpose except to perform this Contract and shall not disclose such information to third parties without the prior written consent of DEFENSE TECHNOLOGY.
 17. **INFORMATION OF SELLER.** SELLER shall not provide any proprietary information to DEFENSE TECHNOLOGY without prior execution by DEFENSE TECHNOLOGY of a Proprietary Information or Non-Disclosure Agreement that expressly covers the performance of Work under this Contract.
 18. **INSPECTION AND ACCEPTANCES.** (a) DEFENSE TECHNOLOGY and its Customer may inspect all Work at reasonable times and places, including, when practicable, during manufacture and before shipment. DEFENSE TECHNOLOGY shall perform such inspections in a manner that will not unduly delay the Work. SELLER shall provide all information, facilities, and assistance necessary for safe and convenient inspection without additional charge. (b) No such inspection (or election not to inspect) shall relieve SELLER of its obligations to furnish all Work in strict accordance with the requirements of this Contract. DEFENSE TECHNOLOGY'S final inspection and acceptance shall be at destination. (c) If SELLER delivers non-conforming Work, DEFENSE TECHNOLOGY may: (i) accept all or part of such Work at an equitable price reduction; (ii) reject such Work; or (iii) make, or have a third party make all repairs, modifications, or replacements necessary to enable such Work to comply in all respects with Contract requirements and charge the cost incurred to SELLER. (d) When Work is not ready at the time specified by the SELLER for inspection, DEFENSE TECHNOLOGY may charge to the SELLER the additional cost of inspection. (e) DEFENSE TECHNOLOGY may also charge the SELLER for any costs of additional inspection and/or transportation when rejection makes re-inspection necessary. (f) SELLER shall not re-tender rejected Work without disclosing the corrective action taken.
 19. **INSURANCE/ENTRY ON DEFENSE TECHNOLOGY OR CUSTOMER PROPERTY.** (a) In the event that SELLER, its employees, agents, or subcontractors enter the site(s) of DEFENSE TECHNOLOGY or its Customer for any reason in connection with this Contract, then SELLER and its subcontractors shall procure and maintain worker's compensation (with a waiver of subrogation in favor of DEFENSE TECHNOLOGY), automobile liability, comprehensive general liability (bodily injury and property damage) insurance in amounts reasonably acceptable to DEFENSE TECHNOLOGY, and such other insurance as DEFENSE TECHNOLOGY may reasonably require. SELLER shall indemnify, hold harmless

and, at DEFENSE TECHNOLOGY'S election, defend DEFENSE TECHNOLOGY, its directors, officers, employees, and agents from and against all losses, costs, claims, penalties, causes of action, damages, liabilities, fees, and expenses, including, but not limited to, reasonable attorneys' fees, all expenses of litigation and/or settlement, and court costs, by reason of property damage or loss or personal injury or death to any person arising from or related to the actions or omissions of SELLER, its directors, officers, employees, agents, suppliers, or subcontractors while on the site(s) of SAFARIL AND or its Customers. With respect to any injury, including, but not limited to, death, to employees of SELLER or SELLER's agents, subcontractors or suppliers, SELLER's obligation to indemnify and defend in accordance with this paragraph shall apply regardless of cause. SELLER shall provide DEFENSE TECHNOLOGY thirty (30) days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of SELLER's required insurance, provided however such notice shall not relieve SELLER of its obligations to procure and maintain the required insurance. If requested, SELLER shall send a "Certificate of Insurance" showing SELLER's compliance with these requirements. SELLER shall name DEFENSE TECHNOLOGY as an additional insured for the duration of this Contract. Insurance maintained pursuant to this paragraph shall be considered primary as respects the interest of DEFENSE TECHNOLOGY and is not contributory with any insurance that DEFENSE TECHNOLOGY may carry. "Subcontractor" as used in this subparagraph shall include SELLER's subcontractors at any tier. (b) SELLER shall ensure that personnel assigned to work on DEFENSE TECHNOLOGY'S or Customer's premises comply with any on premises guidelines. Unless otherwise authorized in writing by DEFENSE TECHNOLOGY, SELLER's personnel assigned to work on DEFENSE TECHNOLOGY'S or Customer's premises shall while on DEFENSE TECHNOLOGY'S or Customer's premises (i) not bring weapons of any kind; (ii) not manufacture, sell, distribute, possess, use or be under the influence of controlled substances or alcoholic beverages; (iii) not possess hazardous materials of any kind; (iv) remain in authorized areas only; and/or (v) not solicit DEFENSE TECHNOLOGY'S employees for employment during business hours. (c) All SELLER personnel, property, and vehicles entering or leaving DEFENSE TECHNOLOGY'S or Customer's premises are subject to search. (d) S ELLER shall promptly notify DEFENSE T ECHNOLOGY and provide a report of any and all physical altercations, assaults or harassment, and accidents or security incidents involving death, personal injury or loss of or misuse of or damage to DEFENSE TECHNOLOGY'S or Customer's property, while on DEFENSE TECHNOLOGY'S or its Customer's premises. (e) DEFENSE TECHNOLOGY may, at its sole discretion, remove or require SELLER to remove any specified employee of SELLER from DEFENSE TECHNOLOGY'S or Customer's premises and request that such employee not be reassigned to any DEFENSE TECHNOLOGY premises under this Contract. Any costs arising from or related to removal of SELLER's employee shall be borne solely by SELLER and not charged to this Contract.

20. **INTELLECTUAL PROPERTY.** (a) SELLER grants and agrees that DEFENSE TECHNOLOGY shall have a nonexclusive, worldwide, perpetual, irrevocable, paid-up, royalty-free license and right to make, have made, sell, offer for sale, use, execute, reproduce, display, modify, perform, publish, distribute, copy, prepare derivatives or compilations, and authorize others to do any, some or all of the foregoing, with respect to any and all patents, trademarks, copyrights or technology embodied in or related to the products or services supplied by Seller ("Products") for the purpose of use, assembly with other products, sale, distribution, marketing or promotion of the products. SELLER shall provide all assistance reasonably required and execute all documents necessary to perfect the rights granted to DEFENSE TECHNOLOGY herein. (b) SELLER warrants that the Products will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country and is free and clear of all liens, licenses, claims, and encumbrances. (c) SELLER shall, at its own cost and expense, defend DEFENSE TECHNOLOGY, its affiliates and its subsidiaries and any of their representatives, agents, dealers, distributors, independent contractors and customers (each an "Indemnified Party") from and against all allegations, claims, actions, lawsuits or proceedings (even though such allegations may be false, fraudulent or groundless) between any Indemnified Party and any third party, asserting that the use, manufacturing, sale, practice, or display by DEFENSE TECHNOLOGY, either alone or in conjunction with any Indemnified Party, of the Products, in whole or in part, directly, contributorily or by inducement, infringes, dilutes, constitutes unfair competition, misappropriates or otherwise violates any patent, trade secret, trade dress, trademark, copyright, mask work, publicity right or other intellectual property right of any third party (collectively identified here as "Claims"). SELLER shall retain defense counsel satisfactory to DEFENSE TECHNOLOGY to defend DEFENSE TECHNOLOGY from any Claims and shall, from time to time, provide reports, consult with DEFENSE TECHNOLOGY in conducting the defense of the Claims and otherwise cooperate fully with the reasonable requests of DEFENSE TECHNOLOGY; provided that DEFENSE TECHNOLOGY may, at its election and at any time, take control of the defense and investigation of said Claims and/or employ attorneys and other consultants, investigators and experts of DEFENSE TECHNOLOGY'S own choice to manage and/or defend any such Claims at the cost and expense of SELLER. SELLER shall hold harmless and indemnify the Indemnified Parties from and against any and all damages, liabilities, judgments, penalties, fees, losses, costs and expenses (including reasonable attorney's fees, disbursements and costs of investigation) incurred by any of the Indemnified Parties arising directly or indirectly out of or in any way relating to any Claims. SELLER shall not settle, compromise or otherwise resolve any Claims without the prior written consent of DEFENSE TECHNOLOGY, unless such settlement, compromise or resolution does not involve the use or other exploitation by DEFENSE TECHNOLOGY of the Products. For the avoidance of doubt, any license entered into arising from or relating to a Claim under which DEFENSE TECHNOLOGY is a licensee or sub-licensee or under which DEFENSE TECHNOLOGY is authorized to take any actions shall constitute a resolution of a Claim for which DEFENSE TECHNOLOGY must give prior written consent. If an injunction is obtained against DEFENSE TECHNOLOGY'S use of the Products or a portion thereof as a result of infringement or misappropriation of the intellectual property of any third party, SELLER shall either (i) procure for DEFENSE TECHNOLOGY and Customer the right to continue using the Products or (ii) replace or modify the Products so they become non-infringing.
21. **NEW MATERIALS.** Unless authorized in writing by the DEFENSE TECHNOLOGY Procurement Representative, all Work to be delivered hereunder shall consist of new materials, and shall not be used, or reconditioned, remanufactured or of such age as to impair its usefulness or safety.
22. **PACKING AND SHIPMENT.** (a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice. (b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the DEFENSE TECHNOLOGY Contract number, SELLER part number, DEFENSE TECHNOLOGY part number, description, quantity, pallet or box numbers, dates of shipment, and the names and addresses of consignor and consignee, and contact information if there are questions. Bills of lading shall include this Contract number. (c) The percentage of recovered material content for EPA-designated items will be at least the amount required by the applicable contract specifications. (d) SELLER shall provide Country of Origin documentation upon request by DEFENSE TECHNOLOGY. (e) SELLER shall send electronic copies of Certificates of Compliance and/or Certificates of testing as well as including copies of either Certificate with the shipment.
23. **TRANSPORTATION.** In cases where Defense Technology is responsible for transportation costs, Defense Technology may direct supplier in the mode of transportation, as well as the use of freight forwarders or third party web portals for control of the cost and the delivery time, at the sole discretion of Defense Technology.
24. **PARTS OBSOLESCENCE.** DEFENSE TECHNOLOGY may desire to place additional orders for items purchased hereunder. SELLER shall provide

DEFENSE TECHNOLOGY with a "Last Time Buy Notice" at least twelve (12) months prior to any action to discontinue any item purchased under this Contract.

25. **PAYMENTS, TAXES, AND DUTIES.** (a) Unless otherwise provided, terms of payment shall be sixty (60) net days from the latest of the following: (i) DEFENSE TECHNOLOGY'S receipt of SELLER'S proper invoice; (ii) scheduled delivery date of the Work; or (iii) actual delivery of the Work. DEFENSE TECHNOLOGY shall have a right of setoff against payments due or at issue under this Contract or any other contract between DEFENSE TECHNOLOGY and SELLER. (b) Each payment made shall be subject to reduction to the extent of amounts which are found by DEFENSE TECHNOLOGY not to have been properly payable and shall also be subject to reduction for overpayments. (c) Payment shall be deemed to have been made as of the date of mailing DEFENSE TECHNOLOGY'S payment or electronic funds transfer. (d) Unless otherwise specified, prices include all applicable federal, state and local taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice.
26. **QUALITY MANAGEMENT SYSTEM.** (a) SELLER agrees to provide and maintain a quality management system that is based upon ISO9001.2008 and to provide access to SELLER'S facilities at all reasonable times by DEFENSE TECHNOLOGY, authorized Customer representatives, and Regulatory Authorities. SELLER agrees to include, and to require its subcontractors to include, the substance of this paragraph, including this sentence, in each of its subcontracts under this Contract. Further, SELLER shall be in compliance with any other specific quality requirements identified in this Contract. (b) Records of all quality control inspection work by SELLER shall be kept complete and available to DEFENSE TECHNOLOGY and its Customers. (c) SELLER agrees to notify DEFENSE TECHNOLOGY Procurement Representative of nonconforming material that does not meet the requirements of this order that cannot be reworked to compliance. Approval will be required by DEFENSE TECHNOLOGY Procurement Representative prior to supplier shipment of nonconforming material to DEFENSE TECHNOLOGY. (d) SELLER agrees to notify DEFENSE TECHNOLOGY Procurement Representative with changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations. (e) All hardware, data, other documentation, tooling and equipment required by SELLER during the performance of this order shall be maintained under configuration control. DEFENSE TECHNOLOGY'S approval of the drawing package shall constitute a baseline release for hardware fabrication. DEFENSE TECHNOLOGY'S approval of other such documentation shall likewise constitute a baseline release for applicable activities. Upon receipt of such approval, the SELLER shall not implement any change in design, processes, controls, parts or proprietary data released to DEFENSE TECHNOLOGY thereafter to internal functions or second tier suppliers without DEFENSE TECHNOLOGY'S prior written approval. (f) The SELLER shall submit Class I (Class I ECO have a financial impact of \$5000 or greater, effect product in the field and may include a recall) Engineering Change Orders (ECO's) to DEFENSE TECHNOLOGY for approval prior to implementing any such changes. DEFENSE TECHNOLOGY'S approval shall in no way relieve the SELLER from complying with the requirements of the order, nor shall approval relieve the SELLER'S technical responsibility for the design. The SELLER shall further submit Class II ECO's (Class II ECO have a financial impact over \$500, affects the service organization, inventory or outside organization including approval agency) for informational purposes. Any SELLER classification disagreements shall be referred to DEFENSE TECHNOLOGY for a final decision. (g) SELLER shall maintain a Foreign Object Debris/Damage (FOD) prevention program. When applicable, SELLER'S FOD prevention program shall include: (1) the review of design and manufacturing processes to identify and eliminate foreign object entrapment areas and paths through which foreign objects can migrate. (2) SELLER shall employ appropriate housekeeping practices to ensure timely removal of residue/debris, if any, generated during manufacturing operations or tasks. (3) SELLER shall determine if sensitive areas that may have a high probability for introduction of foreign objects should have special emphasis controls in place appropriate for the manufacturing environment. (4) By delivering items to DEFENSE TECHNOLOGY, SELLER shall be deemed to have certified to DEFENSE TECHNOLOGY that such items are free from any foreign material that could result in FOD.
27. **RELEASE OF INFORMATION.** Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, shall be made by SELLER without the prior written approval of DEFENSE TECHNOLOGY Procurement Representative.
28. **TIMELY PERFORMANCE.** (a) SELLER'S timely performance is a critical element of this Contract. (b) Unless advance shipment has been authorized in writing by DEFENSE TECHNOLOGY, DEFENSE TECHNOLOGY may store at SELLER'S expense, or return, shipping charges collect, all Work received in advance of the scheduled delivery date. (c) If SELLER becomes aware of difficulty in performing the Work, SELLER shall timely notify DEFENSE TECHNOLOGY, in writing, giving pertinent details. This notification shall not change any delivery schedule. (d) In the event of a termination or change, no claim will be allowed for any manufacture or procurement in advance of SELLER'S normal flow time unless there has been prior written consent by DEFENSE TECHNOLOGY'S Procurement Representative.
29. **WARRANTY.** SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to all specifications, drawings, samples, and descriptions, and other requirements of this Contract and be free from defects in design, material and workmanship. The warranty shall begin upon final acceptance. If any non-conformity with Work appears within that time, SELLER shall promptly repair, replace, or re-perform the Work. Transportation of replacement Work and return of non-conforming Work and repeat performance of Work shall be at SELLER'S expense. If repair or replacement or re-performance of Work is not timely, DEFENSE TECHNOLOGY may elect to return the non-conforming Work or repair or replace Work or re-procure the Work at SELLER'S expense. All warranties shall run to DEFENSE TECHNOLOGY and its Customers.
30. **INDEMNITY.** WITHOUT LIMITING THE SCOPE OF ANY OTHER INDEMNITY PROVISION CONTAINED HEREIN, SELLER SHALL INDEMNIFY, HOLD HARMLESS AND, AT DEFENSE TECHNOLOGY'S ELECTION, DEFEND DEFENSE TECHNOLOGY, ITS DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ALL LOSSES, COSTS, CLAIMS, PENALTIES, CAUSES OF ACTION, DAMAGES, LIABILITIES, FEES, AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES, ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, AND COURT COSTS, ARISING FROM OR RELATED TO ANY ACT OR OMISSION OF SELLER, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUPPLIERS, OR SUBCONTRACTORS AT ANY TIER, IN THE PERFORMANCE OF ANY OF ITS OBLIGATIONS UNDER THIS CONTRACT.