



## Annual Supplier Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements

---

Dear Supplier:

We thank you for maintaining your interest in being a supplier to Nasco Aircraft Brake, Inc. Nasco is a U.S. Government prime contractor and must comply with the Federal Acquisition Regulations ("FAR"), Defense Federal Acquisition Regulations ("DFAR"), International Traffic Arms Regulations ("ITAR") and Export Administration Regulations ("EAR"). Accordingly we must obtain and keep on file the annual certifications below from our suppliers. Please be assured that all this information will be kept strictly confidential.

The attached Supplier Annual Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements form must be filled out and returned.

Please read and complete all of the sections A through F. Sign and date the following page and return the entire document to Nasco via email ([diana.herrick@nascoaircraft.com](mailto:diana.herrick@nascoaircraft.com)), mail or FAX to maintain your approved status as Nasco Supplier:

- **SECTION A, PARAGRAPHS 1-21:** SUPPLIER ANNUAL CERTIFICATIONS, REPRESENTATIONS AND MANDATORY FLOWDOWN OF GOVERNMENT CONTRACT CLAUSES
- **SECTION B, PARAGRAPHS 1-31:** STANDARD PURCHASE ORDER TERMS AND CONDITIONS
- **SECTION C, PARAGRAPHS 1-3.22:** UNILATERAL CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
- **SECTION D:** ANNUAL CERTIFICATION REGARDING EXPORT CONTROL COMPLIANCE, ACKNOWLEDGEMENT OF NASCO AIRCRAFT BRAKE, INC. EXPORT COMPLIANCE TERMS AND CONDITIONS AND REGISTERING WITH THE DIRECTORATE OF DEFENSE TRADE CONTROLS
- **SECTION E:** CERTIFICATION OF FOREIGN PERSON(S)
- **SECTION F:** AFFIRMATIVE ACTION POLICY
- **SECTION G:** TAX PAYER IDENTIFICATION NUMBER & CERTIFICATION W-9 FORM

Thank you for your cooperation in this matter. If you need help in completing any portion of this form, please contact Pablo Lara, Matthew Aron or Daniel Aron, at 310-532-4430.

Sincerely,  
Nasco Aircraft Brake, Inc.

Daniel L. Aron  
President

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*



**Annual Supplier Certifications,  
Representations, Standard Purchasing  
Terms and Conditions and Agreements**

---

**SUPPLIER'S SIGNATURE AFFIXED HEREIN CERTIFIES THAT INFORMATION IN SECTIONS A, ITEMS 1-23; B-E IS ACCURATE AND COMPLETE. (NOTE: CHANGES IN SUPPLIER'S STATUS MUST BE IMMEDIATELY REPORTED TO NASCO.)**

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Signature of Representative Authorized to Contractually Commit the Company

\_\_\_\_\_  
Name and Title (Please Print) Date

Company:      Phone Number: \_\_\_\_\_  
                    Fax Number: \_\_\_\_\_  
                    E-mail address: \_\_\_\_\_



A. Supplier Annual Certifications and Representations

The United States Government requires Nasco to obtain the completed and signed certifications contained herein. These certifications are required annually and will be effective for one year. **Supplier must complete all Sections 1 – 23**

**(SUPPLIER PLEASE NOTE):** Any change in the following representations and certifications shall immediately be brought to the attention of Nasco Aircraft Brake, Inc., CA 90248 (310-532-4430).

1. **Supplier Company Name:** \_\_\_\_\_  
**Supplier Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Congressional District:** \_\_\_\_\_  
\_\_\_\_\_

2. Type of Business Organization:

The supplier, by checking the applicable box below, represents that is operates as:

\_\_\_\_\_ A corporation in corporation under the laws of the State of \_\_\_\_\_  
\_\_\_\_\_ An individual, \_\_\_\_\_ a partnership, \_\_\_\_\_ a nonprofit organization OR  
\_\_\_\_\_ A joint venture

3. Parent Company

Check (1) one SUPPLIER ( ) IS ( ) IS NOT OWNED (more that 50% voting rights) OR CONTROLLED BY A COMMON PARENT BUSINESS CONCERN. IF YES, PLEASE COMPLETE INFORMAITON BELOW.

**Name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
**Parent DUNS#:** \_\_\_\_\_  
**Your DUNS#:** \_\_\_\_\_

UNITED STATES OWNED ( ) YES, ( ) NO, IF NO, NON-US OWNED BUT INCOPORATED IN THE US ( ) YES, ( ) NO



4. **Union Contract**

In order to fulfill requirement to notify customers in the event of actual or anticipated labor strikes, we request the following information:

**Check (1) one:** SUPPLIER ( ) HAS ( ) DOES NOT HAVE A UNION AT THIS LOCATION. OF YES, PLEASE COMPLETE INFORMAITON BELOW. FOR MUTIPLE UNIONS PLEASE ATTACH ADDITIONAL INFORMATION:

UNION NAME: \_\_\_\_\_

Contract Expiration Date: \_\_\_\_\_

5. **Business Size:**

Large Business  Small Business Number of Employees: \_\_\_\_\_

Primary NAICS Code (6 Digit): \_\_\_\_\_

**NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C 1001**

\*North American Industry Classification System (NAICS) 6 digit code must be included as part of this certification, If unknown, contact your local Small Business Administration Office. "NAICS" available on the internet at <http://www.census.gov/eos/www/naics/>

**Subcategories of Small Business – Please check all that apply to your small business:** (NOTE: If your business is considered a Large Business, do not complete).

- Woman-Owned Small Business Concern
- Certified HUB Zone Small Business Concern (Please attach SBA Certification Letter).
- Veteran-Owned Small Business Concern
- Service-Disabled Veteran-Owned Small Business Concern
- Self-Certified Small Disadvantaged Business
- Alaska Native Corporations (ANCs) and Indian Tribes that have not been certified by the Small Business Administration as Small Disadvantaged businesses
- Alaska Native Corporations (ANCs) and Indian Tribes that are Not Small Businesses

CCR (Central Contractor Registration) registration date: \_\_\_\_\_

Notice: Under 15 U.S.C.645 (D) any person who misrepresents a firm’s status as established pursuant to Sections 8(a), 8(d), 9 or 15 of the Small Business Act or any other provision of the Federal Law that specifically references Section 8(d) for a definition of program eligibility, shall (10 be punished by the imposition of fine, imprisonment or be ineligible for participation in programs conducted under the authority of the act.

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*

**6. Affirmative Action Compliance (FAR 52.222-25)**

**Check (1) one of three**

- **SUPPLIER ( ) HAS** developed and has on file Affirmative Action programs at each establishment as required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2)
- **SUPPLIER ( ) IS** developing Affirmative Action programs at each establishment as required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2). Programs will be on file by       /      /
- **SUPPLIER ( ) IS EXEMPT** from developing and having on file Affirmative Action programs at each establishment because (A) supplier has less than fifty (50) employees, or (b) in any twelve (12) month period, supplier has not previously had Government Contracts, subcontracts, or bills of lading totaling or expected to total \$50,000 or more (FAR 22.804-1)

**7. Previous Contract and Compliance Reports (FAR 52.222-22)**

- **SUPPLIER ( ) HAS ( ) HAS NOT** participated in a previous contract or subcontract subject to either (a) FAR 52.222-26. "EQUAL Opportunity". (b) The clause originally contained in Section 310 of Executive Order No 10925, OR (c) the clause contained in Section 201 of Executive Order No. 11114.
- **SUPPLIER ( ) HAS ( ) HAS NOT** filed all required compliance reports; and representation, signed by subcontractors, indicating submission of required compliance reports will be obtained before subcontract awards.
- **EXEMPTION:** SUPPLIER ( ) IS ( ) IS NOT EXEMPT FROM ABOVE ON THE BASIS THAT ALL WORK REPLATED TO GOODS OR SERVICES SOLD TO NASCO IS PERFORMED ENTIRELY OUTSIDED THE UNITED STATED BY EMPLOYEES WHO WERE NOT RECRUITED WITHIN THE UNITED STATES

**8. Certificate of Independent Price Determination (FAR 52.203-2)**

All prices proposed and charged to Nasco have been independently determined and not for the purpose of restricting completion, whether by the methods or factors used to determine said prires or whether to bid. All said prices have not and will not be disclosed by supplier knowingly to others and no attempt has been made or will be made by supplier to induce any other concern to submit or not to submit a bid.

**9. Suspended or Debarred Certification (FAR 52.209-6)**

- **ARE ( ) ARE NOT ( )** presently debarred, suspended, proposed for debarment or declared ineligible for the award of contracts by a Federal Government.

**10. Certification Regarding Responsibility Matters (FAR 52.209-5)**

Have ( ) have not ( ) within a (3) three year period preceding this offer, been convicted of or had a civil judgment rendered against them for commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a publish (Federal, State, or Local) contract or subcontract; violation of Federal or state antitrust statues relating to the submission of offers; or commission of embezzlement theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property; and

ARE ( ) ARE NOT ( ) presently indicted for, or otherwise criminally or civilly charge by a governmental entity with, commission of any of the offenses enumerated in above section of this certification.

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*



HAVE ( ) HAVE NOT ( ) within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.

11. **Subcontractor (Supplier) Code of Business Ethics (FAR 52.203-13)**

In accordance with FAR 52.203-13, suppliers must maintain specific written standards of conduct. The rule applies to all new contracts and subcontract (except for commercial item contracts and contracts to be performed entirely outside of the United States) that are expected to exceed \$5 million and have a performance period of 120 days or more.

Meeting the above criteria supplier must have the following requirements in place:

- Have a written code of business ethics and conduct;
• Provide copy of written code to each employee on the contracted project;
• Promote compliance with the code; and
• Establish an ongoing awareness program, with sufficient internal controls to facilitate discovery of improper conduct.

Do you have program in place which meets the requirements specified above?

Yes \_\_\_\_\_ No \_\_\_\_\_

If the response was "NO" identify your plan to comply.

Three horizontal lines for providing a plan to comply.

12. **Preference for Domestic Specialty Metals**

FOR A PART(S) THAT HAS A MILITARY REQUIREMENT OR APPLICATION (REFERENCED ON THE DRAWING OR OTHER APPLICABLE DOCUMENTS, THE SELLER AGREES TO COMPLY WITH THE FOLLOWING:

Per DFARS 252.225-7008-7009; If the part(s) or assemblies for this order contain "Specialty Metals" as defined as titanium, zirconium, alloys consisting of nickel, iron-nickel, cobalt, titanium, or zirconium, or certain steel alloys), then these "Specialty Metals" must be MELTED in the United States or in a Qualified Country as defined in the Defense Federal Acquisition Regulation Supplement 225.003(9), which are (Austria, Australia, Belgium, Canada, Denmark, Egypt, Federal Republic of Germany, Finland, France, Greece, Israel, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Switzerland, Turkey, Sweden, United Kingdom of Great Britain, and Northern Ireland.) This requirement applies to every sub-tier under contract with your company supporting military parts for Nasco. Therefore, this requirement must be flowed down to every level in the supply chain.

Do you comply with DFARS 252.225-7008-7009? ( ) YES, ( ) NO, ( ) N/A-Reason: \_\_\_\_\_ If you do not comply with this requirement contact your Nasco buyer(s).

**13. Directorate of Defense Trade Controls Registration; Export Compliance**

**Supplier is required to complete the registration below.** Additional information can be found on the following website: <http://www.pmdtc.state.gov/registration/>

A supplier who does not engage in export must nevertheless register.

Supplier (or its Parent Company) ( ) IS, ( ) IS NOT registered with the Directorate of Defense Trade Controls, Bureau of Political Military Affairs, Department of State, Washington D.C 20522-0602 as required by Section 122.1 (A) of the International Traffic IN Arms Regulations (“ITAR”) for all United States manufacturers engaged in the business of either manufacturing or exporting defense articles listed on the United States Munitions List. **Manufacturers who do not engage in exporting must nevertheless register.** All parts or components designed for and installed in or to be used on any military aircraft are considered to be defense articles and included on the United States Munitions List.

**14. “Buy American Act-Trade Agreements”**

**BUY AMERICAN STATUTE—BALANCE OF PAYMENTS PROGRAM CERTIFICATE**

- (a) Definitions. In certifying, SUPPLIER uses the meanings of the various terms, e.g., “Commercially available off-the-shelf (COTS) items,” “components,” “component,” “domestic end product,” “foreign end product,” “qualifying country,” “qualifying country end product,” and “United States”, as given in the Buy American Act and Balance of Payments Program clause, DFARS 252.225-7001.
- (b) *Certifications and identification of country of origin.* The SUPPLIER certifies that---
- (i) Each end product deliverable under this Purchase Order (except those at (2) or (3) listed below) is a domestic end product, e.g., manufactured in the United States with (if non-COTS) more than 50% of the cost of the end product under the terms of DFARS 252-225.-7001.

**15. Payments to Influence Certain Federal Transactions (FAR 52.203-11)**

The supplier to the best of their knowledge and belief has not and will not pay federal, appropriated funds to any person for influencing or attempting to influence as described in FAR 52.203-11.

In accordance with FAR52.203-11, Paragraph 2, supplier shall complete and submit to Nasco a disclosure of lobbying activities with each bid valued in excess of \$150,000 (Use Form SF-LLL)

Supplier shall obtain from their subcontractors a certification substantially the same as this, including the requirements for flow down, for all subcontract awards valued in excess of \$150,000.

**16. Reporting of Performance Outside of the United States**

As prescribed in DFARS 252.225.7003, the supplier shall submit with its offer, a report of intended performance outside the United States and Canada if –

- The offer exceeds \$12.5 million in value; and
- The offeror is aware that the offeror or a first-tier subcontractor intends to perform any part of the contract outside the United States and Canada that –
  - Exceeds \$650,000 in value; and
  - Could be performed inside the United States or Canada





17. **Representation of Transportation by Air or Sea**

If supplier will be transporting by Air or Sea, the Supplier represents and certified that US-Flag air carriers or US-Flag vessels will be used as required by FAR 52.247-63 or DFARS 252.247.7023, respectively.

18. **Payments of Fees, Commissions or Political Contributions to Foreign Countries**

Supplier certifies that:

- It will pay no fees, commissions or political contributions (as defined in 22 CFR 130.5 and 130.6) to secure the conclusion of a sale of defense articles or defense services to or for the use of the Armed Forces or International Organization of any country other than those of the United States of America; and
- It will notify Nasco, in writing with (30) days of becoming aware that the certification in above is inaccurate or will become inaccurate, such notice to include all relevant information required to explain the change in circumstances.

19. **Certification of Toxic Chemical Release Reporting (FAR 52.223-13)**

Seller is hereby required to check which condition applies (1) or (2) below

\_\_\_\_\_As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in Section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and Section 6607 of the Pollution Prevention Act of 1990 (PPA) (442 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in Section 313 (a) and (g) of EPCRA and Section 6607 of PPA; OR

\_\_\_\_\_None of its owned or operated facilities to be used in the performance of this contract is subject to the "FORM R" filing and reporting requirements and such facilities are exempt for at least one of the reasons contained in this Section (2)(i) through (2)(v) of the subject clause.

20. **Custom Administration C-TPAT**

Do you participate or are certified in a supply chain security program administered by your government's customs administration? ( ) YES, ( ) NO. If answered YES, please indicate the name of the security program.

21. **ISO14001 & ISO18001 Status**

Check (1) one of two

Supplier ( ) IS registered/certified to ISO14001 Registration/Certification date: \_\_\_\_\_

If you are not registered/certified, advise the date you plan to begin the registration/certification process: \_\_\_\_\_.

Supplier ( ) IS registered/certified to ISO18001 Registration/Certification date: \_\_\_\_\_

If you are not registered/certified, advise the date you plan to begin the registration/certification process: \_\_\_\_\_.





**22. PAYMENTS AND BANKING INFORMATION**

Bank Information:

Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Country \_\_\_\_\_

ABA Number \_\_\_\_\_

Account Number \_\_\_\_\_

**23. COUNTRY OF ORIGIN**

The paragraph only applies to parts manufactured and purchased complete and does not apply to component processing.

“Country of Origin” means the country of manufacture, production, or growth of any article of foreign origin entering the United States. Further work or material added to an article in another country must effect a substantial transformation in order to render such other country the “country of origin.” “Substantial transformation” occurs if a new article with a different name, character and use is created. Please check the circle that is applicable to the product provided and enter the Country of Origin in the space below:

As the manufacturer, we hereby affirm and declare that the product(s) supplied to Nasco are:

- A. Wholly obtained, including all components, grown, produced, or manufactured in the country listed below.
- or
- B. Substantially transformed\*\* in the country listed below through process of manufacture (other than simple combining, re-packaging, etc.) into its current FORM, FIT and FUNCTION.

As the distributor or non-manufacturing party we declare that the product(s) supplied to Nasco are:

- A. To the best of our knowledge, a product of the country of origin listed below.
- or
- B. Relying on the producer’s written representation (other than a Certificate of Origin), a product of the country of origin listed below.
- or
- C. Based on a completed and signed Certificate of Origin, a product of the country of origin listed below.

Product Name	Product Part Number	Country of Origin

## **B. STANDARD PURCHASE ORDER TERMS AND CONDITIONS**

**1. CONTRACT.** The provisions contained herein and of the Nasco Aircraft Brake, Inc. ("Buyer"), Purchase Order constitute the entire agreement between the parties, shall become effective upon execution of this contract by both parties hereto or upon commencement of performance hereunder by Seller and supersedes all previous communications, representations, or Agreements, whether oral or written, between the parties with respect to the subject matter hereof; no agreement or understanding varying or extending the terms or conditions of the contract and no conditions stated by the Seller in its acknowledgment of this contract, if in conflict with or in addition to the terms and conditions contained herein, shall be binding upon Buyer unless expressly agreed to by an authorized Procurement Representative of Buyer. This contract shall be construed and interpreted in accordance with the laws of the State of California.

**2. ISSUING AUTHORITY.** This contract and any amendments supplement or change hereto or any notice authorization or advice pertaining hereto, shall not be binding on Buyer unless made in writing by an authorized Procurement Representative of Buyer.

**3. PAYMENT.** Seller shall be paid upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, fewer deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by Buyer when the amount due on such deliveries so warrants. In no event shall payment waive any breach of the warranty provisions of this contract or any of Buyer's rights under this contract or at law.

### **4. DELIVERIES AND DEFAULT**

(a) Time is of the essence in this contract.

(b) Deliveries are to be made both in quantities and at the times specified in this contractor modification thereof. Buyer will have no liability for payment for material or items delivered which are in excess of quantity specified in the delivery schedules, unless such excess is agreed upon by Buyer in writing. Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefore have been authorized in writing by Buyer.

(c) Buyer may by written notice of default to the Seller terminate the whole or any part of the contract in anyone of the following circumstances: (i) if the Seller fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or (ii) if the Seller fails to perform any of the other provisions of the contract, or so fails to make progress as to endanger performance of the contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of five (5) days (or such longer period as Buyer may authorize in writing) after receipt of notice from Buyer specifying such failure.

(d) In the event Buyer terminates this contract in whole or in part as provided in paragraph(c) of this clause, Buyer may procure upon such terms and in such manner as Buyer may deem appropriate, supplies or services similar to those so terminated and the Seller shall be liable to Buyer for any excess costs for such similar supplies or services and the Seller shall continue the performance of the contract to the extent not terminated under the provisions of this clause.

(e) Except with respect to defaults of subcontractors, the Seller shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Seller. Such causes may include but are not restricted to, acts of God or of the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault of negligence of the Seller. If the failure to perform is caused by the default of a subcontractor and if such default arises out of causes beyond the control of both the Seller and subcontractor and without the fault or negligence of either of them, the Seller shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Seller to meet the required delivery schedule.

(f) If this contract is terminated as provided in paragraph (c) of this clause, Buyer, in addition to any other rights provided in this clause, may require the Seller to transfer title and deliver to Buyer in the manner and to the extent directed by Buyer (i) any completed supplies and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and contract rights (herein after called "manufacturing materials" as the Seller has specifically produced or specifically acquired for the performance of such part of the contract as has been terminated; and the Seller shall upon direction of Buyer, protect and preserve property in possession of the Seller in which Buyer of the Government has an interest, payment for completed supplies, delivered to and accepted by Buyer shall be at the contract price. Payment for manufacturing materials delivered to and accepted by Buyer and for the protection and Preservation of property shall be in an amount agreed upon by the Seller and Buyer or if they shall fail to agree, in a reasonable amount; provided, however, that in no event will the amount payable by Buyer for any manufacturing materials exceed the contract price for the supplies for which the manufacturing materials have been produced or procured multiplied by the percentage of completion of such supplies that is represented by such manufacturing materials. Buyer may withhold from amounts otherwise due the Seller for such completed supplies or manufacturing materials such sum as Buyer determines to be necessary to protect Buyer against loss because of outstanding liens or claims of former lien holders.

(g) Failure of Buyer to enforce any right under this clause shall not be deemed a waiver of any other right hereunder. The rights and remedies of Buyer under this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

(h) If, after notice of termination of this contract has been given as provided above, it is determined that the failure to perform this contract is due to causes beyond Seller's control, such notice of default shall be deemed to have been issued pursuant to clause 17 here of and the right, and obligations of the parties hereto shall, in such event, be governed by said clause provided Seller notifies Buyer promptly of the occurrence of such occasion.

**5. WARRANTY.** Seller expressly warrants that all the material and work procured by this contract will conform to the specifications, drawings, samples or other description furnished or specified by Buyer or furnished by Seller and accepted by Buyer and will be merchantable, of good material and workmanship and free from defect. Seller expressly warrants that all the specifications, drawings, samples or other description furnished by Buyer will be fit and sufficient for the purposes intended. Seller shall indemnify and hold Buyer harmless from any and all claims, suits, demands, costs and expenses arising out of or by reason of Seller's breach of any of the warranties contained herein or breach of any other provisions of this contract.

**6. INSPECTION.** Materials purchased are subject to Buyer's inspection and approval at destination. If rejected, supplies will be returned for credit or replacement at Seller's risk, and all handling and transportation expenses both ways shall be assumed by Seller. No goods returned as defective shall be replaced without written authorization from Buyer. Payment for material on this order prior to inspection shall not constitute an acceptance of the quality or quantity thereof. and payment after inspection shall not constitute waiver of any of the warranty provisions hereof; any quantities delivered over and above the amounts shown hereon, or releases issued hereunder, or any nonconforming or defective supplies may be returned to the Seller with shipping costs therefore for Seller's account.

**7. PATENT INDEMNIFICATION.** Seller covenants that it will, at its own expense. defend any claim brought by others against Buyer, its successors, assigns, or its customers or users of its products because the sale or use of the equipment or material covered hereby, which equipment or material is not of Buyer's design or specification is alleged to infringe rights in, to, or under patents or inventions and will save Buyer, its customers or users, harmless from any liability of any nature or kind, including all costs or expenses. In the event that sale or use of such equipment or material is enjoined, Seller shall at its own expense, either procure for Buyer the right to continue using said equipment or material or replace same with equivalent non-infringing product, or modify such equipment or material so it becomes non-infringing, or remove same and refund the purchase price, including transportation, installation, removal and other charges incidental thereto, as mutually agreed upon between Buyer and Seller. Seller's covenants shall not apply to any infringement, based solely upon the use of articles or materials supplied here under in combination with other articles or materials not furnished by Seller, unless such combination is in accordance with recommendations and detailed specifications furnished by Seller.

**8. CHANGES.** Buyer shall have the right-at any time before completion of this purchase order to make changes in drawings, designs, specifications, quantities, methods of shipment, packaging, and place of delivery. If any such changes cause an increase or decrease in the cost of, or the time required for performance of this purchase order or otherwise affect any other provision of this purchase order, an equitable adjustment shall be made and the purchase order modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted in writing, within thirty (30) days from the date of receipt and set upon any such claim asserted at any time prior to final payment under this purchase order, nothing contained in this clause shall relieve Seller from proceeding without delay in the performance of this order as changed.

**9. TERMINATION DUE TO INSOLVENCY OF SELLER.** Buyer may forthwith terminate this contract in the event of the happening of any of the following insolvency of the Seller; the filing of a voluntary petition in bankruptcy; the filing of an involuntary petition to have Seller declared bankrupt; the appointment of a Receiver or Trustee for Seller; the execution by Seller of an assignment for the benefit of creditors. In the event of termination pursuant to the provisions of this paragraph 9, in addition to all other rights that Buyer may have Buyer shall have the rights specified in paragraphs 4 (d) and 4 (f) hereof

**10. CRATING, PACKAGING, SPECIAL TOOLING, PREPARATION CHARGES.**

(a) Seller's price shown herein includes all materials and labor required to adequately package the item(s) ordered herein so as to assure in-transit protection and delivery at Buyer's plant in an undamaged condition. Special gages and checking fixtures shall be shipped in a box designed to serve as a permanent handling and storage box.

(b) No charges for special tooling or setup or preparation will be allowed unless specified on the face of this contract.

**11. SHIPMENT TO DESTINATIONS OTHER THAN BUYERS PLANT.** When shipments to destinations other than Buyer's plant are authorized, Seller invoices will be paid by Buyer upon acknowledgment of receipt of shipment by the Consignee Seller's responsibility for shortages, damages and freight claims will be exactly the same as if shipments were made to Buyer.

**12. NON-ASSIGNMENT OF THIS ORDER.** This contractor monies due here under may not be assigned by Seller without Buyer's prior written consent.

**13. COMPLIANCE WITH LAWS.** Seller shall, in the performance of work or services under this order, fully comply with all applicable federal, state, or local laws, rules, regulations, or ordinances and shall hold Buyer harmless from any liability resulting from failure of such compliance.

**14. RIGHTS OF BUYER.** Any right expressly conferred on the Buyer herein shall not limit or modify any right which the Buyer would otherwise have.

**15. INDEMNITY.** Seller shall indemnify, save harmless and defend Buyer from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs and expenses of what so ever kind or character (including but not limited to reasonable attorneys' fees and expenses) arising out of or by reason of any liability or obligation, including but not limited to claims arising out of or by reason of any default by Seller in the performance of this contract or any injury (including death) or damage to the persons or property of employees of either Buyer or Seller or of third parties, in any manner caused or, occasioned, or claimed to be caused or occasioned by any act, omission, fault or negligence of Seller or anyone acting on his behalf in connection with or incident to this contractor the work to be performed hereunder.

**16. LIMITATION OF LIABILITY FOR TERMINATION.** The exercise by Buyer of the rights or termination reserved in paragraphs 4, 9, and 17 hereof, shall not impose, any liability upon Buyer by reason of such termination, except as specifically provided in the clause herein under the authority of which the termination is made, nor shall the exercise of such rights of termination have the effect of waiving damages to which Buyer might otherwise be entitled.

**17. TERMINATION OF CONVENIENCE.** Buyer may terminate this contract in whole, or from time to time in part, effective as of the date specified by Buyer, in accordance with the provisions of the "Termination for Convenience of the Government" clause, 48 CFR 52.249-2, which provisions are incorporated herein by reference except that "Contracting Officer" means Buyer's Materiel Representative, and "government" means Buyer, in paragraph(c) the term "45 days" is changed to "50 days"; the term "one year" in paragraph (a) is changed to "six months."

**18. STOP WORK ORDER.**

(a) The Buyer, may at any time by written order to the Seller, require the Seller to stop all, or any part of the work called for by this contract for a period of Ninety (90) days after the Stop Work Order is delivered to the Seller, and for any further period to which the parties may agree. Any such order shall be specifically identified as a Stop Work Order issued pursuant to this clause. Upon receipt of such an order, the Seller shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs, allocable to the work covered by the order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to the Seller or within any extension of that period to which the parties shall have agreed, the Buyer shall either (i) cancel the Stop Work Order, or (ii) terminate the work covered by such order as provided in the "Termination for Convenience" clause of this contract.

(b) If a Stop Work Order issued under this clause is canceled or the period of the order or any extension thereof expires, the Seller shall resume work. An equitable adjustment shall be made in the delivery schedule or contract cost, or both and the contract shall be modified in writing accordingly, if (i) the Stop Work Order results in an increase in the time required for or of the Seller's cost properly allocable to the performance of any part of this contract, and (ii) the Seller asserts a claim for such adjustment within thirty (30) days after the end of the period of work stoppage provided that, if the Buyer decides the facts justify such action, he may receive and act upon any such claim asserted at any time prior to final payment under this contract.

(c) If a Stop Work Order is not canceled and the work covered by such order is terminated for the convenience of the Government, the reasonable costs resulting from the Stop Work Order shall be allowed in arriving at the termination settlement.

**19. SUBCONTRACTS.**

(a) The Seller shall give advance notification to Buyer of any proposed subcontract (which term includes purchase orders) which subcontract involves the Payment of more than the amount specified on the face hereof the Seller shall not, without Buyer's prior written approval, place any such subcontract. In addition to and without limitation of the foregoing, the Seller shall not, without Buyer's prior written approval, place subcontracts that differ in kind or amount from the subcontracting indicated in the Seller's quotation.

(b) Any approval obtained by the Seller pursuant to the provisions of this clause shall in no way relieve the Seller of any of its obligations under this contract.

(c) This provision shall not apply to any subcontract or purchase order placed for procurement of standard commercial components or raw materials.

**20. TAXES.** Seller's prices shall be exclusive of any federal, state or local sales, use or excise taxes levied upon, or measured by the sale, the sales price, or use of goods required in the performance of this order. Seller shall list separately in its pricing quotation and on its invoice any such tax lawfully applicable to any such goods and payable by Buyer, with respect to which Buyer does not furnish to Seller lawful evidence of exemption. Any such taxes not so separately stated shall not be reimbursable to Seller or otherwise payable by Buyer. Seller's prices shall not include any taxes on property owned by the United States Government unless authorized in writing by Buyer. Seller agrees to comply with any reasonable request by Buyer regarding payments under protest, and regarding any refunds, claims, litigation or proceedings with respect to any such taxes. With the exception of the foregoing specified taxes, Sellers price shall be deemed to include all other federal, state and local taxes.

**21. BUYER'S PROPERTY.** All drawings, specifications, tools, materials, information and other property furnished by Buyer shall be taken and held by Seller in strict confidence, shall remain Buyer's property, shall be duplicated, used or disclosed only for the purpose and to the extent necessary for the performance of the contract and, upon completion of this contract such property together with all copies thereof, shall be delivered to Buyer or destroyed



by the Seller as Buyer specified; provided that the foregoing shall not limit the Seller's right to use such drawings, specifications, tools, materials and other property in the performance of contracts with the Government (or in the performance of subcontracts of any tier under contracts with the Government) If the Government has the right to authorize such use of the drawings, specifications, tools, materials and other property, if such use will not interfere with the Seller's performance of the contract or other contracts with Buyer and if prior written notice of the contemplated use is given by the Seller to Buyer. The Seller shall require a similar agreement from each of its vendors or subcontractors. The Seller will indemnify Buyer and hold Buyer harmless from and against any loss, destruction or damage, from whatever cause arising, of or to any property received by the Seller from Buyer or held by the Seller or any of its vendors or subcontractors for Buyer's account.

**22. RESPONSIBILITY FOR SUPPLIES.** Except as otherwise provided in the contract:

(a) the Seller shall be responsible for the supplies covered by the contract until they are delivered at the designated delivery point regardless of the point of inspection;

(b) after delivery to Buyer at the designated point and prior to acceptance by Buyer or rejection and giving notice thereof by Buyer, Buyer shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of Buyer acting within the scope of their employment.

**23. EXAMINATION OF RECORDS.**

(a) The seller agrees that the Comptroller General of the United States or any of his duly authorized representatives, shall, until the expiration of three years after final payment under the contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Seller, involving transactions related to the contract.

(b) The Seller further agrees to include in all his subcontracts, hereunder a provision to the effect that the subcontractor agrees that the Comptroller General to the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract.

The term "subcontract" as used in tile clause excludes (i) purchase orders not exceeding \$2,500 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

**24. INSPECTION AND AUDIT.** Seller agrees that its books and records and its plants, or such part thereof as may be engaged in the performance of the contract, shall at all reasonable times be subject to inspection and audit by Buyer or an authorized representative of' the Department of Defense.

**25. ASSIGNMENT OF BUYER.** Buyer may, without prior notice to Seller or Seder's sureties, assign this contract in whole or in part to the U.S. Government or to any higher-tier contractor or subcontractor acting under the U.S. Government contract under which this contract is entered.

**26. DISPUTES.** The parties agree that any dispute or claim arising or related to this Agreement, its performance, breach, or interpretation (including issues about its validity or enforceability), shall be exclusively (except as provided below) resolved by final binding arbitration before the American Arbitration Association (AAA), utilizing its Commercial Arbitration Rules. One arbitrator shall be selected using AAA procedures. The arbitrator shall use all reasonable efforts to minimize discovery and to complete the arbitration proceedings as expeditiously as possible. The Arbitrator shall render a written decision within thirty (30) calendar days of the hearing. The arbitrator will not award attorney's fees, or punitive, incidental, consequential, treble or other multiple or exemplary damages, and the parties hereby agree to waive and not seek such damages. Either party may seek judicial relief to compel the other party to comply with the provisions of this Section, or injunctive or other equitable relief to protect its intellectual property rights, provided (unless prohibited by applicable law) that the remainder of the dispute or claim is submitted to arbitration. The arbitration shall be held in Los Angeles California; both parties hereby give their irrevocable consent to jurisdiction of courts of or in the State of California, as well as processes of the AAA in California.

Awards shall be final, binding and non-appealable (except on the minimal grounds required under the Federal Arbitration Act or other applicable law). All awards may be filed with one or more courts, state, federal or foreign having jurisdiction over the party against whom such award is rendered or its property, as a basis of judgment and of the issuance of execution for its collection. The United Nations Convention for the International sale of goods is excluded from application to this contract.

**27. DEBARMENT.** The seller certifies, to the best of its knowledge and belief, that the seller and/or any of its principals are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal agency.

**28. PROCUREMENT INTEGRITY.** The seller certifies that to the best of its knowledge and belief, that it has no information concerning a violation or possible violation of subsection (a), (b), (d) or (f) of 41 U.S.C. 423, Procurement Integrity, or its implementing regulations that may have occurred during the conduct of this procurement.

**29. EXPORT COMPLIANCE.**

The information which the Parties may wish to disclose pursuant to this Agreement may be subject to the provisions of the Export Administration Act of 1979 (50 USC 2401-2420), the Export Administration Regulations promulgated there under (15 CFR 730-774), the Arms Export Control Act of -1976 (22 USC 2778), the International Traffic in Arms Regulations [ITAR] promulgated there under (22 CFR 120-130) and the U.S. Treasury Department's Foreign Assets Control Regulations (31 CFR 500). The Parties acknowledge that these statutes and regulations impose restrictions on import, export and transfer to third countries of certain categories of data, technical services and articles, and that licenses from the U.S. Department of State, the U.S. Department of Commerce and/or the U.S. Department of Treasury may be required before such data, technical services and articles can be disclosed hereunder, and that such licenses may impose further restrictions on use and further disclosure of such, data, technical services and articles. Disclosure of such data, technical services and articles to foreign persons, as defined at ITAR 120.16, is subject to the above regulations regardless if the export occurs in the U.S. or abroad. The Parties agree to comply with all U.S. governmental regulations mentioned above as they relate to the import, export and re-export of data, technical services and articles. Each Party shall indemnify and hold the other Party harmless to the full extent of any loss, damage or expense, excluding lost profits, for any failure of the Party to comply with the above referenced laws and regulations.

**30. COMPLIANCE WITH LAWS:**

Nasco also includes by reference the equal employment opportunity clause covered by Executive Order 11246 Affirmative Action Program for Women and Minorities and (2) Affirmative Action Program for Workers with Disabilities and (3) Covered Veterans, Disabled Veterans and Special Disabled Veterans (4) Executive Order 13496 Notification of Employee Rights under Federal Labor Laws.

Equal Employment Opportunity: Pursuant to these requirements, the Equal Opportunity Clauses found at 41 Code of Federal Regulations 41 Code of Federal Regulations sections 60-1.4(a) (1-7), sections 60-250.4(a-m), sections 60-300.5 (1-11) and sections 60-741.5 (a) (1-6)

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*



**31. INCORPORATION BY REFERENCE** The following provisions are from the Federal Acquisition Regulations (FAR), which are available on the Internet at <https://www.acquisition.gov/far/>

**Supplemental terms of purchase - FAR/DFARS clause**

Goods furnished under this Purchase Order are for use under a United States (US) Government prime contract or subcontract. Seller shall comply with all applicable US Government provisions and clauses identified by Buyer as flow-down provisions for any order, including Federal Acquisition Regulation (FAR), Department of Defense FAR Supplement (DFARS), or other agency supplement contract provisions (together "FAR Clauses").

The clauses set out below are each incorporated by reference and made part of this Order in addition to Buyer's Global Standard Purchasing Conditions clauses. These FAR and DFARS clauses are available at [www.acquisition.gov](http://www.acquisition.gov) and by acceptance of this Order, Seller acknowledges and agrees to such incorporation by reference.

1. The terms and conditions of this Order include all applicable US Government provisions and certifications listed below and all such other US Government provisions expressly mandated by operation of law or regulation ("Flow-down Clauses"). Such provisions include FAR, DFARS or other agency supplement contract provisions (together "FAR Clauses"). Seller shall incorporate applicable Flow-Down Clauses into each lower-tier subcontract placed in support of this Order, as required by the individual clause. The applicable version date of such provisions is as specified below; if no version date is specified, then the version date as of the date the Order is executed shall apply, unless otherwise specified in the Order. To the extent there is a conflict or overlap between the Flow-down Clauses and the Global Standard Purchasing Conditions terms, the language shall be read to the maximum extent possible to render the clauses compatible, including by using the interpretation most restrictive of the requirements in Buyer's favor.
2. Seller shall indemnify and hold Buyer harmless from and against any cost, price reduction, withholding, offset, penalty, interest, claim, demand, determination of unallowability or prohibition of allocation or any other civil, criminal or administrative liability, whether arising under statute, regulation, contract or common law and shall reimburse Buyer for all of its damages and associated costs, including reasonable attorney fees and other expenses arising from Seller's failure to comply with applicable Flow-down Clauses. Seller shall reimburse Buyer for any loss by or damage to Buyer in the event that Buyer or Buyer's customer makes a determination that, where applicable, Seller failed to furnish Buyer with any certified cost or pricing data or failed to provide the current, accurate and complete version of such data; failed to provide or comply with certifications as required by the Flow-down Clause; or failed to take any such other action required by the Flow-down Clauses.
3. Any reference to a "Disputes" clause shall mean the disputes provision of this Order. Pending resolution of any dispute arising under this Order, which incorporates FAR or DFARS clauses, Seller will proceed diligently as directed by Buyer with the performance of this Order. Notwithstanding any choice of law provision, any provision in this Order that is: (i) incorporated in full text or by reference below to FAR or DFARS, or (ii) that is substantially based on any FAR or DFARS provision below or on any agency regulation interpreting such FAR or DFARS provisions, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the United States Government. No FAR or DFARS provision herein shall establish privity between Seller and Buyer's customer. Notwithstanding any FAR or DFARS provisions below, the Contract Disputes Act shall not apply to this Order, except as permitted by Buyer for disputes with Buyer's customer.
4. Seller agrees that its books, records and facilities or such parts of its facilities as may be engaged in the performance of this Order, shall at all reasonable times be subject to inspection and audit by Buyer and, to the extent provided by the Flow-down Clauses, any authorized representatives of the US Government or Buyer's Customer. Seller hereby grants to Buyer the right to examine at reasonable times its relevant books, records and data that permit the adequate evaluation of (1) cost and pricing data and of any claims/proposals submitted by Seller pursuant to the Flow-down Clauses, (2) its security and data protection procedures as required below and (3) its quality, testing and inspection procedures as required below. Seller shall allow Buyer and Buyer's customer to reasonably review Seller's compliance with applicable FAR and DFARS provisions below, upon request.
5. Flow-down Clauses are incorporated by reference, with the same force and affect as if they were given full text. These FAR/DFARS provisions are accessible at <https://www.acquisition.gov>. The clauses apply to this Order in accordance with the regulatory language of prescription in the controlling FAR Part or clause, such as limiting the applicability to particular types of contracts, contracts exceeding certain thresholds in monetary value, the location of performance or the size status of the Seller. Notwithstanding the foregoing, Flow-down Clauses listed below apply to this Order, regardless of whether they are expressly mandated for flow-down, since Buyer may in its discretion incorporate clauses which it deems appropriate.

6. The clauses listed below may require the submission of certifications and representations. Seller shall furnish any certification or representation required under these Flow-down Clauses. Failure to provide a certification or representation by Seller shall be interpreted to mean that Seller complies with the Flow-down Clause in the most restrictive sense of performance, in favor of Buyer.
7. Intellectual Property Rights. All FAR 52.27/DFARS 252.227 terms on intellectual property are as defined in FAR 27 or DFARS 227 or applicable agency regulations. Seller acknowledges and agrees that any rights in Technical Data and Computer Software to be granted to the US Government will be determined in accordance with the regulations set forth in FAR Part 27 and DFARS Part 227 based upon the specific Technical Data, Computer Software and Goods to be performed under this Order and the assertions of restrictions on use, release or disclosure of Seller's Intellectual Property that are provided to Buyer for delivery to the US Government, in order to fulfill Buyer's obligations under Buyer's customer's contract. Under any referenced FAR 52.227 or DFARS 252.227 provision below, the rights granted are vested in the US Government, except that Seller grants Buyer an irrevocable, nonexclusive royalty-free worldwide license to sell and use Seller's technical data and computer software delivered in the performance of this Order, to the extent needed to fulfill Buyer's obligations under its customer's US Government contract or subcontract pursuant to which this order is issued. Seller shall identify and assert prior to Order award any Seller's rights in technical data and software delivered with other than unlimited rights as required by the applicable FAR or DFARS provision, and all technical data and software submissions shall be to Buyer.
8. Except as otherwise provided in this provision, whenever necessary to make the context of the clauses applicable to this Order, the term "Contractor" shall mean Seller, the term "Contract" shall mean this Order, the term "Government," "Contracting Officer," and equivalent phrases shall mean Buyer, except that the terms "Government" and "Contracting Officer" shall not change in the Government Property, patent, intellectual property or data rights clauses incorporated herein, or when a right, act, authorization or obligation can be granted or performed only by the US Government or the Contracting Officer or a duly authorized representative, in which case Seller grants Buyer such additional rights as are needed to perform such clause under Buyer's contract with its customer. These FAR and DFARS clauses apply to Seller in a manner which reflects the position of Seller as a subcontractor to Buyer, to ensure Seller's obligations to Buyer and to the US Government and to enable Buyer to meet its obligations under its contract or subcontract with Buyer's customer.
9. For all Seller performance in the United States: Equal Employment Opportunity and Non-Discrimination: Buyer is a US government contractor and is subject to the requirements of Executive Order 11246, Section 503 of the Rehabilitation Assistance Act and VEVRAA. Pursuant to these requirements, the Equal Opportunity Clauses found at 41 Code of Federal Regulations are as follows: Seller shall abide by the requirements of all applicable Equal Opportunity Clauses including 41 CFR 60-1.4(a), 60-250.5, 60-300.5(a) and 60-741.5(a) and all applicable executive orders, including Executive Order 11246. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identification, or national origin. Moreover, these regulations and clauses require that covered US Government contractors or subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identification, national origin, protected veteran status or disability. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Seller agrees to post in conspicuous places, available to employees and applicants for employment, required notices setting forth the provisions of this nondiscrimination clause.

1.

By accepting this order, Seller certifies the representations and certifications submitted to Buyer previously or with Seller's quote/proposal for this order (as applicable) remain valid from the date of submission until the conclusion of this Order. Seller agrees to provide immediate written notice to Buyer if any of the Seller's certifications and representations change at any time from the date of Seller's acceptance of this order through Seller's performance and closeout of this order; such notice shall not constitute a waiver of Seller's obligations to perform as previously certified.

If this is a DPAS-rated order, Seller is required to follow all the provisions of the Defense Priorities and Allocation System Regulation 15 CFR 700 unless an exemption applies.

***Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.***



## Annual Supplier Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements

NO WORK PERFORMED UNDER THIS ORDER WILL BE PERFORMED IN A US FACILITY WHICH IS IN VIOLATION OF THE STANDARDS, ORDERS OR REGULATIONS ISSUED PURSUANT TO THE CLEAN AIR ACT (42 U.S.C. 7401 ET SEQ) OR THE FEDERAL WATER POLLUTION CONTROL ACT AS AMENDED (33 U.S.C. 1251 ET SEQ).

BY ACCEPTANCE OF THIS PURCHASE ORDER, THE SELLER CERTIFIES THAT NEITHER THE SELLER NOR ITS PRINCIPALS ARE DEBARRED, SUSPENDED OR PROPOSED FOR DEBARMENT BY THE US FEDERAL GOVERNMENT.

The following Flow-down Clauses apply to this Purchase Order. The definitions of FAR 2-101 shall apply to these clauses, including to determinations of commercial items. All currency referenced is in US dollars.

### FAR and DFARS for all firm fixed price Orders to Seller FAR

- 52.203-3 Gratuities (Apr. 1984) (Applicable if Order exceeds \$150,000)
- 52.203-6 Restrictions on Subcontractor Sales to the Government (Sep 2006) (No substitution for "Government") (Applicable if Order exceeds \$150,000)
- 52.203-7 Anti-Kickback Procedures (May 2014) (Applicable if Order exceeds \$150,000) (Excluding (c)(1) and "Prime Contractor" shall mean Buyer; no substitutions for Contracting Officer; "Subcontractor" shall mean Seller and Seller's Sellers)
- 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (May 2014)
- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 2007)
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Oct 2010) (Applicable if Order exceeds \$150,000)
- 52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (Apr 2014) (Applicable if Order exceeds \$150,000)
- 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (October 2015) (Applicable only to the extent Seller shall cooperate with Buyer in reporting required information on first tier subcontract awards.)
- 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (October 2015) (Applicable if Order exceeds \$35,000) (Not applicable to commercial or commercial off the shelf products and no substitution for "Government")
- 52.215-14 Integrity of Unit Prices (Oct 2010) (Applicable if Order exceeds \$150,000) (Not applicable to commercial items)
- 52.222-50 Combating Trafficking in Persons (March 2015)
- 52.223-3 Hazardous Material Identification and Material Safety Data (Jan 1997)
- 52.223-7 Notice of Radioactive Materials (Jan 1997) (The blank in paragraph (a) shall be "60") (Applicable only to Orders for radioactive materials)
- 52.223-11 Ozone Depleting Substances (May 2001)
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011) (Applicable if Order exceeds \$3,500)
- 52.225-8 Duty-Free Entry (Oct 2010) (Applicable to Orders with supplies identified as duty-free entry that will be imported into the United States or foreign supplies in excess of \$20,000)
- 52.225-13 Restrictions on Certain Foreign Purchases (Jun 2008)
- 52.225-20 Prohibition on Conducting Restricted Business Operations in Sudan – Certification (Aug 2009)
- 52.225-25 Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to Iran—Representation and Certifications (Dec 2012)
- 52.227-1 Authorization and Consent (Dec 2007) (Applicable if Order exceeds \$150,000) Not applicable if both complete performance and delivery are outside of the US)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007) (Applicable if Order exceeds \$150,000) (Not applicable if both complete performance and delivery are outside the US)
- 52.227-9 Refund of Royalties (Apr 1984) (Applicable if royalties paid by Seller exceed \$250)
- 52.227-11 Patent Rights—Ownership by the Contractor (May 2014) (Applicable if Order is for experimental, developmental, or research work)

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*

- 52.232-40 Providing Accelerated Payments to Small Business Subcontractors (Dec 2013)
- 52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec 1994)
- 52.242-15 Stop-Work Order (Aug 1989)
- 52.243-1 Changes – Fixed Price (Aug 1987) (For changes directed for the US Government)
- 52.244-6 Subcontracts for Commercial Items (Oct 2015)
- 52.245-1 Government Property (Apr 2012) (Applicable to Orders where Seller is furnished US Government property for performance)
- 52.247-63 Preference for U.S.-Flag Air Carriers (Jun 2003)
- 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006)
- 52.248-1 Value Engineering (Oct 2010) (Applicable if Order exceeds \$150,000)

## DFARS

- 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (Dec 2008) (Applicable if Order exceeds \$150,000) (Not applicable if Order is for commercial items)
- 252.203-7002 Requirement to Inform Employees of Whistleblower Rights (Sep 2013)
- 252.204-7000 Disclosure of Information (Aug 2013)
- 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (September 2015) (Applicable where unclassified controlled defense information is utilized, transmitted or stored; incident reports under (m) (2) shall be reported by Seller to Buyer (as “prime contractor” under this provision) utilizing Buyer designated process)
- 252.204-7015 Disclosure of Information to Litigation Support Contractors (Feb 2014)
- 252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material (Dec 1991)
- 252.209-7004 Subcontracting With Firms That are Owned or Controlled by the Government of a Terrorist Country (Mar 2014)
- 252.211-7003 Item Unique Identification and Valuation (Dec 2013) (Applicable if item price exceeds \$5,000 per unit)
- 252.223-7001 Hazard Warning Labels (Dec 1991)
- 252.223-7008 Prohibition of Hexavalent Chromium (Jun 2013)
- 252.225-7001 Buy American and Balance of Payments Program (November 2014) (Applies only to Sellers outside the US)
- 252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies (Sep 2006)
- 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals. (Oct 2014)
- 252.225-7012 Preference for Certain Domestic Commodities (Feb 2013)
- 252.225-7013 Duty-Free Entry (Nov 2014)
- 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools (June 2005)
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (Jun 2011) (Not applicable if Order is for commercial items or for supplies not containing ball or roller bearings)
- 252.225-7048 Export-Controlled Items (Jun 2013)
- 252.227-7013 Rights in Technical Data–Noncommercial Items (Feb 2014) (Applicable if Order requires delivery of Seller technical data pertaining to non-commercial items or commercial items for which the US Government will have paid for any portion of the development costs)
- 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Feb 2014) (Applicable if Order requires delivery of computer software or computer software documentation)
- 252.227-7015 Technical Data–Commercial Items (Feb 2014) (Applicable if Order requires delivery of technical data pertaining to commercial items)
- 252.227-7016 Rights in Bid or Proposal Information (Jan 2011)
- 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (Jan 2011)
- 252.227-7019 Validation of Asserted Restrictions—Computer Software (Sep 2011) (Applicable if Order requires delivery of computer software)
- 252.227-7026 Deferred Delivery of Technical Data or Computer Software (Apr 1988)
- 252.227-7027 Deferred Ordering of Technical Data or Computer Software (Apr 1988)
- 252.227-7028 Technical Data or Computer Software Previously Delivered to the Government (Jun 1995)
- 252.227-7030 Technical Data–Withholding of Payment (Mar 2000)
- 252.227-7037 Validation of Restrictive Markings on Technical Data (Jun 2013) (Applicable if Order requires delivery of technical data)
- 225.228-7001 Ground and Flight Risk (Jun 2010)
- 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (Dec 1991) (Applicable if Order involves the manufacture, modification, overhaul, or repair of aircrafts, missiles, and space launch vehicles or components thereof)

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*



252.235-7003	Frequency Authorization (Mar 2014) (Applicable only to Orders for developing, producing, constructing, testing, or operating a device requiring a frequency authorization)
252.239-7018	Supply Chain Risk (Nov 2013) (Applicable to Orders involving the development or delivery of any information technology whether acquired as a service or as a supply)
252.243-7001	Pricing of Contract Modifications (Dec 1991)
252.244-7000	Subcontracts for Commercial Items (Jun 2013)
252.246-7000	Material Inspection and Receiving Report (Mar 2008) (Seller shall cooperate with Buyer to ensure that necessary reports are provided to the Government)
252.246-7003	Notification of Potential Safety Issues (Jun 2013) (Applicable if Order is for parts identified as critical safety items; systems and subsystems, assemblies, and subassemblies integral to a system; or repair, maintenance, logistics support, or overhaul services for the foregoing items; Notice in (c) shall be to Buyer and notice shall be as provided in (f)(2) without modification of terms)
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System (May 2014)
252.247-7023	Transportation of Supplies by Sea—Basic (Apr 2014) (Applicable if Order exceeds \$150,000)
252.247-7024	Notification of Transportation of Supplies by Sea (Mar 2000)
252.249-7002	Notification of Anticipated Contract Termination or Reduction (Oct 2010) (Applicable if Order exceeds \$150,000)

### Additional FARS/DFARS for firm fixed price Orders to Sellers performing in the US

#### FAR

52.211-15	Defense Priority and Allocation Requirements (Apr 2008)
52.219-08	Utilization of Small Business Concerns (Oct 2014)
52.219-09	Small Business Subcontracting Plan (Oct 2015) (Applicable if Order exceeds \$700,000)
52.219-16	Liquidated Damages—Subcontracting Plan (Jan 1999) (Applicable if Order exceeds \$700,000)
52.222-04	Contract Work Hours and Safety Standards— Overtime Compensation (May 2014) (Applicable if Order involves ` employment of laborers and mechanics)
52.222-20	Contracts for Materials, Supplies, Articles and Equipment Exceeding \$15,000 (May 2014)
52.222-21	Prohibition of Segregated Facilities (Apr 2015)
52.222-26	Equal Opportunity (Apr 2015)
52.222-35	Equal Opportunity for Veterans (October 2015) (Applicable if Order exceeds \$150,000)
52.222-36	Equal Opportunity for Workers with Disabilities (July 2014) (Applicable if Order exceeds \$15,000)
52.222-37	Employment Reports on Veterans (October 2015) (Applicable if Orders exceeds \$150,000)
52.222-40	Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (Applicable if Order exceeds \$10,000)
52.222-41	Service Contract Labor Standards (May 2014) (Applicable if Order is subject to the Service Contract Labor Standards)
52.222-51	Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (May 2014)
52.222-53	Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services – Requirements (May 2014)
52.222-54	Employment Eligibility Verification (Oct 2015) (Not applicable if Order is under \$3,500)
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011) (Applicable if Order exceeds \$3,500)
52.225-1	Buy American – Supplies (May 2014) (Applies only to Sellers in the US)

#### DFARS

252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements (Dec 2010) (Applicable if Order exceeds \$1,000,000 and is for a non-commercial product)
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Sep 2004) (Applicable if Order exceeds \$500,000)

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*

**Additional FAR/DFARS for firm fixed price Orders to Seller over \$750,000**

**FAR**

52.203-13	Contractor Code of Business Ethics and Conduct (Oct 2015) (Applicable if Order exceeds \$5,500,000)
52.203-14	Display of Hotline Poster(s) (Oct 2015) (Applicable if Order exceeds \$5,500,000) (Not applicable if Order is for commercial items or for performance entirely outside the United States)
52.215-02	Audit and Records – Negotiation (Oct 2010) (Applicable if Order requires certified cost or pricing data under FAR 15.403-1)
52.215-10	Price Reduction for Defective Certified Cost or Pricing Data (Aug 2011)
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data—Modifications (Aug 2011)
52.215-12	Subcontractor Certified Cost or Pricing Data (Oct 2010) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost/pricing data under FAR 15.403-1)
52.215-13	Subcontractor Certified Cost or Pricing Data—Modifications (Oct 2010) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
52.215-15	Pension Adjustments and Asset Reversions (Oct 2010) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
52-215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Jul 2005) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
52.215-19	Notification of Ownership Changes (Oct 1997) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
52.215-23	Limitations on Pass-Through Charges (Oct 2009) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
52.230-02	Cost Accounting Standards (October 2015) (Applicable if Order exceeds \$750,000 and not otherwise exempt under FAR 15.403-1)
52.230-03	Disclosure and Consistency of Cost Accounting Practices (Oct 2015) (Applicable if Order exceeds \$750,000 and not otherwise exempt under FAR 15.403-1)
52.230-04	Disclosure and Consistency of Cost Accounting Practices—Foreign Concerns (Oct 2015) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
52.230-06	Administration of Cost Accounting Standards (Jun 2010) (Applicable if Order exceeds \$750,000)

**DFARS**

252.203-7004	Display of Fraud Hotline Poster(s) (Oct 2015) (Applicable if Order exceeds \$5,500,000) (Not applicable if Order is for commercial items or will be performed entirely outside of the US)
252.211-7000	Acquisition Streamlining (Oct 2010) (Applicable if Order exceeds \$1,500,000)
252.215-7000	Pricing Adjustments (Dec 2012)
252.225-7033	Waiver of United Kingdom Levies (Apr 2003) (Applicable if Seller expects to issue lower-tier orders to a UK firm exceeding \$1,000,000)

## **C. UNILATERAL CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT**

This Unilateral Confidentiality and Non-Disclosure Agreement (“Agreement”) is effective as the date below (“Effective Date”), between Nasco Aircraft Brake, Inc, having a place of business at 13300 Estrella Ave, Gardena, California (“Nasco”), and the supplier identified in paragraph A. 1 (“Company”). Nasco and Company may be referred to individually as a “Party,” or collectively, as the “Parties”.

For purposes of this Agreement, Nasco shall be referred to as the “Disclosing Party,” and the Company shall be referred to as the “Receiving Party.”

### **I. RECITALS**

1.1 Nasco owns, uses and develops valuable technical and non-technical information in the course of its business. This information is confidential and proprietary to Nasco and Nasco protects and desires to continue to protect such information by keeping it confidential.

1.2 Company may perform subcontracting services, provide material, perform special processing, etc., herein referred to as “the Purpose” with Nasco in a capacity in which Company may receive or be exposed to certain of Nasco’s Confidential Information.

1.3 Nasco is willing to pursue the Purpose with Company, and in so doing, disclose certain of its Confidential Information to Company under the terms and conditions of this Agreement  
THEREFORE, in consideration of the above recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

### **II. CONFIDENTIAL INFORMATION**

#### **2.1 Confidential Information and Trade Secrets**

2.1.1. Confidential Information and Trade Secrets (collectively “Confidential Information”) means, without limitation and by example, all tangible and intangible proprietary information, materials, processes, process parameters, methods, practices, techniques, technical plans, drawings, data, algorithms, hardware, computer software, firmware and programs, source code, computer screens, product and process specifications and related documentation, formulas, patterns, sketches, drawings, models, inventions and invention disclosures, know-how, apparatus, equipment, chemical or biological materials, discoveries, information regarding research, experimental work, developments, improvements, prototypes and devices, engineering plans, procurement requirements, customer information and lists, pricing information, price lists, supplier information and lists, marketing, manufacturing and business plans, forecasts, and strategies, financial information, responses to RFP’s and other bid information, and all other summaries and compilations of information, which relate in any way to the business of the Disclosing Party, which have not been disclosed by the Disclosing Party to the general public, and which is or are disclosed to the Receiving Party by the Disclosing Party, or on its behalf, either directly or indirectly, in writing, verbally, electronically or by drawings or by inspection of facilities, or in any other way. Confidential Information shall also include all Derivatives thereof, any information that qualifies as a “trade secret” under the Uniform Trade Secret Act, and any Confidential Information that was acquired by the Disclosing Party from a third party.

2.1.2 Derivatives shall mean and include, with respect to any copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; any improvement on patentable or patented material, and for trade secrets, any new material derived from such existing trade secret material, including new material which may be protected under copyright, patent and/or trade secret laws.



## **2.2 Marking**

Anything to be treated as Confidential Information shall be supplied in written or electronic form, or if disclosed verbally or visually, shall be identified as confidential at the time of disclosure and may be documented thereafter. All materials in written or electronic form shall be clearly marked with a "Confidential" or other similar legend, or otherwise designated as being "Confidential." The Disclosing Party may designate disclosed information as "Confidential" after presentation or disclosure, and the Receiving Party shall thereafter treat the information as Confidential, but the Receiving Party shall have no liability for disclosure or use during the interim period of time.

## **2.3 Exceptions**

Confidential Information shall not include:

- (a) Information which the Receiving Party can clearly demonstrate was in the public domain at the time of disclosure hereunder; or
- (b) Information which the Receiving Party can clearly demonstrate was rightfully in the Receiving Party's possession prior to the time of its disclosure hereunder; or
- (c) Information which the Receiving Party can clearly demonstrate has subsequently become part of the public knowledge or literature through no fault of the Receiving Party, but only from such date as the information becomes so available; or
- (d) Information which the Receiving Party can clearly demonstrate has subsequently been received by the Receiving Party without obligations of secrecy from a third party who is free to disclose the information; or
- (e) Information which the Receiving Party can clearly demonstrate was independently developed by the Receiving Party without any use of Confidential Information received hereunder.

## **III. OBLIGATIONS REGARDING CONFIDENTIAL INFORMATION**

### **3.1 Confidentiality**

The Receiving Party hereby agrees to treat all Confidential Information received from the Disclosing Party according to the terms and conditions set forth in this Agreement. The Receiving Party's confidentiality obligations, and liabilities for any breach thereof, shall survive any termination of this Agreement. Each Party agrees that the disclosure of Confidential Information under this Agreement does not waive or otherwise relinquish any privileges, trade secret status or other protections that otherwise might apply to the Disclosing Party's Confidential Information.

### **3.2 Limitations on Disclosure and Use of Confidential Information**

3.2.1 Except as expressly authorized in writing by the Disclosing Party, except as permitted under subsection 3.2.3 below and except for the disclosure to the Receiving Party's employees and agents permitted under section 3.3 below, the Receiving Party shall not at any time disclose any of Disclosing Party's Confidential Information to any person, or permit any person to examine and/or make copies of any reports or any documents containing same that are prepared by the Receiving Party for the Disclosing Party or that come into Receiving Party's possession or control from the Disclosing Party.

3.2.2 Upon demand, or termination of this Agreement, whichever is earlier, the Receiving Party shall (a) cease all use of the Disclosing Party's Confidential Information, (b) return all Confidential Information received under this Agreement on physical media including paper documents and portable electronic media, e.g., compact disk or digital video disk, to the Disclosing Party, (c) delete all Confidential Information residing on non-portable electronic media, e.g., e-mails and other electronic documents residing on networks, and (d) certify in writing to the Disclosing Party in a timely manner its compliance with this subsection 3.2.2. The requirements of this subsection 3.2.2 shall extend to excerpts, summaries or reports of Confidential Information, as well as all notes of verbal communications of Confidential Information.

3.2.3 The Receiving Party shall use the Disclosing Party's Confidential Information solely in connection with the Purpose. The Receiving Party agrees not to make or allow to be made copies of, or otherwise reproduce, Confidential Information of the Disclosing Party, except as reasonably required for purposes of this Agreement, or as otherwise permitted with the specific prior written consent of the Disclosing Party. Without limiting the foregoing, the Receiving Party shall not reverse engineer or otherwise decompile or disassemble the Disclosing Party's Confidential Information.

3.2.4 If the Receiving Party is requested or required, in the course of any litigation or proceeding, to produce or disclose information that has been designated as Confidential Information by the Disclosing Party, the Receiving Party shall take the following steps prior to any such production or disclosure:

(a) Promptly notify the Disclosing Party in writing that the Confidential Information has been so required or requested, in such time and in such detail that the Disclosing Party has the opportunity to seek a protective order or otherwise appear or intervene in the litigation or proceeding for purposes of protecting its Confidential Information.

(b) If the Disclosing Party after such notice does not consent to the requested production or disclosure, the Receiving Party shall reasonably assist the Disclosing Party in (at the Disclosing Party's expense) prosecuting an objection (or, if so requested by the Disclosing Party, shall join in the Disclosing Party's objection) to the production and/or disclosure of the Confidential Information.

3.2.5 The Receiving Party shall have no liability for disclosing Confidential Information so required or requested if the Disclosing Party consents to the disclosure or if a court of competent jurisdiction overrules said objection(s) and orders the production or disclosure.

3.2.6 The Receiving Party shall not be entitled to use the disclosed Confidential Information in the sale of products or provisions of services to a third party unless pursuant to a subsequent written agreement between the Parties that authorizes such use, and which either specifies a royalty or other compensation for such use, or confirms that such use is royalty free.

3.2.7 Company agrees and undertakes that all the rights, restrictions and obligations for the protection of Confidential Information as set out in this Agreement shall apply to any Confidential Information of Nasco's parent company or any group subsidiary of its parent company which is disclosed pursuant to this Agreement.

### **3.3 Standard of Care**

The Receiving Party agrees that Confidential Information received hereunder will be treated with the care necessary to protect the Disclosing Party's Confidential Information, and with at least the same care that the Receiving Party uses in the protection of its own confidential or proprietary information, which in any event shall at least be in a reasonable and prudent manner. Confidential Information shall be disclosed only to those of the Receiving Party's employees or agents who need to evaluate and use it for the purposes of the Purpose. All employees or agents of a Receiving Party who are provided access to the Disclosing Party's Confidential Information shall be advised of its confidential nature and must be subject to confidentiality obligations that are at least as restrictive as those set forth in this Agreement. Neither Party shall communicate any information to the other in violation of the proprietary rights of any third party.

### **3.4 Injunctive Relief**

The Receiving Party acknowledges that disclosure of any Confidential Information by it would give rise to irreparable injury to the Disclosing Party, for which the Disclosing Party would lack adequate remedies at law. Accordingly, the Disclosing Party may seek injunctive or other equitable relief against the breach or threatened breach of this Agreement's undertakings relating to Confidential Information, in addition to any other remedies which may be available. The Receiving Party further acknowledges and agrees that in the event of the termination of this Agreement, the Receiving Party's experience and capabilities are such that the enforcement of a remedy hereunder by way of injunction will not prevent the Receiving Party from earning a reasonable livelihood. The Receiving Party further acknowledges and agrees that the covenants contained herein are necessary for the protection of the Disclosing Party's legitimate business interests and are reasonable in scope and content.

**3.5 Duty of Receiving Party Regarding Unauthorized Use**

The Receiving Party shall promptly advise the Disclosing Party in writing if it learns of any misappropriation or unauthorized use or disclosure of Confidential Information by any person, including any Receiving Party personnel or former Receiving Party personnel. The Receiving Party shall take all steps reasonably requested by the Disclosing Party to limit, stop or otherwise remedy such misappropriation or unauthorized use or disclosure.

**3.6 Duty to Notify Disclosing Party if Receiving Party Believes Information is Non-Confidential**

If the Receiving Party believes that information labeled by the Disclosing Party to be Confidential Information is not in fact Confidential Information pursuant to subsections 2.3(a)-(e), the Receiving Party shall promptly provide notice thereof to the Disclosing Party in writing of the grounds for that belief. Providing such notice shall not, however, relieve the Receiving Party of its obligations under this Agreement to protect the confidentiality of that information unless or until the Disclosing Party agrees, or a court of competent jurisdiction in a final and non-appeal Order or Decision declares the information not to constitute Confidential Information.

**3.7 Term and Termination**

This Agreement shall remain in effect until the earlier of (a) five (5) years from the Effective Date, (b) the completion of the Purpose, (c) the date on which the Parties enter into an agreement containing substantially similar confidentiality provisions, which agreement is intended to entirely supersede this Agreement, or (d) the date on which either Party terminates this Agreement upon thirty (30) days written notice to the other Party. Any confidentiality obligations and liabilities for any breach thereof, shall survive any termination of this Agreement.

**3.8 No License, Transfer of Ownership or Joint Venture**

Confidential Information shall remain the property of the Disclosing Party. Neither this Agreement nor any exchange of Confidential Information hereunder shall be construed to grant any license to nor any ownership rights in the Disclosing Party's Confidential Information or intellectual property rights therein. "Intellectual property rights" shall include patent, copyright and trademark rights. Nothing in this Agreement shall constitute a joint venture, or establish the Parties as joint ventures or the agent of the other, or create any liability to any third party for the other's debts or obligations. There are no third party beneficiaries under this Agreement.

**3.9 Disclaimer of Warranties; Independent Development**

3.9.1 The Parties agree that Confidential Information disclosed or otherwise provided under this Agreement is provided "as-is," and that no warranties of any kind are given with respect to Confidential Information provided under this Agreement as well as any use thereof. The Disclosing Party shall not be liable for errors or omissions in, or any decisions made by the Receiving Party in reliance on, any Confidential Information disclosed under this Agreement, and a Receiving Party shall use and rely on Confidential Information at its sole risk and expense.

3.9.2 Each of the Parties may now or in the future be developing information internally, or receiving information from other Parties that may be similar to such the Disclosing Party's Confidential Information. Accordingly, neither Party warrants or represents it will not develop products or services, or have products or services developed by or for itself that will compete with the products or services contemplated by such Disclosing Party's Confidential Information, provided such products and services were developed without use of the Disclosing Party's Confidential Information or otherwise in breach of this Agreement.

**3.10 Enforceability**

The provisions of this Agreement shall be enforceable notwithstanding the existence of any claim or cause of action on the part of the Receiving Party against the Disclosing Party whether predicated on this Agreement or otherwise.

**3.11 Governing Law; Arbitration**

3.11.1 This Agreement shall be governed by the laws of the State of California, without reference to its conflicts of law principles.

3.11.2 Unless otherwise agreed, any dispute, including any question regarding the existence, validity or termination of this Agreement, shall be referred to and finally resolved by arbitration under the JAMS' International Arbitration Rules. The applicable rules and procedures are deemed to be incorporated by reference into this Section 3.11.2. The number of arbitrators shall be one unless the parties otherwise agree.

3.11.3 The place of arbitration shall be Los Angeles County, California. The language to be used in the arbitral proceedings shall be English.

3.11.4 Notwithstanding the foregoing, either Party may apply to any court with the competent jurisdiction for an order for specific performance or any interim, injunctive or protective order as may be necessary to protect its interests, and Nasco may apply to any court with competent jurisdiction in relation to any dispute concerning payment.

**3.12 Entire Agreement, No Implied Waiver**

This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and all prior and contemporaneous agreements and understandings concerning the subject matter hereof are superseded hereby. No term or provision hereof will be considered waived by either Party, and no breach excused by either Party, unless such waiver or consent is in writing signed by the Party against whom such waiver or consent is asserted. The waiver by either Party of, or consent of either Party to, a breach of any provision of this Agreement by the other Party shall not operate or be construed as a waiver of, consent to, or excuse of any other or subsequent breach by the other Party.

**3.13 No Further Agreement; Attorney's Fees**

Nothing in this Agreement shall be construed to obligate either Party to enter into another agreement or business relationship in connection with the Purpose or otherwise. Each Party shall bear all costs and expenses incurred in connection with this Agreement; provided that a prevailing Party in any litigation commenced to enforce or construe the terms of this Agreement shall be entitled to collect from the other Party its actual litigation costs, including reasonable attorneys' fees.

**3.14 Export and Governmental Compliance**

The Receiving Party agrees to comply with all applicable export laws and regulations. Without limiting the foregoing, the Receiving Party shall not disclose any Confidential Information or other information provided hereunder in any manner contrary to the laws and regulations of the United States of America or any applicable foreign export laws and regulations. The information that the Disclosing Party may wish to disclose pursuant to this Agreement may be subject to the provisions of the Export Administration Act of 1979 (50 USC 2401-2410), the Export Administration Regulations promulgated there under (15 CFR 768-799), the International Traffic in Arms Regulations (22 CFR 120-128 and 130) and the Foreign Corrupt Practices Act. The Parties acknowledge that these statutes and regulations impose restrictions on import, export and transfer to third countries of certain categories of data and articles, and that licenses from the United States Department of State and/or the United States Department of Commerce may be required before such data and articles can be disclosed hereunder, and that such licenses may impose further restrictions on use and further disclosure of such data and articles. Disclosure of such data and articles to foreign persons is subject to the above regulations regardless if the export occurs in the United States or abroad. The Receiving Party agrees to comply with all United States governmental regulations mentioned above as they relate to the import, export, and re-export of data. Responsibility for compliance with the provisions of this Section resides with the Receiving Party, who indemnifies the Disclosing Party fully for any violations of the provisions of this Section as to any of Disclosing Party's Confidential Information.

**3.15 Joint Preparation**

This Agreement shall be deemed to have been jointly prepared by the Parties.

**3.16 Notices**

Any notice to be given under this Agreement shall be sufficient if it is in writing, to the attention of the chief executive officer of the company, and delivered personally, or via registered or certified mail (postage prepaid with return receipt requested)(with a request for confirmation in a manner typical to the communication types listed previously) or otherwise as directed by each Party, from time to time. Notice shall be deemed sent and received on the date of actual receipt at each Party's principle place of business.

**3.17 Successors and Assigns**

This Agreement is intended to benefit and is binding on the successors and assigns of each Party. Except in the case of a change of control, this Agreement shall not be assigned by the Receiving Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld. In the event of a change of control, such Party's rights and obligations hereunder shall be automatically assumed by the new controlling entity.

**3.18 Separate Enforcement of Provisions**

If for any reason any part of this Agreement is unenforceable, the remainder of the Agreement shall be enforced to the extent possible. In no event shall the unenforceability of any portion of this Agreement relieve the Receiving Party of its obligations to protect the confidentiality of Confidential Information it has received from the Disclosing Party.

**3.19 Modification of Agreement**

This Agreement may only be modified by a writing signed by authorized representatives of each Party.

**3.20 Counterpart**

This Agreement may be executed in counterparts, each of which shall be deemed equally authentic with the other. A copy of this Agreement is admissible in any legal proceeding.

**3.21 Read and Understood; Authority to Sign and Bind**

Each Party acknowledges that it has read and understands this Agreement and agrees to be bound by its terms. Each Party also represents that the person signing on its behalf below has the actual and apparent authority to execute this Agreement on its behalf, and that such execution has been duly approved by all necessary corporate or other acts required for the Party to be legally bound hereby.

**3.22 Survival**

Notwithstanding any other provision herein, the Parties acknowledge and agree that upon termination of this Agreement, their respective obligations set forth in Sections 3.1, 3.2, 3.3, 3.4, 3.9, 3.11, 3.14 and 3.16 shall continue in full force and effect.



**D. SUPPLIER ANNUAL CERTIFICATION REGARDING EXPORT CONTROL COMPLIANCE, ACKNOWLEDGEMENT OF NASCO AIRCRAFT BRAKE, INC. EXPORT COMPLIANCE TERMS AND CONDITIONS AND REGISTERING WITH THE DIRECTORATE OF DEFENSE TRADE CONTROLS**

[www.pmdtcc.state.gov](http://www.pmdtcc.state.gov) – registration

As a supplier to Nasco Aircraft Brake, Inc. (“Nasco”) you play a critical role in ensuring that controlled technical data and technology is not improperly exported. We wish to emphasize the importance of complying with our Terms and Conditions.

**DISCLOSURE OF BUYER’S TECHNICAL DATA TO FOREIGN PERSONS AND FOREIGN ENTITIES / REGISTERING WITH THE DIRECTORATE OF DEFENSE TRADE CONTROLS**

Seller shall not disclose or export Buyer’s technical data, including but not limited to, design, development, production, manufacture, assembly, operation, repair, testing or maintenance data in the form of blueprints, drawings, photographs, instructions and documentation to any foreign person or foreign subcontractor.

The Parties will comply with all U.S. export control laws and regulations. The information which the Parties may wish to disclose pursuant to this Agreement may be subject to the provisions of the Export Administration Act of 1979 and the Export Administration Regulations promulgated thereunder, the Arms Export Control Act, and the International Traffic in Arms Regulations, and the sanctions laws administered by the Office of Foreign Assets Control. The parties acknowledge that these statutes and regulations impose restrictions on import, export and transfer to third countries of certain categories of data, and that licenses from the U.S. Department of State and/or the U.S. Department of Commerce may be required before such data can be disclosed thereunder, and that such licenses may impose further restrictions on use and further disclosure of such data.

If Seller intends to conduct quotation work for this RFQ or purchase order using anyone other than U.S. citizens or permanent resident aliens (i.e., green card holders), Seller must provide advance written notice to Purchaser. In any event, Seller is responsible for compliance with applicable export control laws and regulations.

It is important to note that an "export" is not limited to information crossing a country border. An export can also occur when controlled data or hardware is shared in the United States with one or more individuals who are not U.S. citizens or permanent residents. Therefore, it is your responsibility to know the status of any person with whom you are discussing controlled technical information, including your employees and by restricting access to such information to individuals who are U.S. citizens or permanent residents of the U.S. Access to the facilities where controlled hardware or controlled information can be observed and to information systems such as e-mail, shared drives and collaboration tools where such information may be located must be limited to U.S. citizens and permanent residents of the U.S.

Pursuant to § 122.1(a) of the International Traffic in Arms Regulations (ITAR) any person who engages in the United States in the business of either manufacturing or exporting defense articles or furnishing defense services is required to register with the Directorate of Defense Trade Controls (DDTC). For the purpose of engaging in the business of manufacturing or exporting defense articles or furnishing defense services requires only one occasion of manufacturing or exporting a defense article or furnishing a defense service. This means that if you are a manufacturer, distributor, or exporter of ITAR controlled goods it is your responsibility to register with the DDTC. Therefore, Company is requested to indicate its registration status by marking one of the following statements:

- Company is registered with DDTC.
- Company is not registered with DDTC.

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*

- Company is exempt from registration with DDTC for the following reason (mark the one that applies):
- Company does not engage in the United States in the business of either manufacturing or exporting Defense Articles or furnishing defense services. See ITAR 122.1 (a).
- Officers and employees of the U.S. Government acting in official capacity. See ITAR 122.1 (b) (1).
- Persons whose pertinent business activity is confined to production of unclassified technical data only. See ITAR 122.1 (b) (2).
- Persons all of whose manufacturing and export activities are licensed under the Atomic Energy Act of 1954, as amended. See ITAR 122.1 (b) (3).
- Persons who engage only in the fabrication of articles for experimental or scientific purpose, including research and development. See ITAR 122.1 (b) (4).

If Company is not registered or does not fall into any of the exemption categories, Company will be required to register with DDTC prior to the manufacture of an ITAR controlled article for GA-ASI. GA-ASI must be notified of DDTC registration before manufacture of the ITAR item can begin.

**Definitions. As used in this provision:**

**22 CFR 120.14 – Person** – Person means a natural person as well as a corporation, business association, partnership, society, trust, or any other entity, organization or group, including governmental entities. If a provision in this subchapter does not refer exclusively to a foreign person (§120.16) or U.S. person (§120.15), then it refers to both.

**22 CFR 120.15 – U.S. Person** – U.S. person means a person (as defined in section 120.14 of this part) who is lawful permanent resident as defined by 8 U.S.C. 1101 (a) (20) or who is a protected individual as defined by 8 U.S.C. 1324b (a) (3). It also means any corporation, business association, partnership, society, trust, or any other entity, organization or group that is incorporated to do business in the United States. It also includes any governmental (federal, state, or local) entity. It does not include any foreign person as defined in section 120.16 of this part.

**22 CFR 120.16 – Foreign Person** – Foreign persons means any natural person who is not a lawful permanent resident as defined by 8 U.S.C. 1101 (a) (20) or who is not a protected individual as defined by 8 U.S.C. 1324b (a) (3). It also means any foreign corporation, business association, partnership, trust, society or any other entity or group that is not incorporated or organized to do business in the United States, as well as international organizations, foreign governments, and any agency or subdivision of foreign governments (e.g. diplomatic missions).

“**Defense Article**” means any item or Technical Data relating to a military application or military related services designated in §121.1 of the ITAR. This term includes Technical Data recorded or stored in any physical form, models, mock-ups, or other items that reveal technical data directly relating to items designed in §121.1 of the ITAR, but does not include basic marketing information on function or purpose or general system descriptions. (See ITAR §120.6.)

“**The Directorate of Defense Trade Controls**” (DDTC) is an agency under the United States Department of State (DOS), with jurisdiction under the International Traffic in Arms Regulations (ITAR) codified at 22 CFR Parts 120 through 130.

“**Dual Use**” means items that have both commercial and military or proliferation applications. This term is used informally to describe items that are subject to the EAR, although certain purely commercial items are also subject to the EAR. (See EAR §772.1).

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*





“**EAR**” means the Export Administration Regulations promulgated and implemented by the Bureau of Industry and Security and designed to regulate the export of Dual Use items.

“**Export Controlled Technical Data**” is used to describe all Technical Data that is subject to control under one or more body of regulations governing import or export.

“**ITAR**” means the International Traffic in Arms Regulations, as amended, (22 Code of Federal Regulations 120-130) which are promulgated and implemented by DOS and designed to regulate items on the U.S. Munitions List, including Defense Articles and Defense Services and related Technical Data.

“**Technical Data**” has specific meaning under different regulations and can include much more than the common definition would imply. When dealing with import/export compliance issues, Company should always refer to the specific definition in the relevant regulations. For example, the ITAR defines Technical Data to include: any (i) information, other than software as defined in §120.10(a)(4), which is required for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance, or modification of defense articles, including information in the form of blueprints, drawings, photographs, plans, instructions, or documentation; (ii) classified information relating to defense articles and defense services; (iii) information covered by an invention secrecy order; (iv) software as defined in §121.8(f) directly related to defense articles.

Nasco Aircraft Brake, Inc. (“Nasco”) must keep a record of their manufacturers’ acknowledgement to comply as well as an expiration date of their registration.

If you have any questions or concerns relating to Nasco Export Control Compliance Terms and Conditions, please contact Matthew Aron, Director of Operations & Export Compliance Officer.

Nasco requires that you register with the DDTC and return this acknowledgement with signature and the expiration date of your registration to Matthew Aron.

## **E. CERTIFICATION OF FOREIGN PERSON(S)**

The below information is if you have a foreign person, as defined by International Traffic in Arms Regulations (ITAR) June 2009 printing, amended through 74 Fed. Reg. 18628 (April 24, 2009) 120.16 Foreign Person, working for your company. If you have a foreign Person working for your company on one of our ITAR controlled projects please have the employee fill in the blanks below, sign, initial, and date. This form also requires that the employer fill in the DDTC license number that applies to the individual listed and signed below. If multiple licenses were used to cover additional employees please print and duplicate this form with those employees listed under their DDTC license number. If multiple employees are listed under the same license number please duplicate this form and fill in appropriately.

Note: If this form does not apply to any employee within your company please sign below indicating that you are aware that this information is necessary in the event that you do hire a foreign person.

During my employment with \_\_\_\_\_ (company name), I will be considered and treated as a U.S. person for the purposes of the International Traffic in Arms Regulations (ITAR). As such, I am authorized to interact and participate in discussions with other U.S. and foreign persons, and disclose technical data as necessary, while performing my job duties covered under DDTC \_\_\_\_\_ (license number). It will be the responsibility of the above listed employer to notify other U.S. and foreign persons of my status as a foreign national employee prior to my interactions.

I also acknowledge and understand that should I inadvertently receive technical data or defense articles for which I have not been granted access authorization by DDTC, or if I inadvertently export technical data or defense articles received during my employment to an unauthorized recipient, I will report such unauthorized transfer and acknowledge the transfer to be a violation of U.S. Government regulations.

In furtherance of the above, I hereby certify that all defense articles, including related technical data, to which I have access, will not be used for any purpose other than that authorized by DDTC and will not be further exported, transferred, disclosed via any means (e.g., oral disclosure, electronic, visual access, facsimile message, telephone) whether in its original form, modified, or incorporated in any other form, to any other foreign person or any foreign country without the prior written approval of DDTC.



## **F. AFFIRMATIVE ACTION POLICY**

As a government contractor, Nasco Aircraft Brake, Inc. ("Nasco"), must comply with the provisions of Executive Order 11246, as amended, and other existing laws related to Equal Employment Opportunity (EEO). It is the policy of Nasco to seek and employ qualified personnel at all locations, and to provide equal employment opportunities for all applicants and employees in recruiting, hiring, placement, training, compensation and benefits, promotion, transfer, and termination. To achieve this, Nasco will take affirmative action to employ and advance in employment qualified individuals without regard to race, color, religion, creed, sex, national origin, age, disability, marital status, pregnancy, sexual orientation, citizenship, or veteran status. Moreover, Nasco will administer all personnel actions without regard to race, color, religion, creed, sex, national origin, age, disability, marital status, pregnancy, sexual orientation, citizenship, or veteran status and base all such decisions on valid job requirements.

Nasco will ensure that applicants and employees are informed of the contents of its policy statement. Employees and applicants shall not be subject to unlawful harassment.

Nasco encourages its developers, contractors, subcontractors, consultants, vendors and suppliers to share this commitment to equal opportunity.

Please be advised that vendors, suppliers and subcontractors with 50 or more employees and a current \$50,000 or more federal contract have an obligation to develop their own Affirmative Action Plan and file annual EEO-1 Reports.

Your commitment to Equal Opportunity Employment for applicant and employees will help us to achieve our commitment to Equal Employment Opportunity. Thank you in advance for your cooperation.

