

Bastion Technologies, Inc.

General Terms and Conditions

The Purchase Order is placed (1) under a prime Government Contract, or (2) under a subcontract issued under a prime Government Contract and therefore the following Federal Acquisition Regulation (FAR) Clauses are hereby incorporated in and made a part of this Purchase Order with the same force and effect as if set forth in full text. The Seller hereby acknowledges that it has in his possession or is otherwise familiar with all of the Clauses incorporated herein by reference and agrees to perform this Purchase Order in accordance with the provisions of such referenced Clauses, and the other provisions of this Purchase Order.

Whenever appearing, the terms “Government”, “National Aeronautics & Space Administration”, “NASA”, “Department of Defense” “DoD” and “Contracting Officer” shall be construed to mean “Bastion Technologies, Inc.”, except where such terms are used in a manner which clearly contemplates the Government in a role not as a party to this Purchase Order. Wherever appearing, the terms “Contractor” and “Contract” shall be construed to mean “Seller” and “Purchase Order” respectively.

The following FAR clauses and provisions are hereby incorporated by reference:

* Applicable only under conditions set forth in parenthesis

52.203-15 (Jun 10)	Whistleblower Protections Under the American Recovery and Reinvestment Act *(if funded in whole or in part with Recovery Act funds)
52.203-16 (Jun 20)	Preventing Personal Conflicts of Interest
52.203-19 (Jan 17)	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
52.204-2 (Mar 21)	Security Requirements
52.204-9 (Jan 11)	Personal Identity Verification of Contractor Personnel. *(if subcontractor needs routine physical access to Govt facility)
52.204-21 (Jun 16)	Basic Safeguarding of Covered Contractor Information Systems *(if the subcontractor has Federal contract information residing in or transiting through its information system)
52.204-23 (Jul 18)	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities
52.204-25 (Aug 20)	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment
52.208-8 (Aug 18)	Required Sources for Helium and Helium Usage Data *(if order is for helium)
52.212-1 (Jul 21)	Instructions to Offerors -- Commercial Items
52.212-3 (Feb 21)	Offeror Representations and Certifications -- Commercial Items
52.212-4 (Oct 18)	Contract Terms and Conditions -- Commercial Items
52.213-3 (Apr 84)	Notice to Supplier
52.222-41 (Aug 18)	Service Contract Labor Standards *(if subcontract is for services)
52.222-42 (May 14)	Statement of Equivalent Rates for Federal Hires
52.222-51 (May 14)	Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-- Requirements. *(if subcontract is for exempt services)
52.222-53 (May 14)	Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services-- Requirements. *(if subcontract is for exempt services)
52.222-55 (Nov 20)	Minimum Wages Under Executive Order 13658
52.222-62 (Jan 17)	Paid Sick Leave Under Executive Order 13706 *(if subject to the Service Contract Labor Standards statute or the Wage Rate Requirements statute)
52.223-7 (Jan 97)	Notice of Radioactive Materials. *(if order is for radioactive materials)
52.224-3 (Jan 17)	Privacy Training *(for employees who can access systems of records containing personally identifiable information)
52.225-13 (Feb 21)	Restrictions on Certain Foreign Purchases
52.225-8 (Oct 10)	Duty-Free Entry
52.225-19 (May 20)	Contractor Personnel in a Designated Operational Area

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	or Supporting a Diplomatic or Consular Mission Outside the United States.
52.225-26 (Oct 16)	Contractors Performing Private Security Functions Outside the United States
52.227-9 (Apr 84)	Refund of Royalties *(if negotiated royalties exceed \$250)
52.227-10 (Dec 07)	Filing of Patent Applications--Classified Subject Matter *(if subcontract covers classified subject matter)
52.227-11 (May 14)	Patent Rights--Ownership by the Contractor (Short Form) *(if subcontract for experimental, developmental, or research work)
52.227-14 (May 14)	Rights in Data - General
52.228-3 (Jul 14)	Workers Compensation Insurance (Defense Base Act) *(if subcontract is for services on Govt base)
52.228-4 (Apr 84)	Workers Compensation and War-Hazard Insurance Overseas *(if subcontract is for overseas public works and DoL waives the application of the Defense Base Act)
52.229-10 (Apr 03)	State of New Mexico Gross Receipts and Compensating Tax
52.232-1 (Apr 84)	Payments
52.232-40 (Dec 13)	Providing Accelerated Payments to Small Business Subcontractors *(if payments are accelerated by USG)
52.234-1 (Sep 16)	Industrial Resources Developed Under Title III, Defense Production Act.
52.236-13 (Nov 91)	Accident Prevention *(if for services or construction)
52.242-15 (Aug 89)	Stop Work Order
52.243-1 (Aug 87)	Changes - Fixed Price (If for services, use Alt I)
52.243-2 (Aug 87)	Changes -- Cost-Reimbursement (If for services, use Alt I)
52.243-3 (Sep 00)	Changes -- Time-and-Materials or Labor-Hours
52.244-6 (Jul 21)	Subcontracts for Commercial Items
52.247-63 (Jun 03)	Preference for U.S.-Flag Air Carriers
52.247-64 (Feb 06)	Preference for Privately Owned U.S.-Flag Commercial Vessels

The following NASA FAR Supplement clauses pertinent to this Purchase Order are hereby incorporated by reference: * Applicable only under conditions set forth in parenthesis

1852.204-76 (Jan 11)	Security Requirements for Unclassified Information Technology Resources.
1852.208-81 (Nov 04)	Restrictions on Printing & Duplicating
1852.223-70 (Dec 15)	Safety & Health
1852.223-71 (Apr 15)	Authorization for Radio Frequency Use.
1852.223-72 (Jul 15)	Safety and Health (Short Form).
1852.227-70 (Apr 15)	New Technology
1852.227-72 (Apr 15)	Designation of New Technology Representative & Patent Representative
1852.227-84 (Apr 15)	Patent Rights Clauses
1852.227-86 (Apr 15)	Commercial Computer Software-Licensing
1852.228-76 (Oct 12)	Cross-Waiver of Liability for Space Station Activities
1852.242-72 (Oct 15)	Denied Access to NASA Facilities
1852.242-73 (Nov 04)	NASA Contractor Financial Management reporting *(if specifically required in the SOW)
1852.245-73 (Jan 17)	Financial Reporting of NASA Property in the Custody of Contractors.

The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$10,000.

52.222-21 (Apr 15)	Prohibition of Segregated Facilities
52.222-22 (Feb 99)	Previous Contracts and Compliance Reports
52.222-26 (Sep 16)	Equal Opportunity
52.222-40 (Dec 10)	Notification of Employee Rights Under the National

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	Labor Relations Act
52.223-99 (Sep 21)	Ensuring Adequate COVID-19 Safety Protocols for Federal Contractors. (DEVIATION 21-03)

The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$15,000.

52.222-36 (Jun 20)	Equal Opportunity for Workers with Disabilities
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The following FAR clause(s) are hereby incorporate by reference if the Purchase Order will exceed \$30,000.

*Applicable only under the conditions set forth in parenthesis

52.204-10 (Jun 20)	Reporting Executive Compensation and First-Tier Subcontract Awards (Applicable to first tier subcontracts only)
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The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$150,000. * Applicable only under conditions set forth in parenthesis

52.203-6 (Jun 20)	Restrictions on Subcontractor Sales to the Government
52.203-7 (Jun 20)	Anti-Kickback Procedures (Does not apply to contracts for commercial items)
52.203-11 (Sep 07)	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
52.203-12 (Jun 20)	Limitation on Payments to Influence Certain Federal Transactions.
52.203-16 (Jun 20)	Preventing Personal Conflicts of Interest
52.215-14 (Jun 20)	Integrity of Unit Prices
52.222-4 (Mar 18)	Contract Work Hours and Safety Standards -- Overtime Compensation *(if non-commercial items)
52.222-35 (Jun 20)	Equal Opportunity for Veterans
52.222-37 (Jun 20)	Employment Reports Veterans
52.222-43 (Aug 18)	Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts). (If contract is fixed price, T&M/LH with options)
52.222-44 (May 14)	Fair Labor Standards Act and Service Contract Labor Standards -- Price Adjustment. (if contract is fixed price, T&M/LH without options)
52.222-54 (Oct 15)	Employment Eligibility Verification
52.223-14 (Jun 14)	Acquisition of EPEAT® -Registered Televisions.
52.227-1 (Jun 20)	Authorization and Consent
52.227-2 (Jun 20)	Notice and Assistance Regarding Patent and Copyright Infringement
52.248-1 (Jun 20)	Value Engineering (Only if clause is in prime contract)

The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$250,000. * Applicable only under conditions set forth in parenthesis

52.215-2 (Jun 20)	Audit and Records—Negotiation (Does not apply to contracts for commercial items)
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The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$550,000. * Applicable only under conditions set forth in parenthesis

52.222-50 (Jun 20)	Combating Trafficking in Persons *(if for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States)
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The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$750,000. * Applicable only under conditions set forth in parenthesis

52.214-26 (Jun 20)	Audit and Records--Sealed Bidding
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52.214-28 (Jun 20)	Subcontractor Cost or Pricing Data--Modifications--Sealed Bidding
52.215-15 (Oct 10)	Pension Adjustments and Asset Reversions
52.215-18 (Jul 05)	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions
52.215-19 (Oct 97)	Notification of Ownership Changes
52.219-8 (Oct 18)	Utilization of Small Business Concerns
52.234-4 (Nov 16)	Earned Value Management System *(If specifically required in the SOW)

The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$2,000,000.

52.215-10 (Aug 11)	Price Reduction for Defective Certified Cost or Pricing Data *(non-commercial items)
52.215-12 (Jun 20)	Subcontractor Cost or Pricing Data
52.215-13 (Jun 20)	Subcontractor Cost or Pricing Data--Modifications

The following FAR clauses are hereby incorporated by reference if the Purchase Order will exceed \$6,000,000.

52.203-13 (Jun 20)	Contractor Code of Business Ethics and Conduct.
52.203-14 (Jun 20)	Display of Hotline Poster(s).

The following Defense FAR Supplement (DFARS) clauses are applicable to this Purchase Order if the Prime Contract was awarded by a DoD component and the Purchase Order is not for the acquisition of commercial items as defined in FAR 2.101.

252.203-7000 (Sep 11)	Requirements Relating to Compensation of Former DoD Officials.
252.204-7008 (Oct 16)	Compliance with Safeguarding Covered Defense Information Controls
252.208.7000 (Dec 91)	Intent to Furnish Precious Metals as Government-Furnished Material
252.211-7003 (Mar 16)	Item Unique Identification and Valuation.
252.211-7007 (Aug 12)	Reporting of Government-Furnished Equipment Property
252.227-7013 (Feb 14)	Rights in Technical Data--Noncommercial Items.
252.227-7014 (Feb 14)	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation.
252.227-7016 (Jan 11)	Rights in Bid or Proposal Information
252.227-7019 (Sep 16)	Validation of Asserted Restrictions--Computer Software
252.227-7030 (Mar 00)	Technical Data--Withholding of Payment
252.227-7037 (Sep 16)	Validation of Restrictive Markings on Technical Data
252.227-7039 (Apr 90)	Patents--Reporting of Subject Inventions (Applies if FAR 52.227-11 also applies)
252.231-7000 (Dec 91)	Supplemental Cost Principles
252.243-7001 (Dec 91)	Pricing of Contract Modifications
252.244-7000 (Jan 21)	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)
252.245-7002 (Jan 21)	Reporting Loss of Government Property
252.247-7023 (Feb 19)	Transportation of Supplies by Sea (Use Alt III if PO is below the Simplified Acquisition Threshold)

The following DFARS clauses are incorporated by reference and apply if the Purchase Order is for non-commercial items as defined in FAR 2.101, and exceeds the simplified acquisition threshold.

252.209-7004 (May 19)	Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country
252.225-7009 (Dec 19)	Restriction on Acquisition of Certain Articles Containing Specialty Metals

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252.243-7002 (Dec 12)	Requests for Equitable Adjustment
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The following DFARS clauses are incorporated by reference in Purchase Orders for non-commercial items and at the thresholds indicated.

252.203-7004 (Aug 19)	Display of Hotline Poster(s). (\$6 Million)
252.222-7006 (Dec 10)	Restrictions on the Use of Mandatory Arbitration Agreements (\$1 Million)
252.225-7006 (Aug 15)	Acquisition of the American Flag. (\$750,000)
252.226-7001 (Apr 19)	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (\$500,000)

The following DFARS clauses are incorporated by reference in Purchase Orders for non-commercial items as indicated.

252.211-7003 (Mar 16)	Item Unique Identification and Valuation
252.216-7004 (Sep 11)	Award Fee Reduction or Denial for Jeopardizing the Health or Safety of Government Personnel. (CPAF contracts only)
252.232-7004 (Oct 14)	DoD Progress Payment Rates (Fixed-price contracts when progress payments are provided)
252.232-7007 (Apr 14)	Limitation of Government's Obligation (Fixed-price contracts that are incrementally funded)
252.246-7007 (Aug 16)	Contractor Counterfeit Electronic Part Detection and Avoidance System

The following DFARS clauses are incorporated by reference in Purchase Orders for commercial items.

252.203-7002 (Sep 13)	Requirements to Inform Employees of Whistleblower Rights
252.204-7015 (May 16)	Notice of Authorized Disclosure of Information for Litigation Support
252.204-7018 (Jan 21)	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
252.204-7020 (Nov 20)	NIST SP 800-171 DoD Assessment Requirements (*excludes COTS items)
252.204-7021 (Nov 20)	Cybersecurity Maturity Model Certification Requirements (*only if in Prime SOW)
252.211-7003 (Mar 16)	Item Unique Identification and Valuation
252.225-7048 (Jun 13)	Export-Controlled Items
252.225-7052 (Oct 20)	Restrictions on the Acquisition of Certain Magnets, Tantalum, and Tungsten (*if exceeds \$250,000)
252.227-7015 (Feb 14)	Technical Data – Commercial Items
252.227-7037 (Sep 16)	Validation of Restrictive Markings on Technical Data
252.232-7017 (Apr 20)	Accelerating Payments to Small Business Subcontractors – Prohibition on Fees and Consideration
252.244-7000 (Jan 21)	Subcontracts for Commercial Items
252.246-7007 (Aug 16)	Contractor Counterfeit Electronic Part Detection and Avoidance System
252.246-7008 (May 18)	Sources of Electronic Parts

The following clauses are incorporated in full text: (Bastion Technologies, Inc. will be referred to interchangeably herein as “BASTION” or “Buyer”)

1. ORDER OF PRECEDENCE

Any inconsistencies in this solicitation or Purchase Order shall be resolved by giving precedence in the following order: (1) The Purchase Order (2) BASTION General Terms and Conditions and Supplements (3) Other documents, exhibits, and attachments.

2. NOTICE OF PRIORITY RATING FOR NATIONAL DEFENSE USE

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Any contract awarded as a result of this solicitation will be a DO rated order certified for national defense use under the Defense Priorities & Allocations System (DPAS) (15 CFR Part 700), and the Contractor will be required to follow all of the requirements of this regulation.

3. CHOICE OF LAW

Both parties agree that, irrespective of the place of performance of this Purchase Order, the Purchase Order will be construed and interpreted according to the federal law of government contracts as enunciated and applied by federal statutes and regulations and other judicial and quasi-judicial agencies of the federal government. To the extent that the federal law of government contracts is not determinative, recourse shall be had to the laws of the state of Texas.

4. ACCEPTANCE

This Purchase Order/Contract becomes the exclusive agreement between the parties for the supplies and/or services, subject to the terms and conditions herein. Any of the following shall constitute Seller's unqualified acceptance of this Order:

- (a) Written acknowledgment of this Order;
- (b) Furnishing of any supplies under this Order;
- (c) Commencement of performance of services;
- (d) Acceptance of any payment.

Seller's acceptance by any of the methods listed above shall constitute Seller's acceptance of all terms and conditions herein, notwithstanding any terms and conditions of Seller which alter in any way the provisions herein. Buyer does not assent to any such terms and conditions which alter in any way the terms and conditions herein, and such terms and conditions shall not become part of the agreement between the parties.

5. SPECIFICATIONS/DRAWINGS/STATEMENTS OF WORK

The Seller shall comply with all specifications, drawings, statements of work, or item descriptions on the face of the Purchase Order or referenced therein.

6. USE OF BUYER'S DATA

Seller shall not reproduce, use, or disclose any data, designs, or other information belonging to or supplied by Buyer, except as necessary in the performance of Purchase Order/Contract requirements. Upon Buyer's request, such data, design, or other information belonging to or supplied by Buyer, shall, as between Buyer and Seller, be and remain the exclusive property of Buyer and, upon Buyer's request, such data, design, or other information, or copies thereof, shall be returned to Buyer.

7. TITLE

Unless specified elsewhere in this Purchase Order/Contract, title to items furnished under this Order shall pass to BASTION upon delivery of the ordered goods to BASTION and approval thereof by BASTION.

8. ASSIGNMENTS

Neither this Purchase Order nor any duty or right under it shall be delegated or assigned by Seller without the prior written consent of Buyer, except that claims for moneys due under this order may be assigned to a bank, trust company, or other financial institution, including any Federal lending agency, by Seller without Buyer's consent. Buyer shall be furnished with a signed copy of any such assignment. Payment to an assignee of any such claim shall be subject to setoff or recoupment for any present or future claim or claims, which Buyer may have against Seller. Buyer reserves the right to make direct settlements or adjustments in price, or both, with Seller under the terms of this Purchase Order notwithstanding any assignment of claims for moneys due hereunder and without notice to the assignee. In no event shall copies of this Order, or of any plans, specifications, or other similar documents relating to work under this Order, if marked "Top Secret," "Secret," or "Confidential," be furnished to any assignee or to any other person not entitled to receive the same.

9. SUBCONTRACTS

Seller agrees that no lower tier Order placed under this Purchase Order shall provide for payment on a cost-plus percentage of cost basis. Seller shall include in each lower-tier subcontract the appropriate flow-down clauses as required by FAR.

10. PUBLICITY

Seller shall not, and shall require that its suppliers of any tier shall not, cause or permit to be released any publicity, advertisement, news release, public announcement, or denial or confirmation of same, in whatever form, regarding any aspect of this Purchase Order without Buyer's prior written approval.

11. PATENT INDEMNITY, TRADEMARKS, AND COPYRIGHTS

To the extent that the Supplies are produced to detailed designs not originated and furnished by Buyer or by a process or method, the use of which is not specifically directed by Buyer, Buyer shall have no responsibility to Seller for patent infringement and Seller guarantees that the sale or use of such Supplies or the use of such process or method hereunder will not infringe any United States or foreign patents, trademarks, or copyrights. Seller shall defend, indemnify, and hold Buyer and its customers harmless from any loss, cost, damage, expense (including, but not limited to attorney's fees), or liability which may be incurred on account of infringement or alleged infringement of patent rights, trademarks, or copyrights with respect to such supplies. Seller shall defend, at its own expense, any action or claim in which such infringement is alleged by third parties, provided Seller is notified of such actions or claims against Buyer.

12. CONFIDENTIAL INFORMATION

The parties hereto agree that upon receipt of information identified as PROPRIETARY OR CONFIDENTIAL, the receiving party shall allow access to this information only to those individuals who reasonably have a need to know this information for the purposes identified above and shall not reproduce any portion thereof or disclose it to any person, firm, or corporation or use it for its own benefit except as provided herein and shall use the same degree of care to avoid publication or dissemination of such information as the receiving party employs with respect to its own information which it does not desire to have published or disseminated. Such

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information shall not be deemed proprietary and the receiving party shall have no obligations with respect to any such information which:

- (a) Is already known to the receiving party; or
- (b) Is or becomes publicly known through no wrongful act of the receiving party; or
- (c) Is rightfully received from a third party without restriction and without breach of this Agreement; or
- (d) Is independently developed by the receiving party; or
- (e) Is furnished to a third party by the disclosing party without a similar restriction on the third party's rights; or
- (f) Is approved for release by written authorization of the disclosing party.

13. QUALITY CONTROL

Seller shall provide and maintain a quality control system acceptable to Buyer. During the performance of this Purchase Order Seller's quality control inspection systems and manufacturing processes are subject to review, verification and analysis by Buyer and authorized Government representatives.

14. INSPECTION

The Seller shall only tender for acceptance those items and services that conform to the requirements of this Purchase Order/Contract. BASTION reserves the right to inspect or test any supplies or services that have been tendered for acceptance. If any inspection or test is made on the premises of Seller or its lower-tier suppliers, Seller shall, without additional cost, provide all reasonable facilities and assistance for the safety and convenience of inspectors in the performance of their duties.

15. NON-WAIVER OF RIGHTS

The failure of BASTION to insist upon strict performance of any of the terms and conditions in the Order, or to exercise any rights or remedies, shall not be construed as a waiver of its rights to assert any of the same or to rely on any such terms or conditions at any time thereafter. The invalidity in whole or in part of any term or condition of this Order shall not affect the validity of other parts hereof.

16. GOVERNMENT SOURCE INSPECTION

Inspection and verification rights shall extend to the Government if a Government prime contract is identified on the face of the Purchase Order. Preliminary inspection for compliance with the Order specifications and requirements may be performed at origin by an authorized representative of the Government. When Government source inspection or acceptance is required prior to shipment, the Seller shall notify the cognizant Government representative (if known) to effect such inspection or acceptance. If the Government representative is not known or a Government representative is unavailable, Seller shall immediately notify the Buyer and provide adequate lead-time for the Buyer to notify the cognizant Government official.

17. WARRANTY

- (a) In addition to all other warranties which exist at law or in equity, the Seller warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this Purchase Order/Contract.
- (b) Notwithstanding inspection by BASTION, or acceptance by BASTION, Seller warrants that all supplies furnished hereunder will be free from defects in material and workmanship, conform to applicable specifications, drawings, samples, descriptions, or other requirements of this Purchase Order/Contract and, unless manufactured solely according to a detailed design provided to Seller by Buyer. If there is a breach of warranty, Buyer may return such supplies at Seller's expense for correction, replacement, or credit as Buyer may direct.
- (c) All warranties shall inure to Buyer and its customers.

18. REJECTED SUPPLIES

BASTION may require repair or replacement of nonconforming supplies or services at no cost to Buyer. If within fifteen (15) days after Buyer has notified Seller of the rejected supplies, Seller has not provided Buyer with reasonable disposition instructions, including agreement to pay expenses incurred by Buyer, Buyer may continue to hold the rejected supplies at Seller's expense, or return them to Seller's facility at Seller's expense. Previously rejected supplies reworked to specifications, or replaced, shall not be retendered to Buyer by Seller unless notification of such past rejection is submitted with the retender and Buyer has consented to such retender.

19. RESPONSIBILITY FOR PROPERTY

Unless otherwise specified, Seller shall be liable for any loss or damage to Buyer-furnished property to the Seller, including Government property. Seller shall be responsible for returning any such property in as good condition as when received except for reasonable wear and tear or for the utilization of it in accordance with the provisions of this order. Title to all furnished property shall remain with BASTION or the Government. No lien registered by Seller shall be effective in regard to Government property.

20. INDEMNIFICATION

- (a) Seller shall indemnify, defend, and hold harmless Buyer from and against any and all liability for injury to persons or property arising out of or related to the items provided by Seller or work done by Seller under this Purchase Order/Contract. Seller's indemnity to Buyer shall include, but not be limited to, any and all expenses, damages assessed, attorney's fees, or any other costs, incurred by Buyer in the defense of any claim or suit; provided, however, that Seller shall not be responsible under this indemnity provision for injury to persons or property resulting solely from the negligence of Buyer, its agents, or employees.
- (b) BASTION shall promptly notify Seller of any claim against BASTION which is covered by the indemnification provision and shall authorize representatives of Seller to settle or defend any such claim or suit and to represent BASTION in, or to take charge of, any litigation in connection therewith.

21. DEFAULT

- (a) In addition to, and without waiver of, all other remedies, BASTION may, by written notice of default to the Seller, terminate this Purchase Order/Contract in whole or in part if the Seller fails to perform in accordance with any of the provisions of this Purchase Order/Contract or as otherwise required of the Seller by law.
- (b) BASTION will provide a reasonable period of time, not to exceed 10 calendar days, during which the Seller shall have the opportunity to cure the Default provided, however, that a default in delivery shall not be curable.

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- (c) A failure to perform by Seller caused entirely by force majeure shall not be considered an event of default by Seller, provided, however, that Seller shall nevertheless be liable to Buyer for expenses, damages, or costs incurred by Buyer as a result of such force majeure. The Seller shall not be liable for any excess costs if the failure to perform arises from causes beyond the control and without the fault or negligence of the Seller. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Seller or any of its subcontractors, vendors or suppliers.

22. PACKING AND SHIPMENT:

- (a) Freight shipments are to be routed via Purchase Order instruction or as authorized by Buyer. In general, Shipments are to be made F.O.B Destination.
- (b) Freight Charges: :
If F.O.B Origin is required Seller shall notify Buyer if transportation costs will exceed \$100. Compliance with F.O.B. Origin - Shipment by Government Bill of Lading is required if the transportation costs will exceed \$100 and the Purchase Order is placed under a NASA Government prime contract.
United Parcel Service, Federal Express or similar shipments are to have freight charges prepaid and added to the invoice. Attach copies of paid freight bills to any invoice that includes transportation charges.
- (c) Purchase Order Number(s) must appear on all correspondence; shipping labels; invoices; and shipping documents, including Packing Sheets, Bills of Lading, and Airbills.
- (d) All shipments shall be made in strict conformity with governing tariff rules and regulations and packaging specifications except where otherwise specifically required by the Purchase Order.
- (e) Classified shipments must be handled in conformance with specific instructions made part of the Purchase Order.
- (f) Seller shall use best commercial practice for packing and packaging of items to be delivered under this order unless otherwise specified herein. Supplies shall be prepared for shipment and packaged to prevent damage or deterioration, and give optimum protection of the supplies during shipment and in-plant handling and storage.
- (g) The packaging, labeling and shipping of all HAZARDOUS SUBSTANCES, including DANGEROUS MATERIALS, must conform with applicable international, federal and state laws/regulations.

23. F.O.B. ORIGIN - SHIPMENT BY GOVERNMENT BILLS OF LADING (GBL) (NFS 18-52.247-73)

- (a) F.O.B. origin shipments shall be made on a GBL if the transportation costs will exceed \$100 (one hundred dollars).
- (b) At least 15 days before shipment, the Seller shall request, in writing, GBL's from the Buyer.
- (c) If time is limited contact the Buyer for instructions.
- (d) The Seller shall prepay F.o.b. origin transportation charges of \$100 or less per shipment. BASTION shall reimburse the Seller for these charges if they are added to the invoice as a separate line item supported by the paid freight receipts.

24. DELIVERY

Time is of the essence in the delivery of any items to be delivered by Seller pursuant to this Purchase Order/Contract. Delivery according to schedule is of the essence. If at any time it appears to Seller that any delivery schedule cannot be met, Seller shall notify Buyer, in writing, as soon as possible as to the causes thereof and the action being taken by Seller to remove such cause or to recover to the maximum extent possible any delay in meeting such schedules. Buyer, at its sole discretion, shall choose to accept or reject the delayed items by immediate notification to Seller of its choice once it has received notice from Seller that the items will be delayed and the actions being taken by Seller to Buyer as a result of such delay. Such reasonable action by the Seller shall include but shall not be limited to shipment via expedited routing and carrier.

25. INVOICE

- (a) The Seller shall submit an original invoice (or electronic invoice, if authorized) to the address designated in the Order. The invoice must include:
1. Name and address of the Seller;
 2. Invoice Date;
 3. Purchase Order/Contract Number;
 4. Description, quantity, unit of measure, unit price and extended price of the items delivered;
 5. Shipping number and date of shipment;
 6. Terms of any prompt payment discount offered;
 7. Name, title, and phone number of Seller's point of contact.
- (b) Without limiting Buyer's other remedies, if supplies/services are not furnished when scheduled, Buyer may withhold remaining payments (or such portion thereof as Buyer may deem equitable) until such deficiency or delinquency is cured. All shipping costs and all Federal manufacturers' and retailers' excise and state or local taxes, when applicable, must be billed as separate items on Seller's invoice.

26. DISPUTES

- (a) Disputes, if not settled by agreement of the parties, shall at the option of either party and, upon written notice to the other party, be finally settled by arbitration in accordance with the rules of the American Arbitration Association. Arbitration shall take place in Houston, Texas. In any such arbitration there shall be appointed three arbitrators, one appointed by each of the parties and a third arbitrator who unless selected by agreement between the other arbitrators within fifteen (15) days after the appointment of the second arbitrator shall be appointed by the regional office of the American Arbitration Association (AAA). If either party fails to appoint an arbitrator within thirty (30) days after notice for arbitration has been given, then such appointment shall also be made by the regional office of the AAA.
- (b) Disputes shall be submitted to the arbitrators in such a manner as they deem appropriate and the decision of the majority of the arbitrators rendered in writing shall be final and conclusive and binding upon the parties. The arbitrators shall not be empowered to award punitive damages to any party.

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- (c) Each party shall pay its own expenses in connection with the arbitration, but the compensation and expense of the arbitrators shall be borne in such a manner as may be specified in the decisions of the arbitrators.

27. TERMINATION

- (a) BASTION reserves the right to terminate this Purchase Order/Contract, or any part hereof. In the event of such termination, the Seller shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this Order, the Seller shall be paid a percentage of the Order price reflecting the percentage of the work performed and accepted by Buyer prior to the notice of termination, plus reasonable charges the Seller can demonstrate to the satisfaction of BASTION using its standard record keeping system, have resulted from the termination. The Seller shall not be paid for any work performed or costs incurred which reasonably could have been avoided.
- (b) If the Purchase Order/Contract is terminated for default, BASTION may require the Seller to transfer title and deliver to the Buyer any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that the Seller has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Buyer, the Seller shall also protect and preserve property in its possession in which BASTION has an interest.
- (c) BASTION shall pay contract price for completed supplies, or services delivered and accepted. The Seller and Buyer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property and services provided. Failure to agree will be a dispute under the "Disputes" clause herein.

28. CONTRACTING OFFICER DECISIONS

If a decision arising under a Government contract is made by an authorized Contracting Officer, said decision, if binding upon Buyer under the contract, shall in turn be binding upon Seller with respect to such decisions insofar as it relates to this Order. If as a result of any decision or judgment that is binding upon Seller, and Buyer is unable to obtain reimbursement from its customer or the Government under the contract for or is required to refund or credit to its customer or the Government any amount with respect to any item of cost or fee for which Buyer has reimbursed Seller, Seller shall, on demand, promptly repay such amount to Buyer. The rights and obligations described herein shall survive completion of and final payment under this Order.

29. NO GOVERNMENT CLAIMS

In no event shall the Seller acquire any direct claim or direct course of action against the United States Government.

30. ENTIRE AGREEMENT

It is expressly agreed that this Order embodies the entire Agreement of the Parties in relation to the subject matter hereof, and that no promises, understanding, obligations, or agreements, verbal or otherwise, exist between the Parties except as herein expressly set forth. Changes to this Order shall only be binding upon both parties when executed by a duly authorized representative of both organizations.