L3Harris General Provisions – Services or Construction (Repair or Minor Modification)

SECTION I

1. DEFINITIONS

As used in the Purchase Order/Subcontract:

a. “Certificate of Compliance” means a certificate signed by an authorized representative of Seller’s Quality Department, certifying that the Work performed is of the quality specified and conforms in all respects with the requirements of the Purchase Order.

b. “Clause” shall mean any Clause of these General Provisions.

c. “Days” shall mean calendar days unless otherwise expressly provided in the Purchase Order.

d. “Effective Date” means the date on the front page of the Purchase Order.

e. “Gratuities” means any money, fee, commission, credit, gift, thing of value, or compensation of any kind which is provided, directly or indirectly, to any L3Harris employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with the Purchase Order.

f. “L3Harris Proprietary Information” shall mean trade secret, confidential, or proprietary information disclosed by L3Harris to Seller in connection with the Purchase Order, which either is identified to Seller as trade secret, confidential, or proprietary information or which is information that a reasonable person would understand to be trade secret, confidential, or proprietary information, including, but not limited to, customer lists, pricing policies, market analyses, business plans or programs, software, specifications, manuals, print-outs, notes and annotations, performance data, designs, processes, data, reports, photographs, and engineering, manufacturing or technical information related to L3Harris’ or any third party’s products and services, as well as any duplicates or copies thereof. L3Harris Proprietary Information shall not include any information previously known to Seller without obligation of confidentiality, or which is in the public domain.

g. “L3Harris” means the L3Harris legal entity issuing the Purchase Order.

h. “L3Harris Proprietary Information” shall mean trade secret, confidential, or proprietary information disclosed by L3Harris to Seller in connection with the Purchase Order, which either is identified to Seller as trade secret, confidential, or proprietary information or which is information that a reasonable person would understand to be trade secret, confidential, or proprietary information, including, but not limited to, customer lists, pricing policies, market analyses, business plans or programs, software, specifications, manuals, print-outs, notes and annotations, performance data, designs, processes, data, reports, photographs, and engineering, manufacturing or technical information related to L3Harris’ or any third party’s products and services, as well as any duplicates or copies thereof. L3Harris Proprietary Information shall not include any information previously known to Seller without obligation of confidentiality, or which is in the public domain.

i. “Prime Contract” means the Contract existing between L3Harris and L3Harris’ Customer.

j. “Purchase Order” means the Purchase Order, including these General Provisions and all other plans, specifications, schedules, regulations, and other documents that are attached to or incorporated by reference into the Purchase Order.

k. “Seller” means the individual, association, partnership, corporation or other entity that agrees to perform in accordance with the Purchase Order.

l. “Work” means the services that are the subject of the Purchase Order and any ancillary goods (e.g., materials, equipment, products, hardware, software, or information) furnished by Seller to L3Harris in performance of and pursuant to the Purchase Order.

2. ENTIRE AGREEMENT

Seller agrees to the following General Provisions, and Seller further agrees that the terms and conditions of the Purchase Order and any documents (including these General Provisions and any plans, specifications, schedules, regulations, etc.) attached to or incorporated by reference into the Purchase Order shall constitute the entire agreement between the parties hereto and supersede all prior agreements relating to the subject matter hereof. Seller represents and warrants that in entering the Purchase Order, Seller does not rely on any previous direct or implied representation, inducement, or understanding of any kind.

3. ORDER OF PRECEDENCE

To the extent there are any conflicts among the provisions within the Purchase Order, such conflicting provisions shall prevail in the following order of precedence:

a. Purchase Order;

b. Special Provisions as identified in the Supplemental Terms;

c. These General Provisions;

d. Statement of Work or any other attachments when attached or incorporated by reference;

e. Specifications or any other performance requirements

4. ACCEPTANCE—MODIFICATION OF TERMS

a. The Purchase Order constitutes acceptance of Seller’s offer and such acceptance is expressly made conditional on Seller’s assent to the terms and conditions contained in the Purchase Order. The Purchase Order will be deemed accepted by Seller upon the first to occur:

i. Seller’s written acceptance of the Purchase Order; or

ii. Seller’s commencement of performance under the Purchase Order. In either such event any additional or different terms proposed by Seller are rejected unless expressly approved in writing by L3Harris. No communication from Seller that in any way differs from or adds to the Purchase Order, irrespective of whether or not L3Harris reasonably objects thereto, will be binding upon L3Harris unless such different or additional terms are incorporated into a writing signed by both L3Harris and Seller, making express reference to the Purchase Order.

5. CHANGES

a. L3Harris may, at any time, by written notice, make changes within the general scope of the Purchase Order, including, without limitation, changes to the:

(i) shipping and packing instructions;

(ii) quantity or scope of the Work ordered;

(iii) drawings, designs or specifications or other technical documents, including, but not limited to, the statement of work;

(iv) place of performance, inspection, delivery or acceptance of the Work; and

(v) amount of Customer-furnished or L3Harris-furnished property.

Except as otherwise provided in the Purchase Order no changes shall be made unless such change is authorized in writing by L3Harris.

b. Equitable Adjustment: If any such change causes a variation in the cost of performance or the time required for performance, L3Harris may make an equitable adjustment in the Purchase Order price and delivery schedule (except as otherwise provided herein) and the parties’ shall modify the Purchase Order in writing accordingly. Seller must make any request for an equitable adjustment of price or schedule in writing to L3Harris within fifteen (15) days from the date of L3Harris’ written notification to Seller of the change or such further time as L3Harris may allow in writing. Seller shall then have thirty (30) days; from the date it submitted its request to L3Harris for an equitable adjustment to submit a fully supported proposal. Seller’s failure to adhere to the time deadlines in submitting its equitable adjustment proposal shall waive Seller’s right to seek an equitable adjustment. Pending any equitable adjustment, Seller shall proceed in accordance with any directed changes.

c. Change Based on Prime Contract Change: If L3Harris issues a change based on a change in the Prime Contract, the
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6. TERMINATION FOR DEFAULT

a. General: In addition to any other remedies provided in the L3Harris General Provisions – Services or Construction (Repair or Minor Modification) Clause, L3Harris, at its sole discretion, may take one or more of the following actions:

(i) to perform the Work in accordance with the delivery schedule specified in the Purchase Order or any extension thereof by Change Order; or

(ii) to make progress so as to endanger performance of the Purchase Order in accordance with its terms and, in the circumstances specified in (2) through (4) above, does not correct such failure within a period of seven (7) days or such longer period as L3Harris may authorize in writing after receipt of notice from L3Harris specifying such failure. In the event that the Purchase Order provides for the furnishing of Work in more than one lot, L3Harris may terminate the entire Order for cause upon Seller's failure as described above in connection with any one lot or part thereof.

b. Remedies: In the event of termination pursuant to this Clause, L3Harris, at its sole discretion, may take one or more of the following actions:

(i) Purchase similar Work elsewhere on such terms and in such manner as L3Harris may deem appropriate and Seller shall be liable to L3Harris for any excess costs occasioned by L3Harris thereby;

(ii) Provide such materials, supplies, equipment and labor as may be necessary to complete the Work ordered hereunder, pay for same and deduct the amount so paid from any money then or thereafter due Seller;

(iii) Order all work under the Purchase Order stopped immediately, enter upon the premises and take possession, for use in completing the Work, of all the materials (regardless of the stage of completion) supplies, tools, equipment and appliances of Seller thereon and complete the Work, or have the same completed by others, and be liable to Seller for no further payment under the Purchase Order until final payment is due and then only if and to the extent that the then unpaid balance under the Purchase Order exceeds the damages and expenses incurred by L3Harris;

(iv) Require Seller to transfer title and deliver to L3Harris as directed by L3Harris any completed Work, and

1. partially completed Work, and

2. supplies, materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that Seller has specifically produced or acquired for the terminated portion of the Purchase Order;

(v) Take any other action as applicable in law, equity or the Purchase Order may allow.

c. Wrongful Termination: If, after notice of default under paragraph a. above, it is determined that Seller was not in default, said notice shall be deemed to have been issued pursuant to the clause entitled "Termination for L3Harris’ Convenience," and the rights and obligations of the parties shall be governed by that Clause.

d. Payment by Seller: If the damages and amount expended or incurred by L3Harris under paragraph b. above exceed the unpaid balance of the Purchase Order price herein stated, Seller shall pay L3Harris such excess within a thirty-day (30) period after L3Harris submits the invoice to Seller.

e. Limitation of Liability: IN THE EVENT OF TERMINATION UNDER THIS CLAUSE, L3HARRIS SHALL BE LIABLE TO SELLER ONLY FOR WORK PERFORMED BY SELLER AND ACCEPTED BY L3HARRIS BUT NOT YET PAID FOR BY L3HARRIS AND SELLER SHALL BE LIABLE TO L3HARRIS FOR ANY AND ALL RIGHTS AND REMEDIES PROVIDED BY THIS PURCHASE ORDER AND THE LAW.

7. TERMINATION FOR L3HARRIS’ CONVENIENCE

a. L3Harris reserves the right to terminate the Purchase Order, or any part hereof, for its sole convenience with written notice of termination, when such action is reasonably required as a result of L3Harris’ customer action affecting all or part of the performance of the Purchase Order. In the event of such termination, 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 the Purchase Order, Seller shall be paid a percentage of the Purchase Order price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges that Seller can demonstrate to the satisfaction of L3Harris using its standard record keeping system and, have resulted from the termination (the “Termination Settlement”). Seller shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This Clause does not give L3Harris any right to audit Seller's records. Seller shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

b. Seller must submit a fully supported termination for convenience cost proposal within thirty (30) days from the date of L3Harris’ written notification to Seller of the termination for convenience or such further time as L3Harris may allow in writing. Seller’s failure to comply with the time deadlines in this Clause for submitting a termination for convenience proposal shall waive Seller’s right to recover any termination for convenience amounts. If L3Harris issues a termination for convenience notice to Seller based on a termination for convenience (in whole or in part) under the Prime Contract, the termination for convenience payment to Seller, if any, will in no event be greater than the amount allowed to L3Harris under the Prime Contract for the termination for convenience of the Purchase Order.

8. USE OF L3HARRIS’ PROPRIETARY INFORMATION

a. Protection of L3Harris Proprietary Information: Seller shall use and duplicate L3Harris Proprietary Information only as necessary for Seller’s performance under the Purchase Order. Seller shall hold the L3Harris Proprietary Information confidential and shall not disclose L3Harris Proprietary Information to any third party, without L3Harris’ written permission. Requests for permission to disclose L3Harris Proprietary Information shall identify the specific information to be released, the medium to be used, and the purpose for release. Seller shall submit such a request to L3Harris at least 30 days before the proposed date for release. Seller shall return to L3Harris, or destroy and certify as destroyed, all L3Harris Proprietary Information upon completion of Seller’s performance under the Purchase Order, L3Harris' written request, or termination of the Purchase Order, whichever is earliest.
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b. Flow-down Requirement: Seller may disclose L3Harris proprietary information to its subcontractors only as required for performance of the Purchase Order and provided that each such subcontractor first assumes by written agreement the same confidentiality and non-disclosure imposed on Seller under the Purchase Order.

c. License Rights: The Purchase Order does not confer or grant, in any manner, any license or right under any patent, trademark, trade secret, maskwork, copyright or other intellectual property right held by L3Harris, unless specifically set forth in the body of the Purchase Order. Any intellectual property license or other authorization extended by express grant from L3Harris to Seller as a result of the Purchase Order is limited by the necessities of Seller’s performance hereunder. Any such license shall terminate upon completion of Seller’s performance hereunder or termination of the Purchase Order, whichever is earlier.

d. Advertise and News Release

Seller shall not, without the prior written consent of L3Harris, use in advertisements and any other media, information relating to the Purchase Order or any Work performed hereunder. Seller shall submit its request to L3Harris at least 30 days before the proposed date for release. Seller agrees to include a similar requirement in each subcontract under the Purchase Order. Subcontractors shall submit requests for authorization to release through Seller to L3Harris.

9. PAYMENT

a. Seller shall submit invoices to L3Harris in accordance with the terms of the Purchase Order, and such invoices shall contain at least the following information: Purchase Order number, description of the Work, and supporting documentation for the amount invoiced. L3Harris institutes its invoice payment processing on the first and fifteenth of each month and will pay invoices properly submitted hereunder within thirty (30) days of its bi-monthly invoice payment processing dates unless otherwise stated in the Purchase Order, after receipt of invoices and acceptance of the Work by L3Harris subject to the other provisions of the Purchase Order. Payment by L3Harris shall be deemed to have been made on the date L3Harris deposited the payment in the U.S. mail or with another recognized commercial carrier, or the date L3Harris made the electronic funds payment.

b. L3Harris may make any adjustment or withhold any payment L3Harris reasonably deems appropriate in Seller’s invoices due to late delivery, rejections or other failure to comply with the requirements of the Purchase Order. Payment does not constitute final acceptance.

c. The price set forth in the Purchase Order covers all Work ordered by L3Harris. The aggregate of the payments and reimbursements due the Seller by L3Harris shall not exceed the price for Seller’s Work in the Purchase Order and Seller is not authorized to exceed nor is L3Harris obligated to pay Seller any amount exceeding the price of the Work stated in the Purchase Order. Any increase in the price for the Work shall be made by a change order in accordance with the clause entitled “Changes”.

d. If so specified in the Purchase Order, the Seller shall furnish a signed Certificate of Compliance to the requirements of the Purchase Order with each invoice. To substantiate the Certificate of Compliance; the Seller shall maintain inspection or test records which L3Harris or a L3Harris representative may audit from time to time.

10. TAXES

a. Except for any exemption which Seller may demonstrate applies, the price set forth in the Purchase Order is hereby understood and agreed to include all applicable foreign, Federal, state, and local taxes, including any sales and use taxes. Seller shall avail itself of any exemptions in the sales and use tax laws of any jurisdiction (other than Florida) in which Seller is performing the Work, and the price set forth on the Purchase Order assumes such exemptions are being used. Subject to the foregoing, no liability shall accrue to L3Harris for any such taxes.

b. State of Florida Sales Tax Exemption: L3Harris is registered as a dealer under the Florida Revenue Act of 1949 relating to sales and use taxes with the assigned dealer number 15-16-004700-63, (L3Harris, Melbourne, Florida).

11. KEY PERSONNEL

Seller may not remove or substitute personnel identified as Key Personnel in the Purchase Order from the Work, and Seller may not reduce the contribution of identified Key Personnel from the amount contemplated herein without the prior written consent of L3Harris. Should any Key Personnel leave the employ of, or otherwise become unavailable, Seller shall, in consultation with L3Harris, replace such person with another person of comparable experience and qualifications.

12. NON-SOLICITATION

Seller agrees not to solicit for employment or hire any employee of L3Harris with whom Seller’s personnel or agents have had contact with in the course of performing the Work under the Purchase Order. This restriction shall apply during a period of 180 days after completion of the Work rendered hereunder. This clause shall not restrict any employee from responding to or accepting offers of general employment from either party.

13. INTELLECTUAL PROPERTY RIGHTS

Seller agrees that L3Harris shall become entitled to, as L3Harris’ property, all improvements, inventions, and discoveries, whether or not patentable, conceived of or made by Seller or Seller’s agents, whether alone or with others, conceived of or first reduced to practice in connection with Seller’s performance under the Purchase Order, whether or not such improvements, inventions, or discoveries are conceived of or made during regular working hours. Seller shall promptly disclose to L3Harris in written detail any such improvements, inventions, and discoveries and shall take all steps required to promptly vest title to such improvement, inventions, and discoveries to L3Harris. Seller further agrees that to the extent any data, writings, reports, or other information are first created by Seller or its agents under the Purchase Order and comprise works susceptible to protection under the copyright laws, Seller agrees that such works shall be deemed “works for hire” hereunder. In the event any such work is determined not to be a “work for hire” under the copyright laws, this provision shall operate as an irrevocable license assigned by Seller to L3Harris of the copyright in the work, including, without limitation, all right, title, and interest therein, in perpetuity. For all other Seller intellectual property of any sort (including without limitation any patent, trademark, trade secret, maskwork, or copyright) delivered under the Purchase Order, Seller hereby grants to L3Harris and L3Harris’ Customer, and all others acting on L3Harris’ behalf, a paid-up, non-exclusive, irrevocable worldwide license to reproduce, prepare derivative works, and distribute copies, for use in performance of L3Harris’ obligations under the Prime Contract and all other uses contemplated by the Purchase Order or the Prime Contract.

14. ASSIGNMENT AND DELEGATION

a. Non-Assignment: Seller shall not assign the Purchase Order or any rights or claims under the Purchase Order without the prior written consent of L3Harris. Seller agrees that any attempted assignment shall be void without the prior written consent of L3Harris.

b. Non-Delegation: Seller shall not delegate or subcontract any obligation or performance under the Purchase Order without the prior written consent of L3Harris and any such attempted delegation or subcontract shall be void. L3Harris’ consent for any subcontract:

(i) shall not constitute a determination of the acceptability of any subcontract terms or conditions or the acceptability of any subcontract price or any amounts paid under the subcontract, and

(ii) shall not relieve Seller of any responsibility arising under the Purchase Order, regardless of whether certain Work is performed directly by Seller or by a subcontractor.
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15. STOP WORK ORDERS
   a. L3Harris may at any time, by written order to Seller, require Seller to stop all, or part, of the Work called for by the Purchase Order for a period of up to one hundred (100) days after the Stop Work Order is delivered to Seller, and for any further period to which the parties may agree. L3Harris shall specifically identify any such order as a Stop Work Order issued pursuant to this Clause. Upon receipt of such an order, Seller shall forthwith comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Purchase Order during the period of work stoppage. Within a period of one hundred (100) days after a Stop Work Order is delivered to Seller, or within any extension of that period to which the parties shall have agreed to in writing, L3Harris shall either:
      i. Cancel the Stop Work Order; or
      ii. Terminate the Work covered by such Order as provided in the Termination For Default or Termination For Convenience Clause of the Purchase Order.
   b. If Seller believes that any such suspension or withdrawal of suspension justifies modification of the price of or time for performance, Seller shall comply with the provisions (including, without limitation, the time deadlines and liability limitations) set forth in Changes, Limitation of Liability, Termination for Convenience and Termination for Default Clauses set forth herein. In such a case and provided that Seller makes a timely claim for equitable adjustment, L3Harris will be responsible only for Seller’s additional direct costs in holding the Work or delaying performance.

16. APPLICABLE LAW AND VENUE
   a. The Purchase Order, and any disputes related hereto, shall be governed by and interpreted in accordance with the laws of the State of Florida, USA, regardless of any conflict of law principles requiring the application of any other law. The Convention of the International Sale of Goods shall not apply to this PO. Except as otherwise specified herein, the parties agree that the exclusive venue for any action related to the dispute or interpretation of the Purchase Order shall be in the courts with the appropriate jurisdiction located in the 18th Judicial Circuit of the State of Florida or the U.S. District Court for the Middle District of Florida (Orlando Division), and each party irrevocably submits to the jurisdiction of each such court in any such action and waives any objection it may now or hereafter have to venue or personal jurisdiction in each such court. The prevailing party in any action related to the dispute or interpretation of the Purchase Order shall be entitled to recover its reasonable attorneys fees incurred in pursuing the action, including those fees incurred throughout all bankruptcy and appellate proceedings.
   b. Waiver and Jury Trial: The parties mutually and intentionally agree, to the extent permitted by law, to waive all rights to a trial by jury of any Dispute. The parties specifically acknowledge that this mutual waiver is made knowingly and voluntarily after an adequate opportunity to negotiate its terms.
   c. Seller’s Obligation to Continue Performance. Pending any prosecution, appeal or final decision or the settlement of any dispute arising under the Purchase Order, Seller shall proceed diligently as directed by L3Harris with performance of the Purchase Order.
   d. In the event L3Harris terminates for Seller’s breach, the rights and remedies identified herein are cumulative and are in addition to any other rights or remedies provided by law or equity.

17. ADVERSE MATERIAL CHANGE
   a. In the event Seller experiences or reasonably expects to experience a Material Adverse Change in its business operations, Seller will promptly notify L3Harris in writing of such Material Adverse Change no later than five (5) days after such change occurs. For purposes of this section, “Material Adverse Change” will mean any change (whether related to financial considerations or otherwise) that negatively affects:
      (i) Seller’s ability to perform its obligations under the Purchase Order or these General Provisions;
      (ii) L3Harris’s rights and remedies under the Purchase Order or these General Provisions;
      (iii) Inability to pay creditors when due; and/or
      (iv) The validity or enforceability of the Purchase Order or these General Provisions.
   b. If, in the reasonable opinion of L3Harris, Seller’s Material Adverse Change is likely to negatively affect Seller’s performance of its obligations hereunder, L3Harris will be entitled to request reasonable assurances of performance from Seller, which Seller will provide in writing within seven (7) days of L3Harris’ written request. If such assurances are not adequate, L3Harris will be entitled to immediately terminate the Purchase Order for default upon written notice to Seller.

18. Delay In Performance
   a. Time is of the essence in the Purchase Order.
   b. In the event the Seller encounters difficulty in meeting performance requirements, or when he anticipates difficulty in complying with the delivery schedule or date, he shall immediately notify L3Harris, in writing, giving pertinent details; provided, however, that this data shall be informational only in character and that this provision shall not be construed as a waiver by L3Harris of any delivery schedule or date or any rights or remedies provided by law or under the Purchase Order.

19. FACILITIES, SPECIAL TOOLING, AND TEST EQUIPMENT
   a. Unless otherwise specified herein, Seller shall supply all necessary services, facilities, materials, and equipment (including, but not limited to, tools, test apparatus, etc.). Unless specifically provided to the contrary in the Purchase Order, Seller warrants that the Purchase Order price does not include as a direct charge to the Purchase Order the cost of any special tooling, test equipment, or industrial facilities.
   b. If, in connection with the Purchase Order, L3Harris or L3Harris’ Customer furnishes any facilities, materials, equipment, tools, drawings, or other property to Seller, Seller accepts the property “as is, where is.” Seller shall maintain such property in good condition and keep the property adequately insured. Seller shall use such property only in performance of Work under the Purchase Order unless L3Harris consents otherwise, in writing. Seller shall assume the risk of, and bear responsibility for, any loss, destruction of, or damage to the property while in Seller’s possession or control, unless otherwise agreed in writing by L3Harris. Seller shall return all such property upon completion of use or at such earlier time as L3Harris may request in a condition as good as when received except for reasonable wear and tear.

20. INSURANCE
   a. Types of Insurance: Unless otherwise specified by L3Harris in writing, Seller shall maintain and cause Seller’s subcontractors to maintain during the term of the Purchase Order:
      (i) Workers’ compensation insurance as prescribed by the law of the state or nation in which the work is performed;
      (ii) employer’s liability insurance with limits of at least $500,000 for each occurrence;
      (iii) automobile liability insurance if the use of motor vehicles is required hereunder, with limits of at least $1,000,000 combined single limit for bodily injury and property damage per occurrence; and
      (iv) Commercial General Liability (“CGL”) insurance, ISO 1988 or later occurrence form of insurance, including, without limitation, Blanket Contractual Liability and Broad Form Property Damage, with limits of at least $2,000,000 combined single limit for bodily injury and property damage per occurrence. All CGL and automobile liability insurance shall designate L3Harris, its affiliates, and its directors, officers, and employees as additional insureds.
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All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available. Insurance companies providing coverage under the Purchase Order must be rated by A.M. Best with at least an A-VII rating. If specifically requested by L3Harris, Seller and Seller’s subcontractors shall furnish, prior to the start of work or at such other time as L3Harris requires, certificates or adequate proof of the foregoing insurance, including, without limitation, endorsements and policies. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interest of L3Harris or L3Harris’ Customer shall not be effective

1.) for such period as the laws of the State in which the Purchase Order is to be performed prescribe or
2.) until thirty (30) days after the insurer or Seller gives written notice to L3Harris, whichever period is longer. Any other coverage available to L3Harris shall apply on an excess basis. Seller agrees that Seller, Seller’s insurer(s) and anyone claiming by, through, under or on Seller’s behalf shall have no claim, right of action or right of subrogation against L3Harris and L3Harris’ Customer based on any loss or liability insured against under the foregoing insurance.

21. STANDARDS OF CONDUCT

Seller shall at all times enforce strict discipline and good order among its employees, and shall not employ on the Work covered by the Purchase Order any unfit person or anyone not skilled in the Work assigned to him. Seller also agrees that any employee, subcontractor, or agent provided under the Purchase Order to perform Work on L3Harris’ premises will acknowledge in writing the employment policies of L3Harris, which address sexual harassment, drug and alcohol abuse, and equal opportunity, and agree to abide by such policies. Seller agrees that Seller personnel or agents performing Work on L3Harris’ premises or the premises of L3Harris’ Customer also will observe all fire prevention, security, and safety rules in force at the site of the Work. In addition to any other indemnification obligations in the Purchase Order, Seller shall indemnify L3Harris against any liability arising from a violation of such acknowledgment by Seller’s employee, subcontractor, or agent. In addition to any other remedies available to L3Harris, L3Harris may, without notice and an opportunity to cure, expel from its property or worksite, or the property or worksite of L3Harris’ Customer, any employee, subcontractor or agent of Seller found violating any acknowledged L3Harris policy.

22. EFFECT OF INVALIDITY/SEVERABILITY

In the event any portion of the Purchase Order conflicts with governing law or if any arbitration panel or court of competent jurisdiction holds invalid, illegal, or unenforceable any portion of the Purchase Order, such portion (and only such portion) shall be deemed severed or modified to reflect as nearly as possible the parties’ original intent. The remainder of the Purchase Order shall remain in full force and effect.

23. SURVIVAL

The General Provisions of the Purchase Order, which by their very nature would continue beyond the termination, cancellation, or expiration of the PO, including, without limitation, Clauses 6 (Termination by Default), 7 (Termination for Convenience), 8 (Use of L3Harris Proprietary Information), 13 (Intellectual Property Rights), 16 (Applicable Law and Venue), 17 (Adverse Material Change), 24 (Compliance with Laws), 25 (Notices), 30 (Warranty of Services), 33 (Gratuities), 35 (Use of Open Source Software (OSS)), 36 (Non-Waiver), 37 (Compliance with Hazardous Substances and Waste Recycling Laws) and 38 (Indemnification) shall continue as valid and enforceable rights ad obligations of the parties and survive termination, cancellation, or expiration of the Purchase Order.

24. COMPLIANCE WITH LAWS

Seller agrees in the performance of the Purchase Order to comply with all applicable Federal, State, and local laws, regulations, rules and orders, and any applicable Executive Orders.

25. NOTICE

Any notice or other communication required or permitted to be given by any provision of the Purchase Order shall be in writing and shall, unless otherwise provided, be deemed to have been effectively given:

a. upon personal delivery;

b. when sent by registered or certified first class mail, postage pre-paid;

c. when sent by an overnight courier service with all fees prepaid; or

d. when sent by electronic transmission at the address set forth in the Purchase Order.

26. FORCE MAJEURE

Notwithstanding any other provision of the Purchase Order, neither L3Harris nor Seller shall be liable for delay or failure of performance occasioned by causes beyond its control, including, but not limited to, acts of God or the public enemy, civil unrest, riots, acts of terrorism, declared or undeclared war, fire, floods, unusually severe weather, earthquakes, or volcanoes (“Force Majeure Event”). If either Party is affected by a Force Majeure Event, the affected party shall give the other written notice, which shall cause, without penalty to either Party, all obligations under the Purchase Order to be immediately suspended for a period up to sixty (60) days. If the period of suspension caused by the Force Majeure Event exceeds sixty-day period, L3Harris either may terminate the Purchase Order for convenience in accord with Clause 7, Termination for Convenience or suspend the Purchase Order for an additional period under Clause 15., Stop Work Orders. Any Termination Settlement or equitable adjustment sought by Seller following the termination for convenience or suspension may not include any costs incurred during the first sixty-day suspension.

27. DISPUTES UNDER THE PRIME CONTRACT

a. General: Notwithstanding Clause 16, Applicable Law and Venue, any dispute arising under or related to the Purchase Order, which L3Harris could include in a claim or other demand under the disputes provisions of the Prime Contract shall be resolved at L3Harris’ discretion. In the event L3Harris agrees to submit a claim to its Prime Contractor that includes Seller’s claim, Seller shall

(i) provide L3Harris with a fully supported written claim, properly certified, in a time and manner specified by L3Harris;

(ii) Seller shall cooperate with L3Harris in prosecuting Seller’s timely made claim or demand and will be bound by the resulting decision; and

(iii) Seller shall pay its proportional costs in pursuing the claim. If Seller fails to provide L3Harris with a written notice of a claim for any Dispute that could fall within this Clause within twenty (20) days after the claim arises, Seller is deemed to have waived the claim and may not bring the claim under Clause 16, Applicable Law and Venue, or within this Clause. L3Harris has the right to review and revise, prior to submission, any pleading or other papers Seller wants to file in any such matter. Seller agrees to delete any admissions or statements in the pleadings or papers to which L3Harris reasonably objects.

b. Limitation of Liability: Right to Appeal: L3Harris’ entire liability to Seller with respect to any matter prosecuted under the Prime Contract disputes Clause shall be limited to the recovery obtained against the Customer (or L3Harris’
28. RESERVED

29. INSPECTION OF WORK

a. Seller Inspection System: Seller shall provide and maintain an inspection system acceptable to L3Harris covering the Work ordered under the Purchase Order. Seller shall maintain complete records of all inspections performed by Seller and Seller shall make such records available to L3Harris and L3Harris’ Customer upon request.

b. Seller Quality System: Seller’s Quality system shall be compliant to the requirements of ISO 9001 unless otherwise specified in the Purchase Order. MRB delegation to the Seller is not authorized unless specifically stated in the Purchase Order. Calibration System for measuring, test and Process Control Equipment shall comply with ANSI/NCSLZ540-1 or ISO 10012-1.

c. L3Harris Inspection: L3Harris and L3Harris’ Customer have the right to inspect and test all Work contemplated by the Purchase Order, to the extent practicable, at all times and places during the term of the Purchase Order. Any inspections and tests performed by L3Harris or L3Harris’ Customer shall be performed in a manner that will not unduly delay Seller’s performance of Work. No inspection or review or approval by L3Harris or L3Harris’ Customer shall relieve Seller of any of its obligations under the Purchase Order, or constitute a waiver of any defects or nonconformities.

d. Seller Obligations During Inspection: If L3Harris and L3Harris’ Customer perform inspections or tests on the premises of Seller or a subcontractor of Seller, Seller shall furnish, and shall provide in a workmanlike manner and in accordance with applicable law.

e. Nonconforming Work: If any of the Work does not conform to the requirements of the Purchase Order, L3Harris may require Seller to correct the Work or reperform the Work to comply with the Purchase Order requirements, at no additional cost to L3Harris. When the defects in Work cannot be corrected by reperformance or L3Harris does not require correction or reperformance, L3Harris may, in addition to any other remedy provided by applicable law and the Purchase Order: (1) require Seller to take necessary action to ensure that future performance conforms to the Purchase Order requirements and (2) reduce the Purchase Order price to reflect the reduced value of the Work performed.

f. Additional Remedies: If Seller fails to promptly reperform the Work or take the necessary action to ensure future performance in conformity with the Purchase Order requirements, L3Harris may (1) by contract or otherwise, correct or replace the defective Work with similar Work and charge to the Seller any cost incurred by L3Harris that is directly related to the performance of such Work or (2) terminate the Purchase Order for default. The foregoing remedies shall in no way preclude or prejudice the exercise of any other right or remedy that L3Harris may have at law or in equity.

g. Final Acceptance: Except as otherwise agreed in writing, all Work performed under the Purchase Order shall be subject to final inspection and acceptance by L3Harris. The final acceptance by L3Harris of any Work shall not limit or affect any warranty or right of indemnity granted by Seller herein. Final acceptance by L3Harris of the Work performed hereunder shall take place only after complete delivery of all Work in accordance with the delivery schedule specified herein or later agreed upon by the parties in writing and after final inspection of the Work by L3Harris and L3Harris’ Customer. Final acceptance shall be contingent upon agreement by L3Harris and L3Harris’ Customer that the Work conforms to the requirements of the Purchase Order. Final acceptance shall be evidenced by the execution of a written certificate or document signed by a L3Harris representative and indicating the date of final acceptance. Final acceptance by L3Harris shall be conclusive, except for latent defects, negligent or intentional misrepresentations by Seller that a nonconformity or defect would be or had been cured or did not exist, acceptance induced by false or negligent assurances of Seller, or as otherwise provided in the Purchase Order or applicable law.

30. WARRANTY OF SERVICES

a. Seller represents and warrants to L3Harris and L3Harris’ Customer as follows:

   (i) the title of Work ordered under the Purchase Order and conveyed by Seller shall be good and the transfer rightful and that the Work shall be delivered free from any security interest or other lien or encumbrance;

   (ii) the Work performed hereunder will be of good quality, material, and workmanship, will be merchantable, and will be fit and sufficient for the purpose for which the Work is intended (to the extent Seller knows such purpose);

   (iii) the Work performed hereunder will be free of defects in design, material, and manufacture; and

   (iv) all Work provided hereunder will be produced or reperformed in a workmanlike manner and in accordance with standards of the industry. . Seller also represents and warrants to L3Harris and L3Harris’ Customer that if the Work performed by Seller contains any manufacturer's warranties, Seller hereby assigns such warranties to L3Harris and L3Harris’ Customer.

b. Compliance with Specifications: Upon acceptance of the Purchase Order, Seller agrees to perform all Work in the quantities listed, in conformance with all Purchase Order requirements, including, but not limited to, applicable specifications, the Statement of Work, drawings, calculations, and requirements. Nonconformity or defect would be or had been cured or did not exist, acceptance induced by false or negligent assurances of Seller, or as otherwise provided in the Purchase Order or applicable law. Seller hereby assigns such warranties to L3Harris and L3Harris’ Customer at any reasonable time.

c. Qualifications: Seller hereby represents and warrants to L3Harris that all statements and materials regarding Seller's qualifications to perform the Work contemplated under the Purchase Order are true and correct and are not misleading or incomplete for any reason including by reason of omission.

d. Timing: The warranties and representations specified in paragraphs a and b above, shall continue following final acceptance by L3Harris for a period of one year (or such longer period of time as provided on the front of the Purchase Order). The warranties also shall cover any Work corrected or reperformed to the same extent as Work initially performed. No approval of Work by L3Harris shall relieve Seller of its warranties provided in the Purchase Order.

31. FOREIGN TRANSACTIONS AND EXPORT CONTROL

Seller, at its own expense, agrees to comply with all laws and regulations of the United States related to exports, imports, and foreign transactions, including, but not limited to, the International Traffic in Arms Regulations (ITAR) (22 C.F.R. §§ 120-130), the
L3Harris General Provisions – Services or Construction (Repair or Minor Modification)

Export Administration Regulations (EAR) (15 C.F.R. §§ 730-774), and the National Industrial Security Program Operating Manual (NISPOM) (DoD 5220.22-M). Seller also agrees to obtain, at its sole expense, any export licenses or other official authorizations and carry out any customs or immigration formalities or similar requirements for the export of any Work covered by the Purchase Order. Seller specifically shall obtain all required authorizations from the U.S. Government before transferring or otherwise disclosing technical data or technology (as those terms are defined in 22 C.F.R. § 120.10 and 15 C.F.R. § 722, respectively) to any Foreign Person (as defined in 22 C.F.R. § 120.16). Seller also shall provide written notification to L3Harris before assigning or granting access to a Foreign Person to any work, equipment, supplies, or technical data related to the Purchase Order. Seller also agrees to bear sole responsibility for all regulatory record keeping associated with the use of licenses and license exceptions/exemptions. L3Harris may deem Seller’s failure to comply with the requirements of this Clause a material failure to perform under the Purchase Order that shall subject Seller to termination in accordance with Clause 6, Termination for Default.

32. RESERVED

33. GRATUITIES

Seller agrees not to offer or provide any Gratuities to any officers, employees, agents or representatives of L3Harris. L3Harris may terminate the Purchase Order for default as provided in Clause 6, Termination for Default, if L3Harris discovers that Gratuities were offered or given by Seller, or any agent or representative of Seller, to any officer, employee, agent or representative of L3Harris.

34. INDEPENDENT CONTRACTOR

Each party hereto is an independent contractor and nothing contained in the Purchase Order shall be construed to be inconsistent with this relationship or status. As an independent contractor, each party has relied on its own expertise or the expertise of its legal, financial, technical or other advisors. Neither party owes a fiduciary duty to the other. Nothing in the Purchase Order shall be deemed to represent that Seller, or any of Seller’s employees or agents, are the agents, representatives, or employees of L3Harris. Seller assumes full and sole responsibility for the payment of all compensation, expenses, benefits (including, but not limited to, workers’ compensation, and medical benefits) of its employees and for all state and United States income tax, unemployment insurance, social security, disability insurance, and other applicable withholdings or taxes. Seller shall also pay any expenses normally paid by an employer in connection with its employees.

35. USE OF OPEN SOURCE SOFTWARE (OSS)

a. This clause only applies to Work that includes the delivery of software (including software residing on hardware).

b. SELLER shall disclose to BUYER in writing any (OSS) that will be used or delivered in connection with this Contract and shall obtain BUYER’s prior written consent before using or delivering such OSS in connection with this Contract. BUYER may withhold such consent in its sole discretion. SELLER warrants all OSS used or delivered in connection with this Contract complies with any applicable OSS License.

c. As used herein, “OSS License” means the General Public License ("GPL"), Lesser/Library GPL (LGPL), the Affero GPL (APL), the Apache license, the Berkeley Software Distribution ("BSD") license, the MIT license, the Artistic License (e.g., PERL), the Mozilla Public License (MPL), or variations thereof, including without limitation licenses referred to as “Free Software License”, “Open Source License”, “Public License”, or “GPL Compatible License.”

d. As used herein, “OSS” means software that incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (1) open source, publicly available, or “free” software, library or documentation, or (2) software that is licensed under an OSS License, or (3) software provided under a license that (a)subjects the delivered software to any OSS License, or (b) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (c) obligates BUYER to sell, loan, distribute, disclose or otherwise make available or accessible to any third party (i) the delivered software, or any portion thereof, in object code and/or source code formats, or (ii) any products incorporating the delivered software, or any portion thereof, in object code and/or source code formats.

e. SELLER agrees to defend, indemnify, and hold harmless L3Harris, its customers and suppliers from and against any claims, damages, losses, costs, and expenses, including reasonable attorneys’ fees, to the extent caused by L3HARRIS’ use in connection with the Purchase Order or the delivery of Prohibited Software.

36. NONWAIVER

L3Harris’ failure to enforce any provision of the Purchase Order or to protest any breach or default of the Purchase Order by Seller shall not be construed as evidence of (or evidence to interpret) the rights or obligations of the parties, or as a waiver of any Seller obligation or L3Harris right provided under the Purchase Order or applicable law. No right or remedy of L3Harris shall be deemed waived or released unless such waiver or release is in writing and signed by L3Harris.

37. COMPLIANCE WITH HAZARDOUS SUBSTANCES AND WASTE RECYCLING LAWS

a. Seller warrants that the resale, supply or export of any material (whether used as a component or otherwise) by L3Harris in any market will not violate any law or regulation in any jurisdiction worldwide on the use of hazardous substances, or the recycling or treatment of waste equipment including, but not limited to, the laws implementing the European Directive (2002/95/EC) on the Restriction of Certain Hazardous Substances in Electronic and Electrical Equipment (“RoHS Directive”) and European Directive (2002/96/EC) on Waste Electrical and Electronic Equipment (“WEEE Directive”) (together, “Applicable Laws”).

b. Seller warrants to L3Harris that no material contains any lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls or polybrominated diphenyl ethers or other substance (in a quantity other than in compliance with the Applicable Laws), the use of which is banned or restricted by any Applicable Law.

c. As soon as Seller is aware of any non-compliance but in no event any later than prior to the delivery of any material, Seller shall identify in writing to L3Harris (1) any and all components and materials contained in the material that may require recycling or other treatment under the laws and regulations implementing the Applicable Laws, (2) the location of any component or material that is hazardous within the meaning of the WEEE Directive or other Applicable Laws, and any material that is required by the Applicable Laws to be marked shall be so marked by Seller.

d. Seller shall, upon request, provide L3Harris with written confirmation of its compliance with the Applicable Laws, in the form, manner and within the timeframe reasonably directed by L3Harris.

e. L3Harris shall have the right to audit the Seller’s compliance with the Applicable Laws. Seller shall provide L3Harris with all such information and documentation that it may reasonably require (including access to its staff and facilities) to enable L3Harris to satisfy itself of the Seller’s compliance with all Applicable Laws and that the Clause entitled Warranty of Services remains true and accurate.

f. Seller shall bear all costs and expenses, including but not limited to those related to recycling or taking back the Products, arising out of or related to either L3Harris or Seller complying with the Applicable Laws and placing the Products on, or their importation into, any jurisdiction worldwide.

g. Seller shall indemnify and hold L3Harris harmless from any cost, expense, liability or damage suffered by L3Harris by reason of any breach or alleged breach of any of the Applicable Laws arising out of or related to the Products.
38. INDEMNIFICATION

a. General: Seller acknowledges that, as an independent contractor, it is furnishing Work to L3Harris which may be subject to certain local, state, Federal, and foreign laws and regulations. Seller therefore agrees to defend, indemnify and hold harmless L3Harris and L3Harris’ Customer and their respective directors, officers, agents, and employees, against all Losses which arise out of or relate to Seller’s failure to comply with all applicable local, state, Federal, and foreign laws and regulations in the performance of Seller’s obligations under the Purchase Order. Seller also agrees to defend, indemnify and hold harmless L3Harris and L3Harris’ Customer and their respective directors, officers, agents, and employees, against all Losses which arise out of or relate to Seller’s failure to comply with the provisions of the Purchase Order.

b. Infringement: Seller shall indemnify, defend, and hold harmless, L3Harris and L3Harris’ Customer and their respective officers, directors, agents, and employees against Losses for any allegation of or suit or action for infringement of any United States or foreign patent, copyright, trademark, or other intellectual property right arising out of the performance of Work under the Purchase Order or out of the use or disposal of such Work by or for the account of L3Harris or for L3Harris and L3Harris’ Customer, as L3Harris shall require in its sole discretion, the right to continue using the alleged infringing Work, replace it with non-infringing Work, or modify Work so that it becomes non-infringing. The foregoing indemnity shall not apply unless L3Harris or L3Harris’ Customer informs Seller of the suit or action or other proceeding alleging infringement and gives Seller the opportunity as is afforded by applicable laws, rules, or regulations, to participate in the defense thereof.

c. Work on L3Harris Premises: If the Purchase Order involves performance by Seller on the premises of L3Harris or L3Harris’ customer, Seller agrees, in addition to any other indemnification obligations in the Purchase Order, to assume entire responsibility and liability for Losses of any kind or nature whatever to persons, whether employees of Seller or otherwise, and to all property, caused by, resulting from, or arising out of Seller’s performance or that of its agents or employees; provided, however, that any such Losses shall not have been caused solely by the negligence of the agents, servants, or employees of L3Harris or L3Harris’ customer. Seller also shall carry adequate insurance as provided in the Clause entitled “Insurance” to cover all such risks and to protect L3Harris and L3Harris’ Customer pursuant to this Clause.

SECTION II
Part I
SUPPLEMENTAL TERMS

In addition to these General Provisions set forth above, certain special clauses may be applicable to the Purchase Order. These special clauses shall be included either by reference or by attachment, or both.