



1. General Terms and Conditions

- 1.1. These terms and conditions shall govern and form an integral part of the agreement
- 1.2. Buyer has the right to change the Terms and Conditions. Any Changes to the Terms and Conditions shall take effect upon 14 days notice to supplier, unless Supplier informs Buyer in writing within 14 days that he does not agree to the change and therefore terminates the Agreement.
- 1.3. Releases may be issued to seller in the form of purchase orders for those components or services ("Components") which Orb Design and Manufacturing wishes to purchase from Seller. This contract and all purchase orders issued pursuant to it shall constitute a single contract and not an installment contract.
- 1.4. In general, Buyer acting as Prime, has the singular right to engage the customer on matters related to business, includes both Government and Commercial customers benefitting under this order. Orb Design and Manufacturing, Inc. shall be solely responsible for all liaison, coordination and communication with the Orb Design and Manufacturing, Inc. customer, including the U.S. Government, as it affects the applicable prime contract, this contract and any related contract.
- 1.5. Only Orb Design and Manufacturing procurement/purchasing personnel/representative has the authority to amend this contract/order, such amendments must be in writing in all instances of amendment and any equitable adjustment approved in writing by Orb Design and Manufacturing procurement/purchasing personnel/representative. Orb Design and Manufacturing engineering and technical personnel may render assistance or give technical guidance, discuss, or affect an exchange of information with Seller's personnel concerning the Work hereunder. Such actions shall not be deemed to be a "change" under the Change Clause of this contract (FAR 52.243-1), and shall not be basis for any equitable adjustment. Except as otherwise provided herein, all notices to be provided by the Seller shall be sent to the Orb Design and Manufacturing procurement/purchasing personnel/representative.

2. Quality Assurance Requirements:

- 2.1. Supplier shall maintain a documented quality system compliant with applicable sections/portions of **AS9100**, **ISO 9001** or equivalent; Orb Design and Manufacturing, Inc. maintains the right to conduct periodic reviews of supplier's quality assurance program/system, processes and procedures.

3. Pricing, Purchase Orders, Invoice and Payment

- 3.1. Unless otherwise provided in the contract/order, no invoices shall be issued nor payments made prior to delivery as specified in the document issued by the Buyer. All payments are subject for shortages and /or rejections of delivered items.
- 3.2. Prior Credit approval is required.
- 3.3. Quantity/Purchase Order Changes - No variations in quantity are authorized or accepted without the Buyer's written consent.
- 3.4. Purchase pricing does not reflect applicable taxes or shipping cost, those are calculated separately.

4. Confidentiality and Non-Disclosure

- 4.1. Seller shall not make any use of, or disclose to third parties, any data, designs, drawings, specifications, or other information furnished to it by Orb Design and Manufacturing, except as may be necessary for the completion of this contract. Such data, designs, drawings, specifications and other information shall remain the exclusive property of Orb Design and Manufacturing upon completion, cancellation or termination of this contract and seller shall return them to ODM along with any copies thereof.
- 4.2. This contract and the rights and obligations hereunder may not be assigned by Seller without the prior written consent of Orb Design and Manufacturing.
- 4.3. Neither this contract nor the obligation of the Seller hereunder shall be subcontracted, assigned or delegated by operation of law, or otherwise without Buyer's written consent or unless otherwise stated in the contract/order specific terms and conditions or associated quality clauses, specifications or controlling documents.

5. FAR and DFARS Clauses and Provisions

- 5.1. Supplier shall follow and adhere to the applicable guidelines as defined by FAR and DFARS Clauses and Provisions---[Latest version is applicable to all Contracts/Purchase Orders/SOW]
- 5.2. Note: With regards to FAR and DFARS references, the terms "Government Contracting Officer", "Contracting Officer", and "Government" is defined as Orb Design and Manufacturing authorizing contract/order agent.

6. Components Disclosure and special warnings, configuration, quality, control

- 6.1. Supplier shall maintain a documented system compliant with applicable sections/portions of AS9102, AS6174, AS5553 or equivalent; Orb Design and Manufacturing, Inc. maintains the right to conduct periodic reviews of suppliers system, processes and procedures.
- 6.2. All materials/goods supplied shall be configured to the latest applicable/available revision unless explicitly noted otherwise. If the purchase order line item references a revision that has been superseded, the supplier shall notify Orb Design and Manufacturing, Inc. buyer prior to accepting the purchase order to ensure the correct revision is supplied. The work delivered hereunder shall consist of new materials as defined by FAR 52.211-5 (not used, reconditioned, remanufactured, or of such age as to impair usefulness or safety).
- 6.3. Buyer may at any time by written notice make changes within the scope of the contract action, to drawings, specifications, shipping instructions, quantities and delivery schedule. Should any such change increase or decrease the cost or time required for performance of the order, an equitable adjustment by Seller must be made in writing within thirty (30) days from the date of the change ordered or within such additional period of time as may be agreed upon.
- 6.4. Supplier shall assure control of quality and adherence to quality system(s) at all points necessary to conform to this purchase order's requirements, whether performed by Supplier or Supplier's sub-tiers. Supplier shall flow down to its sub-tiers any and all applicable and necessary sections or subsections of these Terms and Condition, and shall ensure such portions are inserted in all subcontracts or purchase orders at every tier.
- 6.5. Buyer shall notify Seller if any goods/service delivered hereunder are rejected and at Buyer's election and Seller expense, replacement items shall be procured. No replacement of defective items shall be made by Seller unless agreed to in writing by Buyer.

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- 6.6. The certificate of conformance shall include the following: Part Number-as stated on contract/purchase order, drawing or specification to provide evidence of approved manufacturing source and traceability. Purchase Order Number Applicable military specification Part number revision (if applicable per the contract/purchase order) Quantity Serial number (if applicable per the contract/purchase order) Name and address of processing facility
 - 6.7. Date of certification Note: Vague or ambiguous statements are not acceptable and may result in rejection of the item during the receiving process at Orb Design and Manufacturing; for example, “to the best of my knowledge” and “best shop practice”.
 - 6.8. QPL List Items designated as supply of only QPL as a requirement are to be manufactured only by applicable QPL sources. For reference on military applications: <http://www.navair.navy.mil/gpl/gplsis.htm>
 - 6.9. QPL Certification - Supplier must be able to obtain and supply manufacture or processing for all components, subcomponents, and or assemblies is required.
 - 6.10. Traceability - Lot traceability for the original point of manufacturing or processing for all components, subcomponents, and or assemblies are required.
 - 6.11. Shelf Life - Materials with shelf life limitations, the remaining shelf life shall be 75% of the original shelf life at a minimum at the time of shipping. Manufacturer’s name, lot number (if applicable) and date of manufacturing shall be provided with shipment.
 - 6.12. Bar Code/Labeling - Bar code labeling is to be completed per requirements stated within the contract/purchase order. When specific bar code identification is required, Orb Design and Manufacturing procurement/purchasing personnel will provide definition in writing.
 - 6.13. Orb Design and Manufacturing reserves right of entry to Supplier’s facility and any applicable sub-tier supplier facilities for the purpose of verifying compliance with all requirements of this contract/order. Orb Design and Manufacturing and any customer of their representative shall have the right to perform in-process inspections, audits and system surveillance as part of the verification process. Supplier shall provide suitable facilities to perform these verifications to Orb Design and Manufacturing and any customer or their representative at no cost to Orb Design and Manufacturing.
 - 6.14. During performance of this contract/purchase order, supplier’s quality system and processes are subject to review, verification and analysis by authorized government representatives in accordance with FAR paragraph 46.102 Policy on Quality Assurance, Requirements.
 - 6.15. Supplier shall maintain records necessary to verify conformance of supplied items to the conditions of this contract/purchase order. Supplier shall also maintain records of all contracts/purchase orders. These records are to be maintained for a minimum of seven (7) years from the date of delivery. At Orb Design and Manufacturing’s discretion, such records shall be made available to Orb Design and Manufacturing, Orb Design and Manufacturing’s customers and/or regulatory agency, at no cost to Orb Design and Manufacturing. Orb Design and Manufacturing retains the right to inspect subject documents at supplier’s premises upon reasonable notification of intent to do the same.

7. Packaging, Shipping and Transportation

- 7.1. Unless otherwise specified, all work is to be packaged in accordance with good commercial best practices to prevent damage and deterioration during shipping, handling and storage.



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- 7.2. Suppliers are expected to deliver products/services on the due date stated in the purchase order. Shipments received after the due date will be considered a late delivery; this will also affect delivery rating.
 - 7.3. A complete packing list shall be enclosed with all shipments. Seller shall mark containers or packages with necessary lifting, loading and shipping information, including the Orb Design and Manufacturing, Inc. purchase order number, item number, dates of shipment and the names and addresses of consignor and consignee.
 - 7.4. Bills of lading shall include the purchase order number.
 - 7.5. For work shipped within the United States, unless otherwise specified, delivery shall be FOB origin.
 - 7.6. All deliveries shall be made FOB Seller's facility at Buyer's expense, with bills of lading addressed as directed by buyer.
 - 7.7. Deliveries shall be made both in quantities and at dates stated in the Orb Design and Manufacturing, Inc. purchase order(s). Seller understands that schedule is contingent upon and directly associated to the delivery of items contained in purchase order(s).
 - 7.8. To provide with each shipment a packing slip showing Orb Design and Manufacturing, Inc. purchase order number, revision number (if applicable), Orb Design and Manufacturing, Inc. part number, Supplier's part number (where applicable), product description, quantity of pieces in shipment and number of cartons or containers in shipment; for cartons containing more than one type of product, each type of product will be clearly marked for ease of identification; and for products requiring a Certificate(s) of Conformance, such Certificate(s) will be included with the packing slip.
 - 7.9. If any delivery required of Supplier is going to be late as specified in the purchase order as delivery date or promise date, Orb Design and Manufacturing, Inc. may elect to have such delivery made via expedited means at Supplier's expense.
 - 7.10. Buyer shall designate the method by which the goods are to be transported. All costs of transportation shall be the responsibility of the Buyer. If Buyer fails to designate a mode of transportation, the mode of transportation shall be selected by Seller at Buyer's expense.

8. Intellectual Property Rights and Warranties

- 8.1. Seller warrants that the Work performed and delivered under this contract/order will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. Seller agrees to defend, indemnify, and hold harmless Orb Design and Manufacturing and its customers from and against any claims, damages, losses, costs, and expenses, including reasonable attorney's fees, arising out of any action by a third party that is based on a claim that the Work performed or delivered under this contract infringes or otherwise violates the intellectual property rights of any person or entity.

9. Suspension, Rescission and Termination

- 9.1. Seller shall provide immediate notice to Buyer in the event of being debarred, suspended, and proposed for debarment or loss/change of certification status by any Federal Agency during performance of this contract/order.



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- 9.2. In the event Seller fails to make delivery of an item in accordance with a Purchase Order delivery schedule/requirement, Orb Design and Manufacturing, Inc. shall be entitled to receive compensation from Seller in the form of liquidated damages and not as a penalty, and the Seller may be assessed such damages. The amount of such liquidated damages shall be equivalent to the value of the item and associated shipping and tax fees. Such liquidated damages are to be resolved within thirty (30) days of identification of failure.
- 9.3. Termination/Cease Work - (a) Buyer may by written notice of default to Seller, terminate the whole or any part of this contract in any one of the following circumstances: (I) Seller fails to make delivery of the items within the time specified herein or any extension thereof, or if (II) Seller fails to perform any of the provisions of this order or fails to make progress as to endanger performance of this order in accordance with its terms and in either of these circumstances does not cure such failure within a period of thirty (30) calendar days (or longer period as authorized by the Buyer) after receipt of notice from the Buyer specifying such failure; or (III) Seller becomes insolvent or the subject of proceedings under any law relating to bankruptcy or the relief of debtors or admits in writing its inability to pay its debts as they become due; or (IV) Seller fails to provide Buyer, within a reasonable time after demand by Buyer, written assurance of due performance by Seller. (b) If this order is so terminated, Buyer may procure or otherwise obtain, upon such expectations set forth below shall be liable to the Buyer for any excess costs or similar supplies or services along with additional administrative costs tied to the re-procurement actions. (c) Seller shall continue performance of this order to the extent not terminated. Buyer shall have no obligations to the Seller in respect to the terminated part of the order except as herein provided. Buyer's rights as set forth herein shall be in addition to the Buyer's other rights in case of Seller's default, whether set forth in the order or not. Buyer may terminate the Seller "for convenience" at any time; however, the Seller is entitled to submit a request for equitable adjustment on all work/costs to date.

10. Governing Law, Dispute Resolution and Indemnification

- 10.1. The contract/order incorporating these terms and conditions and the performance of the parties hereunder shall be construed in accordance with and governed by the laws of the State of Georgia.
- 10.2. All disputes arising out of or connection with the agreement shall first be attempted by Supplier and Buyer to be settled through consultation and negotiation in good faith and a spirit of mutual cooperation. All disputes that are not so settled within a period of thirty (30) days from the date the relevant dispute first arose.