

Meggitt (Xiamen) Sensors & Controls Co., Ltd.

## Supplemental Terms of Purchase – FAR/DFARS Clauses

Issuing date: December 2021

Approved by: Legal

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### A. INTRODUCTION.

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

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

1. The terms and conditions of this Order include all applicable US Government provisions and certifications listed below and all such other US Government provisions expressly mandated by operation of law or regulation ("Flow-down Clauses"). Such provisions include FAR, DFARS or other agency supplement contract provisions (together "FAR Clauses"). Seller shall incorporate applicable Flow-Down Clauses into each lower-tier subcontract placed in support of this Order, as required by the individual clause. The applicable version date of such provisions is as specified below; if no version date is specified, then the version date as of the date the Order is executed shall apply, unless otherwise specified in the Order. To the extent there is a conflict or overlap between the Flow-down Clauses and the Global Standard Purchasing Conditions, the language shall be read to the maximum extent possible to render the clauses compatible, including by using the interpretation most restrictive of the requirements in Buyer's favor.
2. Seller shall indemnify and hold Buyer harmless from and against any cost, price reduction, withholding, offset, penalty, interest, claim, demand, determination of unallowability or prohibition of allocation or any other civil, criminal or administrative liability, whether arising under statute, regulation, contract or common law and shall reimburse Buyer for all of its damages and associated costs, including reasonable attorney fees and other expenses arising from Seller's failure to comply with applicable Flow-down Clauses. Seller shall reimburse Buyer for any loss by or damage to Buyer in the event that Buyer or Buyer's customer makes a determination that, where applicable, Seller failed to furnish Buyer with any certified cost or pricing data or failed to provide the current, accurate and complete version of such data; failed to provide or comply with certifications as required by the Flow-down Clause; or failed to take any such other action required by the Flow-down Clauses.
3. Any reference to a "Disputes" clause shall mean the disputes provision of this Order. Pending resolution of any dispute arising under this Order, which incorporates FAR or DFARS clauses, Seller will proceed diligently as directed by Buyer with the performance of this Order. Notwithstanding any choice of law provision, any provision in this Order that is: (i) incorporated in full text or by reference below to FAR or DFARS, or (ii) that is substantially based on any FAR or DFARS provision below or on any agency regulation interpreting such FAR or DFARS provisions, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the United States Government. No FAR or DFARS provision herein shall establish privity between Seller and Buyer's customer, nor permit Seller to make direct claims against Buyer's customer. Notwithstanding any FAR or DFARS provisions below, the Contract Disputes Act shall not apply to this Order, except as permitted by Buyer for

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disputes with Buyer's customer.

4. Seller agrees that its books, records and facilities or such parts of its facilities as may be engaged in the performance of this Order, shall at all reasonable times be subject to inspection and audit by Buyer and, to the extent provided by the Flow-down Clauses, any authorized representatives of the US Government or Buyer's Customer. Seller hereby grants to Buyer the right to examine at reasonable times its relevant books, records and data that permit the adequate evaluation of (1) cost and pricing data and of any claims/proposals submitted by Seller pursuant to the Flow-down Clauses; (2) its security and data protection procedures as required below; and (3) its quality, counterfeit detection and avoidance, testing and inspection procedures as required below. Seller shall allow Buyer and Buyer's customer to reasonably review Seller's compliance with applicable FAR and DFARS provisions below, upon request.
5. Flow-down Clauses are incorporated by reference, with the same force and affect as if they were given full text. These FAR/DFARS provisions are accessible at <https://www.acquisition.gov>. The clauses apply to this Order in accordance with the regulatory language of prescription in the controlling FAR Part or clause, such as limiting the applicability to particular types of subcontracts, subcontracts exceeding certain thresholds in monetary value, the location of performance or the size status of the Seller. Notwithstanding the foregoing, Flow-down Clauses listed below apply to this Order, regardless of whether they are expressly mandated for flow-down, since Buyer may in its discretion incorporate clauses which it deems appropriate.
6. The clauses listed below may require the submission of certifications and representations. Seller shall furnish any certification or representation required under these Flow-down Clauses. Failure to provide a certification or representation by Seller shall be interpreted to mean that Seller complies with the Flow-down Clause in the most restrictive sense of performance, in favor of Buyer.
7. Intellectual Property Rights. All FAR 52.227/DFARS 252.227 terms on intellectual property are as defined in FAR 27 or DFARS 227 or applicable agency regulations. Seller acknowledges and agrees that any rights in technical data and computer software to be granted to the US Government will be determined in accordance with the provisions set forth herein under FAR Part 27 and DFARS Part 227 based upon the specific technical data and computer software purchased and/or delivered under this Order and the assertions of restrictions on use, release or disclosure of Seller's intellectual property that are provided to Buyer for delivery to the US Government, in order to fulfill Buyer's obligations under Buyer's customer's contract. Under any referenced FAR 52.227 or DFARS 252.227 provision below, the rights granted are vested in the US Government, except that Seller grants Buyer an irrevocable, nonexclusive royalty-free worldwide license to sell and use Seller's technical data and computer software delivered in the performance of this Order, to the extent needed to fulfill Buyer's obligations under its customer's US Government contract or subcontract pursuant to which this Order is issued. Seller shall identify and assert prior to Order award any Seller's rights in technical data and software delivered with other than unlimited rights as required by the applicable FAR or DFARS provision, and all technical data and software submissions shall be to Buyer. To the extent there are any conflicts between this provision and Buyer's Global Standard Purchasing Conditions clauses, the applicable FAR 52.227/DFARS 252.227 provisions below prevail. Nothing in this provision shall restrict the rights of the U.S. Government in the intellectual property it owns or has a right to use.
8. Except as otherwise provided in this provision, whenever necessary to make the context of the clauses applicable to this Order, the term "Contractor" shall mean Seller, the term "Contract" shall mean this Order, the term "Government," "Contracting Officer," and equivalent phrases shall mean Buyer, except that the terms "Government" and "Contracting Officer" shall not change in the Government Property, patent, intellectual property or data rights clauses incorporated herein, or when a right, act, authorization or obligation can be granted or performed only by the US Government or the Contracting Officer or a duly authorized representative, in which case Seller grants Buyer such additional rights as are needed to perform such clause under Buyer's contract with its customer. These FAR and DFARS clauses apply to Seller in a manner which reflects the position of Seller as a

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subcontractor to Buyer, to ensure Seller's obligations to Buyer and to the US Government and to enable Buyer to meet its obligations under its contract or subcontract with Buyer's customer.

9. For all Seller performance in the United States: Equal Employment Opportunity and Non-Discrimination: Buyer is a US government contractor and is subject to the requirements of Executive Order 11246, Section 503 of the Rehabilitation Assistance Act and the Vietnam Era Veterans' Readjustment Assistance Act. Pursuant to these requirements, the Equal Opportunity Clauses found at 41 Code of Federal Regulations are as follows: Seller shall abide by the requirements of all applicable Equal Opportunity Clauses including but not limited to 41 CFR 60-1.4(a), 60-20, 60-250.5, 60-300.5(a) and 60-741.5(a) and all applicable executive orders, including Executive Order 11246, as amended. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, sexual stereotypes, gender identification or transgender status, pregnancy, childbirth or related conditions, or national origin. Moreover, these regulations and clauses require that covered US Government contractors or subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, sexual stereotypes, gender identification or transgender status, pregnancy, childbirth or related conditions, national origin, protected veteran status or disability. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay; fringe benefits or other forms of compensation; and selection for training, including apprenticeship. Seller agrees to post in conspicuous places, available to employees and applicants for employment, required notices setting forth the provisions of this nondiscrimination clause.
10. For all Seller performance in the United States: Seller certifies compliance with Sections 6, 7 and 12 of The Fair Labor Standards Act Of 1938, As Amended (29 U.S.C. 201-219), found at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/FairLaborStandAct.pdf>.

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

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

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

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

The following Flow-down Clauses apply to this Purchase Order. The definitions of FAR 2.101 shall apply to these clauses, including to determinations on whether a supplier product is a commercial item. All currency referenced is in US dollars

### B. CLAUSES APPLICABLE TO ALL FIRM FIXED PRICE ORDERS TO SELLER

#### FAR

- 52.203-15 Whistle-blower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) (Applicable in all solicitations and contracts funded in whole or in part with Recovery Act funds)

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52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Jan 2017)
52.204-23	Prohibition on Contracting for Hardware, Software and Services Developed or Powered by Kaspersky Lab and Other Covered Entities (Jul 2018)
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2020)
52.222-50	Combating Trafficking in Persons (Jan 2019)
52.224-3	Privacy Training (Jan 2017)
52.225-26	Contractors Performing Private Security Functions Outside the United States (Oct 2016)
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006)
52.249-2	Termination for Convenience of the Government (Fixed-Price), pars. (d)-(g) (Apr 2012)

### DFARS

252.203-7002	Requirement to Inform Employees of Whistleblower Rights (Sep 2013)
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services (Dec 2019)
252.223-7008	Prohibition of Hexavalent Chromium (Jun 2013)
252.225-7048	Export-Controlled Items (Jun 2013)
252.225-7052	Restriction on the Acquisition of Certain Magnets, Tantalum, and Tungsten (Oct 2020)
252.227-7015	Rights in Technical Data—Commercial Items (Feb 2014) (Applicable if Seller will provide technical data pertaining to any portion of a commercial item that was developed exclusively at private expense)
252.227-7037	Validation of Restrictive Marking on Technical Data (Sep 2016) (Applicable if Order requires delivery of technical data)
252.244-7000	Subcontracts for Commercial Items (Jun 2013)
252.246-7003	Notification of Potential Safety Issues (Jun 2013) (Applicable if Order is for parts identified as critical safety items; systems and subsystems, assemblies, and subassemblies integral to a system; or repair, maintenance, logistics support, or overhaul services for the foregoing items; Notice in (c) shall be to Buyer and notice shall be as provided in (f)(2) without modification of terms)

## C. ADDITIONAL CLAUSES APPLICABLE TO ALL FIRM FIXED PRICE ORDERS TO SELLERS PERFORMING IN THE UNITED STATES

### FAR

52.219-8	Utilization of Small Business Concerns (Oct 2018)
52.222-21	Prohibition of Segregated Facilities (Apr 2015)
52.222-26	Equal Opportunity (Sep 2015)
52.222-35	Equal Opportunity for Veterans (Jun 2020) (Applicable if Order exceeds \$150,000)
52.222-36	Equal Opportunity for Workers with Disabilities (Jun 2020) (Applicable if Order exceeds \$15,000)
52.222-37	Employment Reports on Veterans (Jun 2020) (Applicable if Orders exceeds \$150,000)
52.222-40	Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (Applicable if Order exceeds \$10,000)

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52.232-40 Providing Accelerated Payments to Small Business Subcontractors (Dec 2013)

### D. ADDITIONAL CLAUSES APPLICABLE TO ALL FIRM FIXED PRICE ORDERS TO SELLERS OVER \$750,000

#### FAR

52.203-13 Contractor Code of Business Ethics and Conduct (Jun 2020) (Applicable if Order exceeds \$6,000,000)

### E. ADDITIONAL CLAUSES APPLICABLE TO ALL FIRM FIXED PRICE ORDERS

#### Compliance with Laws

Seller shall be responsible for complying with all legal requirements, including , but not limited to the provisions of any statute, ordinance, rule, regulation , judgment, decree, order, permit, approval, license or registration applicable to its performance under this Agreement. Seller shall notify Buyer of any aspect of Seller's performance that is prohibited under any legal requirements, at the earliest opportunity, but in all events sufficiently in advance of Seller's performance of such obligation, so as to identify and implement alternative methods of performance. Seller shall notify Buyer in writing at the earliest possible opportunity of any aspect of its performance, which becomes subject to any additional legal requirement after the date of execution of this Agreement or which Seller reasonably believes will become subject to additional regulation during the term of this Agreement. Seller agrees to indemnify and to hold harmless Buyer from any failure by Seller to comply with any legal requirement.

In addition, Seller shall:

- (i) comply with all applicable country laws relating to anticorruption or anti-bribery, including but not limited to legislation implementing the Organization for Economic Co-operation and Development "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (the "OECD Convention") or other anti-corruption/anti-bribery convention;
- (ii) (comply with the requirements of the Foreign Corrupt Practices Act, as amended, (FCPA) (15 U.S.C. §§78dd-1, et. seq.), regardless of whether Seller is within the jurisdiction of the United States; and
- (iii) neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Buyer to a non-U .S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery.

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