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# REMARK I64

EDITION JULY 1, 2026

## TERMS AND CONDITIONS OF PURCHASE

GE AVIO S.R.L. ("Avio Aero")

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### **ARTICLE 1 - DEFINITIONS.** As used throughout this Supply Agreement (as defined below):

- (a) "Affiliate" means any entity controlling, controlled by, or under common control of a party to this Agreement.
- (b) "Agreement" means this Supply Agreement, applicable specifications, Orders, and any pricing agreements, long term agreement, statements of work, remarks, or other documents incorporated by reference in Orders.



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- (c) "Confidential Information" means, with respect to either Party, all information and data identified either orally or in writing as "Proprietary," "Confidential," or a similar designation in any medium and furnished or made available directly or indirectly by one Party to the other Party.
- (d) "Direct Procurement" means the purchase of any Good or Service that is incorporated into or performed on an aircraft or part thereof, or is otherwise provided to Purchaser's customer.
- (e) "Due Date" means the material requirement date in the applicable "Portal" (as defined below) or other due date, delivery date or performance date stated in the Agreement by Purchaser.
- (f) "Force Majeure" means any of the following events which are beyond reasonable control, which could not reasonably be foreseen, and the effects of which cannot be avoided by appropriate measures, including but not limited to pandemics, fires, floods, extreme wear conditions, earthquakes, war, warlike operations, terrorist acts, insurrections, applicable Governmental regulation, court order, general and/or national labor strike or riots.
- (g) "Goods" means all products contracted for and supplied by Seller under this Agreement, including all components, raw materials, chemicals, finished goods, intermediate assemblies, and associated packaging thereof.
- (h) "Indirect Procurement" means the purchase of any Good or Service that is not incorporated into or performed on an aircraft or part thereof, and is not otherwise provided to Purchaser's customer.
- (i) "Intellectual Property" means data, notes, reports, specifications, designs, drawings, computer software including source code and object code, methods, processes, techniques, know-how, ideas, inventions, and discoveries.
- (j) "Intellectual Property Rights" means patents, patent applications, trade secrets, copyrights, trademarks, maskworks, database rights, industrial property rights, and other similar rights.
- (k) "Orders" means purchase orders issued to Seller and subject to this Supply Agreement.
- (l) "Parties" means Purchaser and Seller together, and "Party" means one of them.
- (m) "Prime Contract" means a contract defined by a government contract number printed on Orders issued pursuant to this Agreement.
- (n) "Property" means equipment, engines, materials, bailed items, samples, parts, tooling, tooling drawings, and software.
- (o) "Purchaser" means the entity contracting with Seller for Goods and/or Services and identified as the purchasing entity on the Order.
- (p) "Portal" means Avio Aero Supplier Web Portal.
- (q) "Seller" means the entity contracting with Purchaser to provide Goods and/or Services under this Agreement.
- (r) "Services" means those services contracted for and supplied by Seller under this Agreement and as may further be described in Orders, statements of work, specifications, or other papers included in this Agreement.
- (s) "Subcontractor" means any third party (including sub-suppliers) entering into contract or agreement with the Seller for the performance of a portion of the work, Services, or supply of Goods that the Seller is obligated to perform or provide under this Agreement. This includes, but is not limited to, agreements for construction or intellectual works, supply of Goods or Services and any other type of subcontract that is executed under this Agreement.
- (t) "Supply Agreement" means these terms and conditions including all appendices.

#### **ARTICLE 1B - CONSTRUCTION RULES.**

- (a) Plural. Plurals shall be deemed to include the singular, and singular shall include plural.



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- (b) Gender. Any words of gender shall be deemed to include all other gender identifications.
- (c) Including. The term including, when used herein, shall be deemed to mean including without limitation.
- (d) Headings. The heading designations are supplied for convenience only and may not accurately or fully describe all of the requirements of a section. The headings or sub-headings do not limit or modify the scope and applicability of the sections.

**ARTICLE 2 - ACCEPTANCE.** Either Seller's full or partial performance or written acknowledgment, whichever comes first, will constitute acceptance of Orders or any amendments thereto. Seller's acceptance of an Order incorporating this Supply Agreement is limited to acceptance of the express terms of the offer set forth in the Order. Any quotation, acknowledgement or other proposal containing additional or different terms and conditions is rejected unless accepted in writing by the Purchaser. ADDITIONAL OR DIFFERING TERMS OR CONDITIONS PROPOSED BY SELLER OR INCLUDED IN SELLER'S ACKNOWLEDGMENT HEREOF ARE HEREBY OBJECTED TO BY PURCHASER AND HAVE NO EFFECT UNLESS EXPRESSLY ACCEPTED IN WRITING BY PURCHASER.

Seller acknowledges and confirms that: (1) it has had an opportunity to carry out a thorough due diligence exercise in relation to the requirements of this Agreement and has asked the Purchaser all the questions it considers to be relevant for the purpose of establishing whether it is able to provide the Goods and Services in accordance with the terms of this Agreement; (2) it has received all information requested by it from the Purchaser to enable it to determine whether it is able to provide the Goods and Services in accordance with the terms of this agreement; (3) it has made and shall make its own enquiries to satisfy itself as to the accuracy and adequacy of any information supplied to it by or on behalf of the Purchaser pursuant to this Article 2; (4) it has raised all relevant due diligence questions with the Purchaser before entering into this agreement; (5) the terms of this agreement have been specifically negotiated; and (6) it has entered into this agreement in reliance on its own due diligence.

**ARTICLE 3 - PACKING LIST, INVOICES AND PAYMENT TERMS.**

- (a) Packing list. Each packing list shall refer to a single Order. Goods and/or Services must be accompanied by one original packing list plus a copy for administrative purposes detailing: name of Seller, part number, serial number (if applicable), product name, shipping date, Order number, Order line item number, quantity shipped, country of origin as well as any further data expressly requested on the Order.
- (b) Invoice. Invoicing must be paperless and/or in a format acceptable to Purchaser, which may include Web Invoicing, Evaluated Receipt Settlement and Electronic Data Interchange. Each invoice shall contain: (i) Purchaser part number or material code; (ii) item description; (iii) Order number and line item reference; (iv) item value; (v) delivery terms; (vi) number of the relative dispatch notes and the item/line number; (vii) country of origin for each Good supplied; (viii) Seller and Purchaser VAT number or equivalent; (ix) export classification number (ECN) for each Good supplied; (x) export license of the country of origin for each Good supplied, if applicable. Applicable to Italian Supplier only for which the "*dichiarazione di intento*" was issued: the invoice shall contain the number of the "*dichiarazione di intento*" and the stamp duty. If the Seller shall send the invoice by email, the Seller shall specify on the invoice that the stamp duty has been already paid.
- (c) In the event Italian law n° 136 dated 13 August 2010 applies to the Agreement and to the extent of its application, Seller agrees to comply with the provisions thereof governing financial flow traceability. If Seller infringes such obligations, Purchaser shall have the right to terminate the Agreement in accordance with article 5 letter (a).
- (d) Payment terms. Purchaser shall proceed with the payment within, and at the expiry date of, the terms agreed, subject to: (i) successful completion of acceptance test under art. 13 of this Supply Agreement; and (ii) receipt of a completed invoice as per paragraph (b) of this article.
- (e) Taxes. All sums payable under this Agreement shall be exclusive of VAT or other sales tax, which shall (if applicable) be payable by the Purchaser.



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- (f) Set-off. Purchaser shall be entitled to set off any amount owing from Seller to Purchaser or to any of Purchaser's Affiliates against any amount payable under this Agreement.
- (g) Functional Currency. All payments shall be made in the currency stated on the Order.

#### **ARTICLE 4 - TRANSPORTATION AND DELIVERY.**

- (a) Unless otherwise stated in the Order, the shipping and delivery terms are FCA (named place) Incoterms 2020. In any event, title to Goods shall pass to Purchaser upon delivery. Purchaser insures all Goods for which it accepts risk of loss while such Goods are in transit. Seller shall not declare any insurance value on such Goods shipped via Purchaser's carrier unless Seller is shipping prepaid at its own expense under paragraph 4(b) below.
- (b) Seller shall release truck, air or ship at the lowest released valuation permitted in the governing tariff or classification. Purchaser will pay no charges for unauthorized transportation. Any unauthorized shipment that results in excess transportation charges must be fully prepaid by Seller. If Seller does not comply with the stated delivery schedule, Purchaser has the right to require delivery by the fastest way, and Seller shall ship at its own expense, prepaid. If Seller fails to ship at its own expense when required by this paragraph, Seller shall reimburse Purchaser for the full cost of the shipment. If the allocation of transportation costs is modified during the term of the relevant Order for reasons other than Seller's default - including as a result of a change in the applicable Incoterms - Purchaser shall be entitled to set off any transportation costs it newly assumes against Seller's invoices.
- (c) Seller's non-U.S. locations involved with manufacture, warehousing, shipment, or delivery to the U.S. agree to use commercial reasonable efforts to comply with "GE Customs-Trade Partnership Against Terrorism (C-TPAT) Supply Chain Security Guidelines for International Suppliers/Shippers" located at [https://www.geaerospace.com/sites/default/files/C-TPAT\\_guidelines\\_intl\\_suppliers\\_shippers.pdf](https://www.geaerospace.com/sites/default/files/C-TPAT_guidelines_intl_suppliers_shippers.pdf) ,, develop and implement security procedures consistent with appropriate C-TPAT, Authorized Economic Operator, or similar program criteria, and provide a copy of said procedures to Purchaser upon request. If Seller is certified by a supply chain security program (for example, C-TPAT Status Verification Interface), it shall provide Purchaser with an authorized point of contact, all applicable and necessary information to comply with the minimum standard of the applicable regulations, and any changes to Seller's certification status. If Seller is not certified by a supply chain security program, then upon request it shall complete Purchaser's supply chain security questionnaire.
- (d) Seller shall notify Purchaser promptly of any known or suspected security breach affecting the Goods (for example, contraband, smuggling, threatening or suspicious activities, or tampered container, trailer, lock, or seal including a seal broken during a customs inspection).
- (e) Upon request, Seller shall label all shipment containers for Goods in accordance with Purchaser's bar code shipping label instructions. Seller shall designate an individual responsible for compliance with said instructions, who shall act as the Seller's contact for issues concerning bar code labels. If Seller uses Purchaser's Portal, Seller shall not print bar code shipping labels more than twenty-four hours prior to shipment.
- (f) Seller commits to use Purchaser's Portal and agrees to meet all the requirements set forth in that system, such as but not limited to Orders and schedules download, promise dates, delivery shipments, invoices and Order acknowledgment. In case Seller does not use the Portal or does not meet all the requirements set forth in the system , the Purchaser shall be entitled to charge to Seller all the administrative and management costs to manage the Order out of the Portal, equal to 5% of the value of the invoice for each related Order managed out of the Portal. The payment terms of the invoices related to the Orders managed out of the Portal may be postponed of minimum 15 days. The administrative and management costs will be deducted directly from the amount of each invoice. Lead times for all Goods and Services shall be established at the time an Order is initially placed. Any change to the established lead time must be mutually agreed and specify the date that the change will take effect. Seller shall deliver the Goods and/or Services on the Due Date. If Purchaser requests that Seller deliver Goods in a time period less than the established lead time, Seller shall use



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commercially reasonable efforts to meet such delivery requirements, and the remedies set forth in Article 4(g)(ii) and (iii) below shall not apply to the affected deliveries.

- (g) **Delivery Delays.**
- i) The Parties agree that time is of the essence. If Seller anticipates any difficulty in meeting the Due Date or any of the other requirements of this Agreement, Seller shall promptly notify Purchaser in writing and upon request, provide Purchaser adequate assurance of performance.
  - ii) If Seller misses a Due Date and does not cure within one (1) week, Purchaser may assess the following as liquidated damages: (A) from the second week to the end of the third week of delay from the Due Date, the 2% of the price of each Good or Service in delay for each week of delay; from the fourth week of delay from the Due Date, the 10% of the price of each Good or Service in delay for each week of delay; and (B) any amount of liquidated damages and/or penalties Purchaser owes to its customer as a result of Seller's failure to timely deliver the Goods/Services, and (C) all justified costs (including the travel and living) borne by Purchaser's employees or any other third party (to travel to Seller's facility/es) to help the Seller in solving the Delinquency ((A), (B) and (C) together, "Delivery Damages"). The Parties agree that such Delivery Damages, if assessed are a reasonable pre-estimate of the damages Purchaser will suffer because of delay based on circumstances existing at the time of the Order; and are to be assessed as liquidated damages and not as a penalty. Such remedies are not exclusive and shall not be in lieu of any other remedy available at law or under the Agreement.
  - iii) For avoidance of doubt, assessment of Delivery Damages does not waive any applicable termination rights, including a partial termination through reduction of requirements share percentages, if applicable. Purchaser's remedies are cumulative and Purchaser shall be entitled to pursue any and all remedies available at law or equity.
  - iv) If Seller have earned a delivery rating of "Excellent" in the "Delivery & Quality Performance system" (Supplier Ranking) at the end of a particular month, Purchaser shall waive the Delivery Damages for such month. If Seller have earned a Supplier Ranking rating of "Satisfactory" at the end of a particular month, the Delivery Damages shall be reduced by 50% for such month.

#### **ARTICLE 5 - TERMINATION.**

- (a) **Delay and Default.** In the event Seller anticipates any difficulty in complying with a Due Date or any of the other requirements of this Agreement, Seller shall promptly notify Purchaser in writing, and upon request, provide Purchaser adequate assurance of performance. In the event of a delivery delay, non-delivery, or any other default by Seller in meeting its obligations under this Agreement, Purchaser (without prejudice to other rights it may have in law) may terminate all or any part of this Agreement without further compensation to Seller. For Goods and Services, Purchaser may procure, upon such terms and from any source or service provider as it shall deem appropriate, supplies or services similar to those terminated. In each case, Seller shall continue performance of such Agreement to the extent not terminated and shall be liable to Purchaser for any excess costs for Purchaser's procurement of similar goods or services. Immediately upon termination, Seller shall refund to Purchaser any progress payments (if any) for the terminated portion of the Agreement.
- (b) **Termination for Convenience.** Purchaser may terminate all or any part of this Agreement for convenience at any time by giving notice specifying the extent of termination and the effective date. Upon receipt of termination notice, unless otherwise directed by Purchaser, Seller shall immediately: (i) stop work as directed; (ii) place no further subcontracts or orders except as necessary to complete the continued portion of the Agreement; and (iii) terminate all subcontracts to the extent they relate to terminated work. Seller shall submit a proposal for a final termination settlement to Purchaser within ninety (90) days from the effective date of the termination. In the event that Purchaser wrongfully terminates this Agreement under paragraph 5(a), in whole or in part, such termination becomes a termination for convenience under this paragraph 5(b).
- (c) **Termination for Insolvency.** If any proceeding under the bankruptcy or insolvency laws is brought against Seller, Purchaser may terminate the Agreement forthwith without liability to the fullest extent



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permitted by the governing law, except for Goods or Services completed, delivered and accepted within a reasonable period after termination (which will be paid for at the order price).

- (d) Termination in force of Legislative Decree n° 159 dated 6 September 2011. In case of Seller's declaration of compliance to Legislative Decree n° 159 dated 6 September 2011 that might be required by Purchaser results incorrect, Purchaser reserves the right to terminate the Agreement forthwith without any obligation of compensation.

In the event of any termination above, Purchaser shall not be liable for lost or anticipated profits, or unabsorbed indirect costs or overhead, or for any sum in excess of the total Agreement price.

#### **ARTICLE 6 - DISPUTE RESOLUTION.**

- (a) Arbitration. Any dispute arising under or related to this Agreement shall be resolved exclusively as stated in this Article. One or both Parties shall send a written request to the other identifying the dispute. The Parties shall then designate senior managers, who shall meet and use commercially reasonable efforts to resolve the dispute. If the Parties' senior managers do not resolve the dispute within sixty (60) days of said written request, either Party may file an arbitration claim to resolve the dispute. arbitration will be conducted in accordance with the rules of the International Chamber of Commerce (ICC) and the seat of the arbitration shall be in Geneva, (Switzerland). The arbitrator(s) shall have no authority to award punitive damages, attorney fees, costs of the dispute, or any other amounts not measured by actual damages. The award of the arbitrator(s) will be final, binding and not appealable, and any court of competent jurisdiction may enforce the award. All statements and materials related to this dispute resolution process and arbitration are confidential and shall not be disclosed to any third party except as required by law. Any claim against Purchaser shall be barred unless Seller has made an arbitration claim in accordance with this Article within one year of the dispute arising (which shall be the effective date of termination if the dispute is related to termination).
- (b) The dispute resolution procedure in paragraph 6(a) above is exclusive, except that (i) either Party may seek from a court of competent jurisdiction any equitable, interim, or provisional relief to avoid irreparable harm; and (ii) the Parties may bring litigation regarding claims related to a Party's Confidential Information or Intellectual Property.
- (c) Paragraph 6(a) above shall not be construed to modify or displace any termination rights contemplated by this Agreement.

#### **ARTICLE 7 - PURCHASER'S PROPERTY.**

- (a) Purchaser's Property includes Property furnished to Seller by Purchaser or on behalf of Purchaser or paid for by Purchaser, in Seller's possession ("Purchaser's Property"). Purchaser's Property is the property of Purchaser.
- (b) Seller may use Purchaser's Property for the sole purpose of performing its obligations under this Agreement and not for any other purpose. For example, Seller shall not use Purchaser's Property to design, manufacture, sell, provide, or repair parts for anyone other than Purchaser, or to obtain FAA or any other governmental approval to do so. Nothing in this Agreement shall be interpreted as an implied license or a license by estoppel to Intellectual Property Rights in Purchaser's Property.
- (c) While Seller has Purchaser's Property in its custody or control, Seller shall plainly identify it, through markings or otherwise, as being the property of Purchaser (if practical), safely store it apart from other Property, hold it at Seller's risk, insure it for replacement cost with loss payable to Purchaser while in Seller's custody or control and maintain it. Upon Purchaser's written request, Seller shall remove and deliver Purchaser's Property to Purchaser in the same condition as originally received by Seller, except for reasonable wear and tear.
- (d) Seller shall not (and shall not cause others to) reverse engineer Purchaser's Property or analyze it to determine its chemical composition or physical properties.
- (e) In any adjudication of whether Seller used Purchaser's Property without permission to design or manufacture for sale to anyone other than Purchaser or Purchaser's Affiliate any hardware that is



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substantially similar to or can replace or repair any Purchaser-designed product or system or any part for a GE, CFM International, or other engine program in which Purchaser participates, or to obtain FAA or other governmental approval for such hardware or repair, Seller shall be required to establish by clear and convincing evidence that Seller and its employees, sub-contractors, and agents did not do so (directly or indirectly).

- (f) U.S. Government Contracts. If Property under this Agreement is furnished or paid for under a U.S. government subcontract that includes ownership of Property by the government, the government shall retain ownership of such Property. Nothing in this section shall limit the U.S. Government's rights of use or access to U.S. Government Property provided by Federal Acquisition Regulations. Seller's uses and obligations to use Government Property for the purposes of fulfilling a government contract shall be as described in 48 C.F.R. Part 45 and 52.245.

## **ARTICLE 8 - INTELLECTUAL PROPERTY.**

### (a) Background Intellectual Property

- i) Intellectual Property developed or acquired by either Party before or outside the scope of this Agreement is considered Background Intellectual Property ("Background Intellectual Property").
- ii) Nothing in this Agreement shall entitle a Party to ownership rights in any Background Intellectual Property of the other Party.
- iii) Seller grants to Purchaser a non-exclusive, perpetual (if the governing law does not allow perpetuity, the license shall last at 60 years), irrevocable, fully paid-up, worldwide license to use, copy, and make derivative works of Seller's Background Intellectual Property and to disclose Seller's Background Intellectual Property to customers and users of Purchaser's products, Purchaser's partners or Affiliates, government agencies, and contractors in connection with the sale, test, qualification, certification, adaptation, modification, servicing, or repair of Goods and/or Services, including where such Goods and/or Services are incorporated into a higher tier assembly. The license granted herein shall supersede any restrictions stated in any Confidential Information Agreement and shall take precedence over any restrictive or proprietary markings contained on the face of any Goods and/or Services documentation and/or data deliverables pursuant to an Order. To the extent Purchaser discloses Seller Confidential Information under this paragraph, such disclosure will be subject to the confidentiality terms consistent with those set forth in Article 9(c).

### (b) Foreground Intellectual Property

- i) Intellectual Property developed by Seller when performing its obligations under this Agreement is considered Foreground Intellectual Property ("Foreground Intellectual Property").
- ii) Purchaser shall own all Foreground Intellectual Property along with any Intellectual Property Rights thereto. As required under the terms of an Order or at Purchaser's request, Seller shall deliver all such Foreground Intellectual Property to Purchaser.
- iii) Seller hereby assigns and agrees to assign all rights in Foreground Intellectual Property to Purchaser. In addition, Seller, will provide reasonable, timely assistance to Purchaser (at Purchaser's expense) to enable Purchaser to secure Intellectual Property Rights in Foreground Intellectual Property.
- iv) When an Order includes line items for Goods and/or Services or an adaption or improvement to existing Goods and/or Services, Intellectual Property relating to such line items shall be considered Foreground Intellectual Property unless Seller establishes by documented evidence that such Intellectual Property was developed wholly outside of the scope of this Agreement, and without use of Purchaser's funds, Purchaser's Property, and Purchaser's Background Intellectual Property.



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- v) Except as provided by applicable law all Foreground Intellectual Property that is considered “Work Made for Hire” as defined in Section 101 of the United States Copyright Act, 17 U.S.C. § 101, and used in 17 U.S.C. § 201 (or relevant EU legislation and the UK Copyright, Design and Patents Act 1988, c. 48, as amended), shall be deemed a “work made for hire” under this Agreement, with all right, title and interest in such Foreground Intellectual Property vesting with Purchaser.
  - vi) Seller will procure from its employees and Subcontractors at Seller’s sole expense (including any compensation due Seller’s employees), all Intellectual Property Rights in Foreground Intellectual Property. Further, Seller will secure from Seller’s employees and Subcontractors the execution of all patent applications, assignments, and other instruments necessary for procuring Intellectual Property Rights and vesting title in Foreground Intellectual Property for Purchaser.
- (c) Government Contracts. If the Goods or Services under this Agreement are being delivered pursuant to a government subcontract that includes retention of ownership of Foreground Intellectual Property by the Seller, provision (b) above shall not apply, and Seller shall retain ownership of such Foreground Intellectual Property (“Seller’s Foreground Intellectual Property”). Seller hereby grants to Purchaser a perpetual (if the governing law does not allow perpetuity, the license shall last at 60 years), irrevocable, fully paid up, worldwide license to use, copy, and make derivative works of Seller’s Foreground Intellectual Property, with the right to sublicense, and to disclose Seller’s Foreground Intellectual Property to customers and users of Purchaser’s products, Purchaser’s partners or Affiliates, government agencies, and contractors in connection with the sale, test, qualification, certification, adaptation, modification, servicing, or repair of Goods and/or Services, including where such Goods and/or Services are incorporated into a higher tier assembly. Purchaser, Purchaser’s customers, suppliers, partners, Affiliates, regulators, auditors, and inspectors shall not use Seller’s Foreground Intellectual Property for the purposes of manufacturing the Goods and/or Services or procuring the Goods and/or Services from sources other than Seller, without Seller’s written approval. The license granted in this Article 8(c) shall supersede use restrictions stated in any non-disclosure agreement or confidentiality agreement, provided that to the extent Seller’s Foreground Intellectual Property is considered Seller’s Confidential Information, such Seller’s Foreground Intellectual Property will be subject to the confidentiality terms of Article 9.
- (d) Patent Markings. If Purchaser notifies Seller that Goods ordered under this Agreement are patented, Seller agrees to mark such Goods with any patent numbers or other markings designated by Purchaser, including updates to such numbers or markings.
- (e) Intellectual Property Representations and Warranties. Seller represents and warrants:
- i) It is not the proprietor of any Intellectual Property Rights that would impair or restrict the freedom of Purchaser, Purchaser’s Affiliates, and their respective vendors and customers to make use of the Goods and/or Services;
  - ii) Goods and/or Services shall not infringe any Intellectual Property Rights of any third party;
  - iii) Seller will not assert any Intellectual Property Rights against Purchaser, Purchaser’s Affiliates, and their respective vendors and customers based on their use of the Goods and/or Services or their use, copying, and making derivative works of Seller’s Background Intellectual Property; and
  - iv) Seller will obtain the same warranties and commitment contained in this article running in favor of Purchaser, Purchaser’s Affiliates, and their respective vendors and customers from each of Seller’s Subcontractors.

#### **ARTICLE 9 - CONFIDENTIALITY AND DATA PROTECTION.**

- (a) Each Party’s Confidential Information shall remain the property of that Party except as expressly provided otherwise by the other provisions of this Agreement.



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- (b) All Purchaser's Property, Purchaser's Background Intellectual Property, Foreground Intellectual Property, and Orders shall be deemed Purchaser's Confidential Information.
- (c) Seller shall not disclose Purchaser's Confidential Information to any third party or use Purchaser's Confidential Information for the benefit of anyone other than Purchaser without Purchaser's consent. Seller shall protect Purchaser's Confidential Information against unauthorized use or disclosure using at least those measures that it takes to protect its own Confidential Information of a similar nature, but no less than reasonable care. Seller will permit access to Purchaser's Confidential Information to only Seller's personnel who have a need to know for the purpose of performing Seller's obligations under this Agreement. If Seller is required by applicable law or regulation to disclose Purchaser's Confidential Information, Seller shall provide Purchaser with prompt notice thereof and a reasonable opportunity to comment or undertake protective measures prior to such disclosure. Seller may disclose only the information that is required by such law or regulation to be disclosed without liability under this Agreement.
- (d) Notwithstanding the restrictions in this Article, Seller may disclose Purchaser's tooling and tooling drawings to Seller's sub-contractors for the sole purpose of assisting Seller in performing its obligations under this Agreement, provided that Seller's sub-contractors agree in writing to obligations of confidentiality at least as restrictive as those set forth in this Agreement for Purchaser's benefit.
- (e) Seller shall be liable to Purchaser for any unauthorized use or disclosure by Seller's personnel or any third party to which Seller discloses Purchaser's Proprietary Information.
- (f) The Parties undertake to comply to the EU regulation set forth in \_General Data Protection Regulation n. 2016/679\_(GDPR) and applicable data privacy regulation and laws and to this purpose, Seller shall comply with the GE Privacy and Data Protection Appendix available at <https://www.geaerospace.com/company/doing-business/privacy> (the applicable version as of the time of the Order).

#### **ARTICLE 10 - CHANGES.**

- (a) Purchaser reserves the right at any time to make changes within the general scope of this Agreement. Such changes may include: (1) engineering definitions, drawings, designs or specifications; (2) technical clarifications; (3) artwork; (4) quantity; (5) method of shipment or packing; (6) quality requirements; (7) place or time of delivery; or (8) amount of Purchaser's furnished Property.
  - i) If any change causes a significant impact on the cost of, or the time required for, performance of any work under this Agreement, an equitable adjustment shall be made in the price or delivery schedule, or both as applicable, in writing. Any Seller claim for adjustment under this article shall be deemed waived unless asserted in writing within twenty (20) days after receipt by Seller of the notice to make the change and may only include reasonable, direct costs that will necessarily be incurred as a direct result of the change.
  - ii) Seller shall not proceed to implement any change for which Seller will seek an equitable adjustment until Purchaser provides for such change in writing.
  - iii) Nothing in this section, including any disagreement with Purchaser as to the equitable adjustment to be made, shall excuse Seller from proceeding with the change provided that Purchaser pays Seller all undisputed amounts pursuant to this Agreement.
- (b) With respect to anything subject to significant process substantiation under 0070Q or other Purchaser's applicable specifications, Seller shall notify Purchaser in writing 180 days in advance of any and all: (i) changes to the Goods and/or Services, their specifications and/or composition; (ii) process changes; (iii) plant and/or equipment/tooling changes or moves; (iv) transfer of any work hereunder to another site; and/or (v) sub-supplier changes, to permit Purchaser to identify any quality, regulatory or other reporting requirements that may arise from such change, including, but not limited to, FAR, DFARs, FAA and/or EASA requirements, and no such change shall occur until Purchaser has had the opportunity to conduct such audits, surveys and/or testing necessary to determine the impact of such change on the Goods and/or Services and has approved such change in writing. Seller



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shall be responsible for obtaining, completing, and submitting proper documentation regarding any and all changes, including complying with any written change procedures issued by Purchaser.

**ARTICLE 11 - ANTICIPATION OF DELIVERY SCHEDULE.** It is Seller's responsibility to comply with the established lead times and Due Dates but not to anticipate Purchaser's requirements. Any material commitments or production arrangements made by Seller in excess of the amount or in advance of the time necessary to meet schedules that are within lead time shall be at Seller's sole risk and expense. Seller shall not ship Goods to Purchaser in advance of Purchaser's requirements, and any such early shipment will not obligate Purchaser to pay and may be returned to Seller at Seller's risk and expense.

**ARTICLE 12 - ASSIGNMENT AND CHANGE IN OWNERSHIP.**

- (a) Assignment. Any assignment or attempt to assign or subcontract Seller's obligations under this Agreement without the advance written consent of Purchaser shall be null and void and shall give Purchaser the right to terminate this Agreement for default under paragraph 5 (a).
- (b) Change in Ownership. If Seller solicits or receives an offer that would result in a Change in Ownership or Control, as defined below, Seller shall give notice of said offer and the identity of the offeror to Purchaser as early as practical following Seller's receipt of the offer. Before Seller accepts the offer or enters into definitive documentation with respect to a Change of Ownership or Control, it shall give Purchaser a reasonable opportunity to discuss the potential impact with Seller.

Seller shall immediately notify Purchaser if the Change in Ownership or Control occurs. Within one hundred twenty (120) days after receipt of such notice or the effective date of such Change in Ownership or Control, whichever is later, Purchaser may at its option:

- i) terminate all or any part of the Agreement as if for default under paragraph 5(a) above and at no cost to Purchaser; and/or
- ii) extend the duration of all or any part of the Agreement by up to thirty-six (36) months, with the same terms and conditions (including pricing).

In any event, Seller agrees to render full cooperation to Purchaser in order to minimize disruption to the Purchaser's program.

In addition to the rights above, Purchaser may require Seller to provide adequate assurance of performance, including, but not limited to (A) additional commitments from the new controlling entity, which may be in the form of a guarantee, and/or (B) the institution of special controls regarding the protection of Purchaser's Property, Purchaser's Background and Foreground Intellectual Property, and Confidential Information.

For purposes of this paragraph 12(b), the term "Change in Ownership or Control" means any of the following, in each case either directly or indirectly: (1) the sale of equity shares controlling 20% or more of the voting rights in Seller, an entity in Seller's line of ownership, or Seller's ultimate parent, (2) the sale, lease, transfer or other disposition of substantially all of the assets of Seller or Seller's ultimate parent, (3) a merger, reorganization, consolidation, share exchange, recapitalization, business combination, liquidation or dissolution or similar transaction involving Seller or Seller's ultimate parent, (4) a tender offer or exchange offer for any of the outstanding shares of capital stock of Seller or Seller's ultimate parent, (5) a sale by Seller of the assets relating to the product Seller produces or will produce for Purchaser, or (6) any public disclosure of a proposal or plan or intention to do any of the foregoing.

**ARTICLE 13 - QUALITY ASSURANCE, INSPECTION AND TEST.**

- (a) Seller shall be responsible for the specific quality, performance, productivity provisions, and documentation requirements, if any, set forth in this Agreement. In addition, Seller shall be responsible for imposing the applicable quality assurance requirements on its Subcontractors. Purchaser and Purchaser's customer shall each have the right, at no charge to Purchaser or Purchaser's customer, to access the sites where the work under this Agreement is performed or to receive Seller data



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sufficient to (1) conduct quality audits, (2) perform or witness inspections or tests of the Goods or Services at Seller's facility or elsewhere, (3) assess conformance with Purchaser's specifications, (4) assess part performance, (5) assess conformance with Seller's other commitments under this Agreement, and (6) follow up on findings and improvements to resolve any findings or issues and verify the implementation of the resolution(s). In accordance with 14 C.F.R. 145.223 and 14 C.F.R. 21.140, and EASA 145.A.140 e 21.A.157 any Seller that agrees to provide Goods or Services that are regulated by the FAA, EASA, DAOS or other regulator, must provide facility access to that regulator for observation and inspection of information, items and processes related to those Goods or Services. For avoidance of doubt, Seller shall provide any drawings and/or other data needed to support regulatory requirements and regulatory authority audits within the period required by an applicable regulatory body. Notwithstanding other confidentiality restrictions, if any, Purchaser may disclose Seller's information to regulators and other government agencies in response to requests within the scope of said agencies' authority.

- (b) Seller agrees to use only experienced, trained, and qualified employees in the performance of its obligations under this Agreement, and all Goods and Services must be of first class quality and workmanship.
- (c) Actions listed in paragraph (a) above do not replace or waive any applicable rights of inspection, count, testing, acceptance or rejection. Payment does not constitute acceptance of Goods and/or Services and all payments against documents are made with a reservation of rights with respect to defects, whether apparent or not. Any faults and/or defects found in the Goods and/or Services, including the accompanying documentation, may be notified by Purchaser during the whole applicable warranty period. The making of, or failure to make, any inspection or acceptance of the Goods or Services shall not impair Purchaser's right to raise a warranty claim or reject nonconforming Goods or Services or receive any other remedies.
- (d) Seller certifies that it shall provide and maintain quality control, inspection, and process control systems in accordance with the most current specification revision located on Purchaser's document management system for supplier quality product requirements, as applicable (*Handbook for supplier of direct material and services to GE Avio*, hereinafter "0070Q" or NAK 3001 (when working with the GE Aviation Czech s.r.o.), or other quality requirements as specified). For clarity, Purchaser's approval of Seller's process, quality and control processes does not release Seller from its responsibility to fulfill Purchaser's specifications and maintain such quality and process control systems. Seller will maintain objective evidence of its conformance with this paragraph, meaning that any statement of fact pertaining to the quality of a Good or Service must be based on observations, measurements or tests that can be fully verified. Said evidence must be expressed in terms of specific quality requirements or characteristics. These characteristics are identified in drawings, specifications, and other documents that describe the item, process, or procedure.
- (e) For Direct Procurements of Goods built to Purchaser's drawings, Seller shall have Adobe PDF reader version 11 or later with JavaScript enabled and Siemens PLM software (NX9) (or other adequate software if approved by Purchaser).
- (f) Counterfeit Goods. "Counterfeit Goods" means Goods that have been misrepresented as having been designed and/or produced under an approved quality system or by an approved means or source. Examples of Counterfeit Goods include, but are not limited to: (1) Goods that are an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer (OEM) item; (2) Goods that are not manufactured in accordance with the OEM design or that do not contain proper materials or components; (3) Goods that are used, refurbished, or reclaimed but that Seller represents as being new; (4) Goods that have not successfully passed all OEM-required testing, verification, screening, and quality control but that Seller represents as having met those requirements; (5) Goods that are non-OEM items with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing they are genuine OEM items; and (6) Goods identified, marked, and/or altered by a source other than the item's legally authorized source and misrepresented to be an authorized item of the legally authorized source.



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- i) Seller warrants and certifies that Goods delivered pursuant to this Agreement are not and do not contain any Counterfeit Goods. Seller shall provide to Purchaser the OEM's certificate of conformance for any Goods acquired from an authorized OEM reseller or distributor. Seller shall not acquire Goods from independent distributors or brokers unless Purchaser authorizes it in writing.
  - ii) For all electrical, electronic, and electromechanical ("EEE") items included in Goods, Seller shall maintain a method that allows the tracing of the EEE items through the supply chain back to their initial manufacturer. This traceability method shall clearly identify the name and location of all of the intermediaries from the manufacturer to the Seller, and shall include the manufacturer's batch identification for the item(s) (for example, date codes, lot codes, or serializations). Upon Purchaser's request, Seller shall provide OEM documentation that authenticates traceability of the EEE items to the applicable OEM.
  - iii) Seller shall immediately notify Purchaser if it knows or suspects that it has provided Counterfeit Goods. (Additional requirements may apply under paragraph 13(g) below.)
  - iv) If Seller delivers Counterfeit Goods under this Agreement, Seller shall at its expense promptly replace them with genuine Goods. Seller shall be liable for all costs relating to the removal or replacement of Counterfeit Goods, including without limitation Purchaser's or Purchaser's customer's costs related to removing such Counterfeit Goods, inserting genuine Goods, and conducting any necessary tests. Purchaser reserves the right to turn over suspected Counterfeit Goods to US and/or other applicable Governmental authorities (for example, the Office of Inspector General, Defense Criminal Investigative Service, or Federal Bureau of investigation, or Italian law enforcement agencies) for investigation and reserves the right to withhold payment for the suspect Counterfeit Goods pending the results of the investigation.
  - v) This paragraph (f) applies in addition to any other quality provision, specification, or statement of work included in this Agreement addressing the authenticity of Goods and Services. To the extent such provisions conflict with this paragraph (f), this paragraph (f) prevails.
- (g) If applicable, Seller shall comply with the requirements in Federal Acquisition Regulation 52.246-26 to screen for and to report Counterfeit Goods, suspected Counterfeit Goods, major nonconformances, and critical nonconformances, and shall send to Purchaser all required notifications Seller makes to the U.S. Government under FAR 52.246-26. Purchaser may, when applicable, report to GIDEP and/or to Purchaser's customer any Counterfeit Goods, suspected Counterfeit Goods, major nonconformances, or critical nonconformances within the Goods or Services. Seller agrees that Purchaser shall not be subject to any liability to Seller for said reporting if Purchaser has a reasonable basis for doing so.
- (h) The remedies available under this Article are in addition to any other remedies Purchaser may have available to it in law or in equity, or in any other provisions of this Agreement.
- (i) Seller shall secure the same contractual obligations contained in paragraphs (d), (f) and (g) above from Seller's Subcontractors, at any tier, related to performance under this Agreement.

#### **ARTICLE 14 - NON-CONFORMING GOODS.**

- (a) With respect to Goods and Services purchased by Purchaser or Purchaser's customer, in addition to any other warranties and remedies, express or otherwise, and notwithstanding any limitations thereon, Seller shall reimburse Purchaser for labor and material cost, including internal labor and overhead and general and administrative expense, reasonably incurred by Purchaser in connection with:
- i) defective material, workmanship or design, or failure of the Goods or Services to conform to the requirements of Agreement;
  - ii) removal of Goods at Seller's request; or



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- iii) removal of Goods required due to any previously required changes to said Goods that Seller has failed to incorporate.
- (b) For Direct Procurement, Seller shall pay an additional fixed amount for each nonconforming Good or Service as follows to be defined as the "Quality Administration Cost". Quality Administration Cost shall be charged as stated in the Reimbursement Schedule that is available at the following link: <https://www.avioaero.com/company/doing-business-with-us> (the "Quality Administration Fee"). Purchaser has the right to charge the Quality Administration Cost and Seller shall issue a credit note to Purchaser on Purchaser's request. For the avoidance of doubt, the Parties agree that the Quality Administration Cost is only intended to compensate Purchaser for its fuel and/or administrative costs and expenses and shall be without prejudice to Purchaser's right to recover other costs or expenses to which Purchaser is entitled, including but not limited to costs or expenses arising from field actions, such as removing parts from the field, unscheduled engine removals, teardowns, and retest, or other actual damages incurred.
- (c) Seller warrants to Purchaser and Purchaser's customers that Goods and Services (i) comply with Purchaser's requirements and specifications (ii) are free from defect in material and workmanship, and (iii) are free from liens, encumbrances, third-party rights, and other legal defects ("Warranty").
- (d) Unless the Parties agree otherwise in writing, Warranty remains in place for at least (1) for Goods, the later of: 48 months after their installation into engine, or 60 months after delivery, and (2) for Services, the later of: 24 months from Service completion or Purchaser's acceptance.
- (e) The Purchaser reserves the right to submit a Warranty claim to the Seller at any time within the Warranty term set forth in Section 14 (d). Purchaser at its option, in addition to any claim resulting from Article 14(a), may request Seller to: (i) replace Goods with new defect-free Goods, (ii) repair the Goods or reperform the Services, or (iii) have a reduction in price.
- (f) If Seller does not remedy any defect within 10 days from the Warranty claim, or longer deadline reasonably requested by Purchaser, Purchaser may remedy the defect or non-conformance itself or by procuring services from a source or service provider as Purchaser deems appropriate, and Seller shall be liable to Purchaser for excess costs.
- (g) Remedies in this Article are not exclusive and shall not be in lieu of any other remedy available at law, in equity or under this Agreement.

#### **ARTICLE 15 - INDEMNITY AND INSURANCE.**

- (a) General Indemnification. Seller shall defend, indemnify, and hold harmless Purchaser, its directors, officers, employees, agents, representatives, successors, and assigns (each an "Indemnified Party"), whether acting in the course of their employment or otherwise, from and against any and all loss, cost, expense, damage, claim, demand, or liability (including reasonable attorney and professional fees and costs) arising from Seller's negligence, willful misconduct, or breach of Agreement. An Indemnified Party shall have the right to participate in the selection of counsel, and Seller shall not enter into any settlement agreement that contains any admission of liability on the part of Purchaser and/or any other Indemnified Party.
- (b) Intellectual Property Indemnification. Seller shall indemnify, defend, and hold harmless an Indemnified Party from and against any and all loss, cost, expense, damage, claim, demand, or liability (including reasonable attorney and professional fees and costs) arising out of any claim that the manufacture, use, sale, or furnishing of Goods and/or Services constitutes infringement or misappropriation of any Intellectual Property Rights, or for a breach of any of the representations or warranties contained in Article 8 above. If an injunction issues, Seller shall:
  - i) procure for Purchaser and Purchaser's subsidiaries and Affiliates, and their respective vendors and customers, the rights to continue using said Goods and/or Services; or
  - ii) at the election and with written approval of Purchaser, (A) modify the Goods and/or Services in a manner acceptable to Purchaser so they become non-infringing; (B) remove and replace



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the Goods with non-infringing Goods; or (C) remove the Goods and/or discontinue the Services, refund the purchase price, and reimburse Purchaser for all damages and costs associated with obtaining and installing a non-infringing alternative.

- (c) Insurance. Seller shall obtain and keep in force for the benefit of Seller and Purchaser reasonable insurance to cover risks in proportion to the volume and type of Goods and Services that Seller sells to Purchaser. Said insurance shall be from carriers that have a minimum rating of A.M. Best's A-: VII or S&P A and that are licensed to provide insurance in the jurisdiction in which work is to be performed. The minimum limits of said insurance shall be as set forth below:
- i) Comprehensive General Liability - \$5,000,000 combined single limit per occurrence;
  - ii) Aviation Products Liability - \$5,000,000 minimum per occurrence (Aviation Direct Procurements only);
  - iii) Comprehensive Automobile Liability – Bodily injury/property damage covering all vehicles used in connection with the Goods in the amount of \$1,000,000 combined single limit each occurrence;
  - iv) Statutory Workers' Compensation and or Employer's Liability as required by state or country law.

If insurance coverage is maintained in Seller's local currency, the amounts stated above shall be applicable based upon the exchange rates set forth in a reputable listing of currency exchange rates, such as the Wall Street Journal.

- (d) Seller shall provide Purchaser with a certificate of insurance evidencing that the required minimum coverage is in effect and that Purchaser is named as an additional insured, provide a waiver of subrogation clause in favor of the Purchaser, and provide that all coverage provided by the Seller shall be primary. Such insurance shall not exclude the actions of any Subcontractor that Seller may utilize under this Agreement. The insurance obtained by Seller hereunder shall have no effect on any obligations imposed upon Seller under this Agreement.

#### **ARTICLE 16 - SELLER'S REPRESENTATIONS.**

- (a) Compliance with Laws. Seller represents and warrants that in performing under this Agreement, it shall comply with all applicable international, EU, national, state, and local laws.
- (b) Integrity Guide. Seller represents and warrants to Purchaser that Seller has been made aware of the applicable rules in force governing the administrative responsibility of legal entities, and, more specifically, of the provision of Law Decree 231 of June 8, 2001. In this respect, Seller acknowledges that it is fully aware of and understands either "Supplier Avio Aero Code of Conduct" under Law Decree 231 of June 8, 2001, the extract from "231 Organizational Model" published on GE Avio website: <http://www.avioaero.com>. Seller represents and warrants that it maintains a high standard of ethical behavior, uphold straightforward and honest conduct and operate with personal and professional integrity. Seller represents and warrants that it has adopted and effectively implemented corporate procedures and behaviors in order to prevent occurrence of the offences under Law Decree 231 of June 8, 2001 and has instructed its employees, agents, Subcontractors and representatives. Seller agrees to comply with any such procedures, behaviors and instructions for the duration of the Agreement. Consequently, Seller agrees that it will act according to correctness and transparency and prevent fraudulent behaviors or any other illegal activity, in any form or manner whatsoever, by its employees, agents, Subcontractors and representatives. In the event of violation of the afore – mentioned obligations, Purchaser reserves the right to: (i) suspend performance of the Agreement, by registered letter to Seller briefly setting forth any information, including any press releases, relevant to either circumstances or legal proceedings wherefrom Seller's failure to perform the afore obligations may be reasonably inferred; and/or (ii) withdraw from, also during performance thereof, or terminate the Agreement for default in accordance with article 5 letter a). For the purposes of exercising the rights under (i) and (ii) hereinabove, any extra costs and expenses directly or indirectly arising out of or resulting from failure to perform the aforesaid obligations, shall be borne by Seller.



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Moreover, Seller shall be liable for any loss or damage arising out of or resulting from Seller's failure to perform and shall guarantee and indemnify Purchaser from and against any third party actions arising out of, or resulting from, such failure to perform.

- (c) Release of Information. Seller shall not release any information concerning this Agreement or its business relationship with Purchaser to any third party, except as required by applicable law, regulation, injunction, or administrative order, without Purchaser's prior written consent. Seller shall not use Purchaser's name, photographs, logo, trademark, or other identifying characteristics, or those of any of its subsidiaries or Affiliates, without Purchaser's prior written approval.
- (d) Conflict Minerals. Where applicable, Seller shall comply with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflicts-Affected and High-Risk Areas (the "OECD Guidance"). Capitalized terms in this paragraph not defined in this Supply Agreement have the meanings used in the OECD Guidance. If Goods from Seller contain tin, tantalum, tungsten, or gold materials ("3TG"), Seller shall have a Conflict Minerals policy and program in place that meets the OECD Guidance and shall conduct due diligence with suppliers as necessary. Such due diligence shall include informing direct and indirect smelters of the obligations to avoid involvement in Conflict Minerals and to participate in Responsible Minerals Initiative certification. If Seller is procuring 3TG or cobalt in a way that directly or indirectly provides financial support to armed conflict, Seller shall find alternative sources that do not. Upon request, the Seller shall provide Purchaser with its latest completed Conflict Minerals Reporting Template ("CMRT") and shall respond to any follow-up inquiries stemming from information provided on the CMRT. In the event Seller becomes aware of any Goods delivered to Purchaser that are confirmed to be linked to Conflict Mines, Seller shall notify Purchaser promptly and provide an updated CMRT and commitment statement to phase out the presence of materials linked to the Conflict Mines within a reasonable period of time.
- (e) International Electrotechnical Commission ("IEC") Standards. If the Goods contain software, Seller represents and warrants that it will adopt policies and establish systems to comply with IEC 62443-4-1 on or before it is adopted as an international standard and will provide data regarding Seller's compliance to Purchaser upon request. If the Services involve Industrial Automation Control Systems (as defined by the IEC), Seller represents and warrants that it has adopted policies and systems to comply with IEC 62443-2-4 and will provide data regarding Seller's compliance to Purchaser upon request.
- (f) Product Cyber Security. Seller shall comply with the GE Third Party Cyber Security Requirements located at <https://www.geaerospace.com/company/doing-business/privacy> (the applicable version as of the time of the Order). Should the Goods or the Services require adherence to additional mandatory cybersecurity regulations and/or compliance models, such as Cybersecurity Maturity Model Certification (CMMC), Perimetro di Sicurezza Nazionale Cibernetica (PSNC), Network and Information Security Directive 2 (NIS2), the relevant details and requirements will be outlined in the Order.
- (g) Seller shall not deliver any product or service that contains any equipment produced by a Covered Entity. Covered Entity means: Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, and Dahua Technology Company, including all subsidiaries and affiliates (including US subsidiaries and affiliates) of such entities.

#### **ARTICLE 17 - SELLER'S EMPLOYEES**

- (a) Seller's personnel performing work related to this Agreement shall remain employees of Seller and are subject to its right of direction, control, and discipline. This Agreement does not make them employees of Purchaser nor entitle them to any rights, benefits, or privileges given to Purchaser's employees. As appropriate, Purchaser shall give direction as to the ultimate objective of the project to the Seller. The Seller shall ensure that its personnel adhere to the terms and policies in this Agreement and that they have the requisite knowledge, training and ability to perform work under this Agreement.



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- (b) Seller shall indemnify Purchaser for any claims (including attorneys' fees) brought by the Seller's employees, agents or Subcontractors, including but not limited to any co-employment and/or salary payment claims. Seller shall indemnify Purchaser for any requests (including attorneys' fees) made by any local authorities in relation to payments of social security and insurance contributions relating to Seller's employees and for which Purchaser may be liable under applicable laws.
- (c) Seller's employees are not authorized to make or modify any agreements or commitments on behalf of Purchaser. Specifically, no employee of Seller shall make contact with any government official regarding the continuation, renewal, amendment, or modification of a contract.

#### **ARTICLE 18 - RECORD RETENTION REQUIREMENTS.**

- (a) Record Retention. For U.S. Government subcontracts, Seller shall maintain complete and accurate records in connection with its performance under this Agreement for seven (7) years after completion of performance under this Agreement, including but not limited to Orders, memoranda of negotiations showing the principal elements of price negotiations, and records substantiating charges for labor or services (for example, proper time clock cards, time vouchers, or other similar records). Seller will maintain quality documents according to the applicable quality specification (0070Q). In the event that a record retention requirement is not mentioned in the above specification, then Seller shall retain such records of quality documents for ten (10) years. Applicable quality specifications may include 0070Q (or NAK 3001 when working with the GE Aviation Czech s.r.o.), or other quality requirements as specified.
- (b) Classified Information. Unless authorized in writing by Purchaser or the applicable government, Seller shall return or destroy any classified information furnished by Purchaser (including all reproductions) upon completion of the work under this Agreement that required the classified information. Classified Information means information, software, hardware, and equipment that are defined as classified information by national or international security classification regulation and/or law. Seller represents and warrants that, in case the supply of the Goods or Services in accordance with this Agreement caused the Seller to access to Classified Information, it will comply with the applicable security instructions. Purchaser may request to Seller to give evidence of facilities security clearance releasable by its National Security Authority as well as similar communication and information systems security clearance. Only Seller's personnel with appropriate security clearances shall have access to the Classified Information and Seller acknowledges that Purchaser facilities and systems do contain Classified Information; in the event Seller's personnel needs to require access to Classified Information, Seller will provide personnel with appropriate security clearances at no additional cost to Purchaser. Seller shall, at all times maintain Classified Information in accordance with applicable security policies related to the protection and preservation of data, including but not limited to Purchaser internal policies. Seller personnel shall only access, store, process or transmit Classified Information on Information Systems that have been duly designated and accredited for that purpose;
- (c) Seller shall indemnify and hold harmless Purchaser for any breaches or violations of this Article 18(b).

#### **ARTICLE 19 - EXPORT CONTROL REQUIREMENTS.**

- (a) Seller and Purchaser shall comply with all applicable customs, export, import, transit, brokering, technical assistance, controlled items, and sanctions laws, regulations, including but not limited to: (i) applicable European Union (EU), United Kingdom (UK) and other non US/EU customs, export control, and sanctions laws, regulations, and orders; (ii) the International Traffic in Arms Regulations ("ITAR"); (iii) the Export Administration Regulations ("EAR"); and (iv) the Foreign Assets Control Regulations ("OFAC Regulations"); (collectively, "ITC Laws").
- (b) Seller shall provide to Purchaser all information and documentation reasonably requested by Purchaser in relation to compliance with ITC Laws and acknowledges that Purchaser may rely on such information and documentation for its own compliance activities, including issuing certifications and/or other documentation related to ITC Laws.



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- (c) Seller shall obtain the required export licenses, unless Purchaser agrees otherwise in writing.
- (d) If the Goods or Services are subject to ITAR, then: i) If Seller is a U.S. company, it shall maintain a valid and current U.S. Department of State Directorate of Defense Trade Controls (“DDTC”) registration and shall confirm such registration to Purchaser upon request; and ii) Seller represents and warrants that it has not and will not pay or offer to pay any fees, commissions or political contributions as described under Part 130 of the ITAR for the solicitation, promotion, or securing of a sale of Defense Goods or Services to, or for the use of, the armed forces of an international organization or non-U.S. Country.
- (e) Export Classification Information. Seller shall provide in writing (Export Classification Request form) to the Purchaser, the export classification information of the Goods (e.g., Export Control Classification Number, United States Munitions List Code, European Union (EU) Common Military List Code, Harmonized Tariff Schedule, Country of Origin) and shall also provide in writing information about any subsequent change in export classification information as soon as possible.
- (f) Seller shall not export, re-export, transfer, or otherwise divert any items provided by Purchaser, including goods, equipment, technology, or technical data controlled under ITC Laws: i) to Cuba, Iran, North Korea, Russia, Syria, and/or any country comprehensively sanctioned by the United States, the United Kingdom, and/or the European Union; ii) to or for use by any party prohibited from receiving such items under applicable ITC Laws; and/or iii) for any end use prohibited under applicable ITC Laws.
- (g) With specific reference to Russia and Belarus:
  - (i) Seller shall not directly or indirectly sell, export, or re-export to the Russian Federation and/or Belarus or for use in the Russian Federation and/or Belarus any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 and/or Article 8g of Council Regulation (EU) No 765/2006.
  - (ii) Seller shall undertake reasonable efforts to ensure that any third party recipient of goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 and/or Article 8g of Council Regulation (EU) No 765/2006 will not directly or indirectly sell, export or re-export those goods to the Russian Federation and/or Belarus or for use in the Russian Federation and/or Belarus.
  - (iii) Seller hereby acknowledges that any violation of paragraphs 19(g),(i) and/or 19(g),(ii) shall constitute a material breach of an essential element of this Agreement and shall entitle Purchaser to seek appropriate remedies, including those available pursuant to this Agreement and/or applicable law.
  - (iv) Seller shall provide Purchaser with all information and documentation reasonably requested by Purchaser in relation to compliance with paragraphs 19(g),(i) and 19(g),(ii).
- (h) Seller shall not export, re-export, or otherwise transfer any Purchaser export-controlled technology related to any item that is subject to Supplement 2 to Section 744.21 of the U.S. Export Administration Regulations (“EAR”) to any “military end user” or for purposes of any “military end use,” as defined by Section 744.21 of the EAR, unless such export, re-export, or transfer is authorized by a valid export license. Prior to any transfer of such technology to a Subcontractor located or incorporated in any named country under Section 744.21, including but not limited to Belarus, Burma, Cambodia, China, Russia, or Venezuela, Seller shall: (1) complete due diligence to determine if the Subcontractor is a “military end user” as defined in Section 744.21 of the EAR; and (2) if Seller determines the Subcontractor is a “military end user” as defined in Section 744.21



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of the EAR, notify Purchaser and cooperate with Purchaser, including providing all documentation and information requested by Purchaser, to obtain any required export licenses as identified by Purchaser.

- (i) With respect to Purchaser's technical data, Seller agrees to the following:
  - i) The use of the technical data is limited to the manufacture of the Goods;
  - ii) Disclosure of the technical data is prohibited to any other person except Subcontractors within the same country and who are identified on the applicable export license;
  - iii) Acquisition of any rights in the data by any foreign person is prohibited;
  - iv) Any subcontract(s) between the Seller and other foreign persons in the approved country for manufacture of Goods contain all the limitations of this paragraph;
  - v) Seller and its Subcontractors shall destroy or return to Purchaser all of the technical data exported pursuant to this Agreement upon fulfillment of their terms.
- (j) Seller shall obtain the representations, warranties, and commitments above in this Article from each of Seller's Subcontractors that receives information related to the Goods or Services.

#### **ARTICLE 20 - IMPORTER OF RECORD**

- (a) Importer of Record. Seller must show proper notification on all shipping waybills. In addition, shipping cartons and documentation must meet all applicable customs country of origin marking and invoicing requirements. Seller will be responsible for any fines or liabilities resulting from insufficient, improper or negligent invoicing or marking of shipments. In addition, Seller is obliged to provide on a yearly basis a declaration/certification related to the correct country of origin for each part number listed in the Agreement. The Seller must immediately notify the Purchaser whenever any changes in the country of origin occurs by providing a new declaration/certification for the part number(s) that have changed.
- (b) Anti-Dumping. Seller warrants that all sales made hereunder are or will be made at not less than fair value under applicable Anti-Dumping law.

#### **ARTICLE 21 - WORK ON PURCHASER'S OR ITS CUSTOMER'S PREMISES.**

If Seller works on the premises of Purchaser or Purchaser's customer ("Premises") or accesses Purchaser's systems, then:

- (a) Seller shall comply with Purchaser's safety and security procedures and shall take all necessary precautions to prevent the occurrence of any injury to person or property during such work. Information about GE Aerospace Security requirements can be found at <https://www.geaerospace.com/company/doing-business/supplier-security-requirements>.
- (b) If it is legally permissible (by the applicable law in country in which the premise is located) for Seller to conduct drug testing of its employees, Seller represents and warrants that all of its employees who will perform work under this Agreement on Premises or while accessing Purchaser's systems ("Access Work") have been tested for, and are free from, illegal drugs, including without limitation marijuana. If it is not legally permissible for Seller to conduct routine drug testing Seller represents and warrants that it will use reasonable endeavors to ensure that all of its employees who will perform Access Work are free from illegal drugs, and if Seller has reason to suspect that any employee performing Access Work is using illegal drugs or is under the influence of alcohol, Seller shall take immediate steps to remove such employee from Access Work and ensure that the employee does not continue to perform work under this Agreement.
- (c) Seller represents and warrants that Seller's employees will not perform Access Work while impaired by alcohol, or other drugs and that any medication taken by a Seller employee will not adversely affect the employee's ability to perform competent and safe work.



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- (d) If permitted by applicable law, Seller represents and warrants that it will conduct a criminal conviction records investigation of its employees through the use of an approved third-party background check vendor before they are assigned to work on any Order that requires the employee to enter Premises (information about the GE Aviation Background Check process can be found at <https://www.geaerospace.com/company/doing-business/supplier-security-requirements> ). Seller further agrees that it shall not assign any person to perform work on Purchaser's or its customer's premises if, further to criminal convictions investigations, the concerned person is found to have been finally convicted or has been subjected to preventative measures according to Legislative Decree n° 159 dated 6 September 2011 and subsequent modifications and additions
- (e) Seller shall include this Article in any subcontract placed pursuant to this Agreement under which the Subcontractor will perform Access Work.
- (f) If permitted by applicable law, Purchaser reserves the right to deny any of Seller's employees, agents, or Subcontractors access to Premises and/or systems for any reason in Purchaser's sole discretion.

#### **ARTICLE 22 - ENVIRONMENTAL MATTERS.**

- (a) Seller covenants that the Goods (1) comply with all laws governing the management, handling, shipping, import, export, notification, registration, and authorization of chemical substances such as the Montreal Protocol, the Stockholm Convention on Persistent Organic Pollutants, the U.S. Toxic Substances Control Act ("TSCA"), the European Union's Restriction of Hazardous Substances Directive ("RoHS"), EU and UK Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") regulations, EU and UK F-Gas Regulations, and other comparable chemical regulations (collectively "Chemicals Regulations"); and (2) can be used as contemplated by Purchaser in full compliance with the Chemicals Regulations. Seller is expected to anticipate future regulatory constraints on the Goods to ensure the continuity of supply.
- (b) Unless agreed in writing or required by Purchaser's engineering drawings or specifications, the Goods shall not contain: (1) lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls ("PBBs"), polybrominated diphenyl ethers ("PBDEs"), arsenic, asbestos, benzene, polychlorinated biphenyls ("PCBs"), carbon tetrachloride, beryllium, radioactive materials, or per-and polyfluoroalkyl substances ("PFAS"); or (2) any other chemicals that are restricted or banned under any applicable Chemicals Regulations. In addition, Seller shall notify Purchaser in writing if either of the following are contained in the Goods or used by Seller in the manufacture of the Goods: (1) any engineered nanoscale material; or (2) any substances on the most recently published version of the Aerospace and Defence Declarable Substances List ("AD-DSL").
- (c) Upon request, Seller shall provide to Purchaser or its authorized third-party service provider, subject to reasonable protection of Seller's confidential business information, the exact chemical composition (100%) of the Goods and any other relevant information regarding the Goods, including without limitation, concentrations, safe use instructions, and hazard information. Furthermore, for dangerous mixtures, the Seller must ensure the Poison Center Notification (PCN) in accordance with the art. 45 of the CLP Regulation before the mixture is placed on the market in which the Purchaser operates.
- (d) Seller's manufacturing of the Goods shall not involve any contact between cadmium plating or nickel cadmium plating and titanium alloys unless: (1) specifically defined as a requirement by Purchaser's engineering drawings or specifications; or (2) Seller has notified Purchaser in advance and has obtained its prior written consent to such use.
- (e) If Seller is shipping Goods into the U.S., regardless of which Party is the importer of record, Seller shall comply with the import restrictions contained in TSCA and provide the appropriate TSCA Certification required under 19 CFR 12.121.
- (f) Seller shall ensure Purchaser the full respect of all the appropriate requirements according to the Regulation (EC) No. 1907/2006 (REACH) and Regulation (EC) No. 1272/2008 (CLP) for the Good provided, both for its own and within its Supply Chain.

- (g) In accordance with the art. 33 of the REACH Regulation, regarding the presence into the articles of “Substances of very high concern” (SVHC) as per listed in “Candidate List”, for those Goods manufactured or imported in EU, if during all production/repair/overhaul activities such types of substance are introduced in the Goods, Seller must at least declare the presence of any SVHC from “Candidate List” in a concentration above 0,1% weight by weight (w/w) and provide sufficient information to allow safe use of such articles, by using the appropriate tools made available by Purchaser. Here is the updated list of these substances: <http://echa.europa.eu/candidate-list-table>.
- (h) Seller shall ensure Purchaser the full respect of the conditions laid down by the restrictions for each substance on its own, in mixtures or in articles, as per listed in the Annex XVII of the REACH Regulation and subsequent amendments and integrations. Here is the updated list of these substances: <https://echa.europa.eu/substances-restricted-under-reach>.
- (i) Seller shall notify to Purchaser any substance, on its own and/or in mixture, as per listed in the Annex XIV of the REACH Regulation and subsequent amendments and integrations, when the authorization is in progress or already granted according to the art. 60 of the same Regulation, and shall guarantee that the Purchaser’s uses and conditions of use are included and covered by the pending authorization request or into the authorization already received by the Commission.
- (j) Seller commits also to monitor periodically and to update possibly the notifications to Purchaser further to modifications and integrations of the substance lists mentioned above, or “Candidate List”, Annexes XIV and XVII of the REACH Regulation and subsequent amendments and integrations.
- (k) Hazardous substances and mixtures provided shall be classified, labeled and packaged in accordance with the requirements of the CLP Regulation and subsequent amendments and integrations. Where the CLP hazard label is required, it shall be issued in Italian language. If the art. 31 of the REACH Regulation and subsequent amendments and integrations is applicable, a Safety Data Sheet (SDS), in compliance with Annex II of the REACH Regulation and subsequent amendments and integrations of the same Annex, shall be issued in Italian language. In accordance with the art. 31.7 of the REACH Regulation and subsequent amendments and integrations, the appropriate exposure scenarios shall be attached to the SDS or, alternatively, the consolidated scenarios integrated within the 16 Sections of the SDS in the relevant mixtures cases. Also the appropriate exposure scenarios shall be issued in Italian language. Seller commits to send automatically any update of the SDS in accordance with the art. 31.9 of the REACH Regulation and subsequent amendments and integrations. If any change in the SDS also involves a change in the CLP label, Seller commits to send a sufficient number of labels to cover the quantity supplied in the previous 12 months. The substances or mixtures provided, for which a safety data sheets is not required according to the art. 31 of the REACH Regulation, shall be accompanied by safety information documents required by art. 32 of the same Regulation, issued in Italian language. All the documentation shall reference the stock or the part number of the delivered Good.
- (l) If Seller fails to comply for the Good provided with REACH and CLP requirements, legally applicable either on its own Legal Entity or on the appointed Only Representative (OR) in compliance with the art. 8 of REACH Regulation, Purchaser may terminate all or any part of the Order in accordance with the art. 5 of the I64. Seller shall hold harmless and indemnify Purchaser if Purchaser will be subject to penalties issued by REACH and CLP national authorities due to the Goods provided.
- (m) Seller covenants that it has included requirements substantially similar to the covenants in this Agreement in all sub-contracts it enters into related to the fulfillment of this Agreement.
- (n) Seller is responsible for the compliant management, transportation, and disposal of any wastes generated while manufacturing the Goods and/or supplying the Services.
- (o) Carbon Border Adjustment Mechanism (CBAM). According to Regulations EU 2023/956 and EU 2023/1773 (hereinafter the “CBAM Regulations”), for all the goods included in the list of the Annex I of Reg EU 2023/956, Seller shall provide Purchaser, at any shipment coming from outside the EU, with all the information required by the CBAM Regulations as specified in ANNEX IV of Regulation EU 2023/1773.



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## **ARTICLE 23 - MISCELLANEOUS.**

- (a) **English Language.** Except as the Parties may otherwise agree, this Agreement, Orders, data, notices, shipping invoices, correspondence, and all other writings shall be in Purchaser's native language or the English language. In the event of any inconsistency between any terms of this Agreement and any translation thereof into another language, the English language meaning shall control.
- (b) **Governing Law.** This Agreement and all disputes between the Parties shall be governed according to Italian Law notwithstanding such jurisdiction's conflict of laws rules. The application of the United Nations Convention on the International Sale of Goods is hereby excluded. For the avoidance of doubt, interpretation of the clauses in Appendices I and II shall be interpreted in accordance with U.S. federal law.
- (c) **Waiver.** Any failure or delay in the exercise of rights or remedies under this Agreement shall not waive or impair such rights or remedies. Any waiver given shall not be construed to require future or further waivers.
- (d) **Modifications.** No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding upon either Party unless documented in a subsequent writing signed by the duly authorized representative of the Party intended to be bound.
- (e) **Severability.** If any portion of this Agreement is determined to be contrary to any controlling law, rule, or regulation, such portion will be revised or deleted from this Agreement, but the rest of the Agreement will remain in full force and effect.
- (f) **Reports.** Upon request, Seller shall provide to Purchaser progress reports on the status of Seller's work performed under this Agreement. Such reports shall be in a form acceptable to Purchaser.
- (g) **Data Sharing.** Seller agrees that data exchange is required to support the development, delivery, and quality of Goods and Services provided per this Agreement. Seller agrees to provide data including, but not limited to: capacity, raw material ordered and in inventory, work in process, finished goods inventory, yield, expected delivery dates (i.e., commitments), characteristic dimensional information, transportation costs, or other data critical to quality and downstream manufacturing, the resources and processes that affect Goods and/or Services, and related continuous improvement. To facilitate this exchange of data, Seller agrees to share said data at least weekly or as otherwise requested by Purchaser to support stable operations, including Purchaser's manufacturing.
- (h) **Business Continuity Plan.** Upon request, Seller shall provide a written business continuity plan and/or crisis management protocol to Purchaser (or a third party identified by Purchaser).
- (i) **Financial Records.** Upon request, Seller will provide financial records, such as income statements, balance sheets, and cash flow statements, to Purchaser (or a third party identified by Purchaser) to enable Purchaser to evaluate the financial health of Seller. If Seller purchases GE-directed raw material, Seller agrees that the supplier of such raw material may provide Purchaser information regarding Seller's accounts.
- (j) **Productivity.** The Parties agree to collaborate in cost reduction activities with a goal to identify a pipeline of no less than 5% annually. Activities may include but are not limited to alternative manufacturing, design changes, set up time reduction, inspection reduction, increases in manpower multiples, raw material weight reduction, or other productivity opportunities that will result in cost savings if implemented. The Parties agree that all cost savings achieved will be shared 50/50. However, should Purchaser remove an inspection requirement from any applicable design, specification or quality document for the Goods or Services, then upon the effective date of the removal of such inspection requirement, Seller agrees that the piece part price of the affected Goods or Services shall be reduced by 100% of the cost of or value attributed to the removed inspection requirement.
- (k) **Labor Disputes.** Seller shall notify Purchaser of all impending or existing labor complaints, troubles, disputes or controversies that may affect Seller's ability to perform its obligations under this Agreement. Purchaser shall have no liability or bargaining obligations under any collective bargaining



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agreement between Seller and its employees. Seller agrees to give Purchaser prompt notice of any union organization with respect to its employees.

- (l) Security Interest. If items are bailed to Seller or progress payments made, Seller grants Purchaser a security interest in equipment, machinery, contract rights, inventory, goods, merchandise, and raw materials, whether now existing or hereafter arising, and any replacements, improvements, substitutions, attachments, accessories, and accessions thereto or thereon provided by Purchaser or purchased by Seller with progress payments or advances made by Purchaser and to be used by Seller in manufacturing products ordered by Purchaser under this Agreement. Seller agrees to execute and deliver all documents requested by Purchaser to protect and maintain Purchaser's security interest.
- (m) Offset Requirements. All offset or countertrade credit value resulting from this Agreement shall accrue solely to the benefit of Purchaser. Seller agrees to cooperate with Purchaser in the fulfillment of any foreign offset/countertrade obligations. Purchaser considers its future and current offset/countertrade obligations as a factor in all Purchaser transactions.
- (n) Audit Rights. Purchaser shall have the right to audit, at no charge to Purchaser, all pertinent books, records, and systems of Seller, receive answers to reasonable information requests to Seller, and make reasonable inspections of Seller's facilities to verify compliance with this Agreement. In the event of non-compliance, Purchaser may take appropriate actions, up to and including termination pursuant to Article 5(a).
- (o) Capacity. Seller shall maintain sufficient staff, inventory, equipment, tooling and manufacturing resources to achieve Purchaser volume estimates and scheduled deliveries as per Purchaser's demand. Seller shall guarantee, for the duration of the Agreement, that the capacity load shall not to exceed 85% of the total capacity (calculated on a basis working schedule of 24 hours/ 5 days a week, not limited to Purchaser's Goods and/or Services). Seller shall notify the Purchaser when the capacity load exceeds the 85%, within 15 days from the discovery and commits to put in place all necessary recovery actions sharing the recovery plan with the Purchaser. In case the Seller does not comply with the above obligation, the Seller shall prioritize the manufacturing of the Goods and/or Services before other customer's products and avoiding any delay in delivery.
- (p) Survival. All rights, duties, and obligations which by nature should apply beyond the term of the Agreement will remain in force after the complete performance of the Agreement.
- (q) If the Goods or Services under this Agreement are being delivered pursuant to a U.S. Government subcontract, nothing in this Agreement shall be construed or interpreted to (1) limit or in any way restrict the rights the U.S. Government may have under the applicable prime contract to data that is designed, created, produced, furnished, or owned solely by the U.S. Government, or (2) authorize Seller to use such information in support of other U.S. Government prime contracts. Nothing herein shall be interpreted as limiting any rights the U.S. Government may have by contract in data and information that is jointly owned by the U.S. Government and Purchaser.

#### **ARTICLE 24 – FORCE MAJEURE**

- (a) Neither party shall be responsible for nor be deemed to be in default or delay in performance of this Agreement or any Order resulting from a Force Majeure event.
- (b) The Party affected by a Force Majeure Event (the "Affected Party") shall promptly give a written notice to other Party of said Force Majeure Event on its ability to perform and shall provide such information as is available to the Affected Party regarding the progress and the possible cessation of such Force Majeure Event. The Affected Party shall perform its obligations to the extent possible while such Force Majeure Event continues. The performance of obligations hereunder of the Affected Party shall be resumed by the Affected Party as soon as practicable after such Force Majeure Event has ceased. In addition to the foregoing the Parties shall adopt all reasonable actions to avoid or to reduce and mitigate any adverse effect of such Force Majeure Event.



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- (c) If a Force Majeure Event will exceed twenty (20) calendar days from the scheduled delivery date in the Agreement and/or in the Order, Purchaser may obtain the Good(s) and Services from an alternate source until such time as Seller is able to resume fulfillment of its delivery obligations. If the inability to perform continues for longer than ninety (90) days, Purchaser may terminate this Agreement and/or any Order affected by Force Majeure without any liability of either Party for damages by providing a written notice to Seller with immediate effect.

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**APPENDIX I: THE FOLLOWING PROVISIONS ARE APPLICABLE TO ALL U.S. GOVERNMENT SUBCONTRACTS**

- 01. If deliveries of Goods including data under this Agreement are to be made directly to the U.S. Government, Seller agrees to prepare and distribute the DOD form 250, "Material Inspection and Receiving Report", as set forth in part 53 of DFARS. Seller shall include a similar provision in any subcontract issued under this Agreement if the subcontractor will be making deliveries directly to the U.S. Government.
- 02. Seller shall abide by the requirements of 41 CFR 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, respectively. Moreover, these regulations require that Seller take affirmative action to employ, advance in employment and otherwise treat individuals without discrimination based on their status as protected veterans or individuals with disabilities. Seller shall prohibit discrimination against all protected groups and ensure equal employment opportunity.
- 03. Seller shall not deliver any product or service that contains any equipment produced by a Covered Entity, if the product or service provided by Seller may be incorporated into a product or service for the United States Government. Covered Entity means: Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, and Dahua Technology Company, including all subsidiaries and affiliates (including US subsidiaries and affiliates) of such entities, as well as any entity identified in Section 889 of Public Law 115-232.
- 04. The clauses and articles identified for flowdown on the Doing Business with GE website <https://www.geaerospace.com/company/doing-business/flowdown-requirements> and specified as applicable to a particular GE customer contract within GE's request for proposal or Order are hereby incorporated as if fully set forth herein. Seller is responsible for accessing the site and identifying the version of the clauses and articles applicable as specified within the contract awarded GE. In instances where an identified customer contract has multiple entries on the website, or where there are inconsistencies between the clauses and articles on the website and the actual customer contract, Seller is responsible to act in accordance with the latest revision within the customer contract as of the date of the Order. Seller shall include in each lower-tier subcontract the appropriate flowdown clauses as required by the FAR and DFARS.
- 05. Whenever necessary to make the context of the clauses applicable to this Order, the terms "Government", "Contracting Officer", and similar terms shall mean Purchaser, the term "Contractor" and similar terms shall mean Seller, and the term "Contract" shall mean this Order. However, the terms "Government" and "Contracting Officer" do not change (1) when modifying "Property" (for example "Government Property"), (2) in the patent clauses incorporated herein, (3) when a right, act, authorization or obligation can only be granted or performed by the Government or Contracting Officer, (4) when title to property is to be transferred directly to the Government, (5) when access to proprietary financial information or other proprietary data is required, except as otherwise provided herein, and (6) where specifically modified herein.
- 06. The information in parentheses below is provided for informational purposes and to assist in determining applicability, and does not relieve any Party from its contractual duties when the provision or clause applies pursuant to the requirements of each individual provision or clause. The



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full text of a clause may be accessed electronically at [www.acquisition.gov](http://www.acquisition.gov).

07. Consistent with Executive Order (EO) 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity and subsequent Administration and agency guidance, Suppliers are hereby notified that as of January 21, 2025, GE will only enforce associated FAR or DFARS clauses to the extent required by law or contract.
  
08. In accordance with Executive Order 14275, Restoring Common Sense to Federal Procurement, and the Revolutionary FAR Overhaul and Class Deviation—Revolutionary Federal Acquisition Regulation (FAR) Overhaul 2026-O0038, our US Government customers are modifying the Federal Acquisition Regulation and its supplements, including the Defense FAR Supplement, through class deviations as listed within the website below. Consistent with our obligation to flowdown these deviations when received from our customers, these deviations are hereby incorporated as applicable to the clauses listed within this Appendix 1 or flowdowns identified on the Doing Business with GE Aerospace website and to the extent of their individual prescribing language. Please see: RFO site (<https://www.acquisition.gov/far-overhaul>) and DPCAP DFARS Overhaul Class Deviations ([https://www.acq.osd.mil/dpap/dars/dfars\\_far\\_overhaul\\_class\\_deviations.html](https://www.acq.osd.mil/dpap/dars/dfars_far_overhaul_class_deviations.html)).

## **FEDERAL ACQUISITION REGULATION (FAR) CLAUSES**

52.202-1	DEFINITIONS
52.203-3 <sup>1</sup>	GRATUITIES (Applies when the Order exceeds the Simplified Acquisition Threshold (“SAT”))
52.203-5	COVENANT AGAINST CONTINGENT FEES (Applies when the Order exceeds the SAT)
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (Applies when the Order exceeds the SAT)
52.203-7	ANTI-KICKBACK PROCEDURES (Applies when the Order exceeds the SAT; Note: Paragraph (c)(1) is excluded; In paragraph (c)(4) replace “The contracting officer may” with “To the extent the Contracting Officer has made an offset and directed Purchaser to withhold an amount, Purchaser may...”)
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (Applies when the Order exceeds the SAT)
52.203-12 <sup>1</sup>	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (Applies when the Order exceeds the threshold specified in FAR 3.808 on the date of award)
52.203-13 <sup>1</sup>	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (Applies when the Order exceeds the threshold in FAR 3.1004(a) and the period of performance exceeds 120 days)
52.203-14 <sup>2</sup>	DISPLAY OF HOTLINE POSTER(S) (Applies when the Order exceeds \$5,500,000)
52.203-15 <sup>1</sup>	WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
52.203-17 <sup>1</sup>	CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
52.203-18 <sup>1</sup>	PROHIBITION ON CONTRACTING WITH ENTITIES THAT REQUIRE CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS—REPRESENTATION
52.203-19 <sup>1</sup>	PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS
52.204-2 <sup>1</sup>	SECURITY REQUIREMENTS (Applies when the Order involves access to classified information)
52.204-7	SYSTEM FOR AWARD MANAGEMENT
52.204-9 <sup>1</sup>	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (Applies when Seller’s employees are required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system)
52.204-10 <sup>1</sup>	REPORTING EXECUTIVE COMPENSATION AND FIRST TIER SUBCONTRACT AWARDS (Note: Seller agrees to timely provide information requested by Purchaser pursuant to this clause, and acknowledges that such information will be made publicly available)
52.204-21 <sup>1</sup>	BASIC SAFEGUARDING OF CONTRACTOR INFORMATION SYSTEMS
52.204-23 <sup>1</sup>	PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB AND OTHER COVERED ENTITIES
52.204-24 <sup>1</sup>	REPRESENTATION REGARDING CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT
52.204-25 <sup>1</sup>	PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (Seller shall also send to Purchaser all required notifications to the U.S. Government)



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52.204-26 <sup>1</sup>	COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICES-REPRESENTATION
52.204-27 <sup>1</sup>	PROHIBITION ON A BYTEDANCE COVERED APPLICATION
52.204-30 <sup>1</sup>	FEDERAL ACQUISITION SUPPLY CHAIN SECURITY ACT ORDER – PROHIBITION (flowdown excludes paragraph (c)(1))
52.209-6 <sup>1</sup>	PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (Applies when the Order exceeds the exceeds the threshold specified in FAR 9.405-2(b) and is not for COTS items)
52.211-5	MATERIAL REQUIREMENTS
52.211-15 <sup>1</sup>	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (Applies when the Order is rated, see Remark 218)
52.212-4 <sup>1</sup>	CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (Applies when Purchaser has notified Seller in writing that the Goods or Services are a commercial item as defined in 2.101; Note: only paragraph (l) applies)
52.212-5 <sup>1</sup>	CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS (Note: only paragraph (e) applies)
52.215-2	AUDIT AND RECORDS—NEGOTIATION (Applies when the Order exceeds the SAT)
52.215-10	PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA (Applies when certified cost or pricing data is required)
52.215-11	PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA—MODIFICATIONS (Applies when certified cost or pricing data is required for the pricing of contract modifications)
52.215-12	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (Applies when certified cost or pricing data is required)
52.215-13	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA – MODIFICATIONS (Applies when certified cost or pricing data is required)
52.215-14	INTEGRITY OF UNIT PRICES (Applies when the Order exceeds the SAT)
52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS (Applies when certified cost or pricing data is required or when any preaward or postaward cost determinations will be subject to part 31)
52.215-18	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (Applies when certified cost or pricing data is required or when any preaward or postaward cost determinations will be subject to part 31)
52.215-19	NOTIFICATION OF OWNERSHIP CHANGES (Applies when certified cost or pricing data is required or when any preaward or postaward cost determinations will be subject to part 31)
52.215-20	REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA
52.215-21	REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA—MODIFICATIONS
52.215-22	LIMITATIONS ON PASS-THROUGH CHARGES – IDENTIFICATION OF SUBCONTRACT EFFORT (Applies when 52.215-23 is included)
52.215-23	LIMITATIONS ON PASS-THROUGH CHARGES (For civilian agencies, applies when the Order exceeds the SAT and is a cost-reimbursement contract; for Department of Defense, applies to cost-reimbursement and fixed-price Orders (except those identified in 15.408(n)(2)(i)(B)(2)) that exceed the certified cost or pricing data threshold)
52.219-8 <sup>1&amp;2</sup>	UTILIZATION OF SMALL BUSINESS CONCERNS (Applies when the Seller will offer further subcontracting opportunities)
52.219-9 <sup>2</sup>	SMALL BUSINESS CONTRACTING PLAN (Applies when the Order exceeds threshold in FAR 19.702(a) and 52.219-8 is required)
52.222-1 <sup>1</sup>	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES
52.222-4 <sup>2</sup>	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT – OVERTIME COMPENSATION (Applies when the Order exceeds \$150,000 and may require or involve the employment of laborers or mechanics)
52.222-19	CHILD LABOR – COOPERATION WITH AUTHORITIES AND REMEDIES
52.222-20 <sup>2</sup>	WALSH-HEALEY PUBLIC CONTRACTS ACT (Applies when the Order exceeds \$15,000)
52.222-21 <sup>1&amp;2</sup>	PROHIBITION OF SEGREGATED FACILITIES (Applies when 52.222-26 is applicable)
52.222-26 <sup>1</sup>	EQUAL OPPORTUNITY (Applies when the Order exceeds \$10,000 unless an exemption applies)
52.222-35 <sup>1&amp;2</sup>	EQUAL OPPORTUNITY FOR VETERANS (Applies when the Order exceeds \$150,000 unless an exemption applies)
52.222-36 <sup>1&amp;2</sup>	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (Applies when the Order exceeds \$15,000 unless an exemption applies)
52.222-37 <sup>1&amp;2</sup>	EMPLOYMENT REPORTS ON VETERANS (Applies when the Order exceeds \$150,000 unless an exemption applies)



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- 52.222-40<sup>1&2</sup> NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (Applies when the Order exceeds \$10,000)
- 52.222-41<sup>1&2</sup> SERVICE CONTRACT LABOR STANDARDS (For each Order subject to the SCLS, Purchaser shall include a remark signifying SCLS applicability. Seller shall submit any required wage classifications to the Purchaser for submission to the Contracting Officer and shall not commence performance until receipt of the final wage determination from Purchaser)
- 52.222-50<sup>1</sup> COMBATTING TRAFFICKING IN PERSONS (Paragraph (h) *Compliance Plan*, applies to any portion of the contract that: (i) is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and (ii) has an estimated value that exceeds \$550,000. The Seller shall also report the information required in paragraph (d)(1-2) to Purchaser.)
- 52.222-51<sup>1&2</sup> EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS FOR MAINTENANCE, CALIBRATION, OR REPAIR OF CERTAIN EQUIPMENT—REQUIREMENTS (Applies to Orders for exempt services)
- 52.222-53<sup>1&2</sup> EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS
- 52.222-54<sup>1&2</sup> EMPLOYMENT ELIGIBILITY VERIFICATION (Applies when the Order is for Services)
- 52.222-55<sup>1&2</sup> MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (Applies when 52.222-41 is applicable; Seller shall indemnify Purchaser in the event Purchaser is held liable under paragraph (j))
- 52.222-56<sup>1</sup> CERTIFICATION REGARDING TRAFFICKING IN PERSONS COMPLIANCE PLAN (Applies if it is possible that at least \$550,000 of the value of the contract may be performed outside the United States and the acquisition is not entirely for commercially available off-the-shelf items)
- 52.222-62<sup>1&2</sup> PAID SICK LEAVE UNDER EXECUTIVE ORDER 13706 (Applies when SCLS or Wage Rate Requirements are applicable, and the Order is to be performed in whole or in part in the United States)
- 52.222-90<sup>1&2</sup> Addressing DEI Discrimination by Federal Contractors (DEVIATION APR 2026)
- 52.223-3<sup>1</sup> HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (Applies when Seller is delivering hazardous materials)
- 52.223-7<sup>1</sup> NOTICE OF RADIOACTIVE MATERIALS (Applies when the Order is for radioactive materials)
- 52.223-15 ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS (Applies when products listed in the ENERGY STAR® Program or FEMP will be provided to Purchaser)
- 52.223-18<sup>1&2</sup> ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING
- 52.224-3<sup>1</sup> PRIVACY TRAINING
- 52.225-1<sup>1&2</sup> BUY-AMERICAN ACT-SUPPLIES
- 52.225-2<sup>1</sup> BUY AMERICAN ACT CERTIFICATE (Applies when 52.225-1 applies)
- 52.225-5<sup>1</sup> TRADE AGREEMENTS
- 52.225-8<sup>1</sup> DUTY-FREE ENTRY (Applies when Goods will be imported into the Customs Territory of the United States)
- 52.225-13<sup>1</sup> RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
- 52.227-1<sup>1&2</sup> AUTHORIZATION AND CONSENT (Applies when the Order exceeds the SAT)
- 52.227-2<sup>1</sup> NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (Applies when the Order exceeds the SAT and 52.227-1 is included)
- 52.227-9 REFUND OF ROYALTIES
- 52.227-10 FILING OF PATENT APPLICATIONS--CLASSIFIED SUBJECT MATTER (Applies when the Order covers or is likely to cover classified subject matter)
- 52.227-11 PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR
- 52.227-13 PATENT RIGHTS-OWNERSHIP BY THE GOVERNMENT
- 52.228-3 WORKER'S COMPENSATION INSURANCE (DEFENSE BASE ACT) (Applies when the Defense Base Act applies to the Order)
- 52.228-4 WORKER'S COMPENSATION AND WAR-HAZARD INSURANCE OVERSEAS (Applies when the Order requires performance on a U.S. military base outside the US and the Secretary of Labor waives the applicability of the Defense Base Act applies)
- 52.228-5 INSURANCE – WORK ON A GOVERNMENT INSTALLATION (Applies when the Order exceeds the SAT and the Order will require work on a Government installation)
- 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (Applies when the Order is subject to CAS)
- 52.230-2 COST ACCOUNTING STANDARDS (Applies when the Order is subject to CAS)
- 52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (Applies when the Order is subject to CAS)
- 52.230-4 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES – FOREIGN CONCERNS (Applies when the Order is subject to CAS and Seller is located outside of the U.S.)



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- 52.230-5 COST ACCOUNTING STANDARDS – EDUCATIONAL INSTITUTIONS (Applies when the Order is subject to CAS and Seller is an Educational Institution)
- 52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (Applies when the Order is subject to CAS)
- 52.232-16 PROGRESS PAYMENTS (Applies when the Order provides for progress payments to Seller)
- 52.232-40<sup>1</sup> PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS (Applies when Seller subcontracts with small business subcontractors and Seller receives accelerated payments from Purchaser)
- 52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTIONS ACT TITLE III
- 52.240-1 PROHIBITION ON UNMANNED AIRCRAFT SYSTEMS MANUFACTURED OR ASSEMBLED BY AMERICAN SECURITY DRONE ACT-COVERED FOREIGN ENTITIES
- 52.242-15 STOP-WORK ORDER
- 52.244-5 COMPETITION IN SUBCONTRACTING
- 52.244-6<sup>1</sup> SUBCONTRACTS FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES (DEVIATION 2025-00003)
- 52.245-1<sup>1</sup> GOVERNMENT PROPERTY (Note: All Government Property shall be controlled and accounted for in accordance with Purchaser's Tooling Supplement, Remark E21)
- 52.245-9<sup>1</sup> USE AND CHARGES (Note: Seller shall request authorization to use Government Property in support of efforts under a contract number other than the contract number to which it is assigned, by submitting such request in the form prescribed by Purchaser which is available at [http://www.geaviation.com/aboutgeae/doingbusinesswith/geae\\_po\\_requirements.html](http://www.geaviation.com/aboutgeae/doingbusinesswith/geae_po_requirements.html))
- 52.246-26 REPORTING NONCONFORMING ITEMS (Applies when Order is for (1) an item subject to higher level quality standards in accordance with the clause at 52.246-11, Higher Level Contract Quality Requirement, (2) critical items the failure of which is likely to result in hazardous or unsafe conditions for individuals using, maintaining, or depending upon the supplies or services, or an item that is likely to prevent performance of a vital agency mission, (3) electronic parts or end items, components, parts or material containing electronic parts, whether or not covered by (1) and (2), if the subcontract exceeds the SAT and is placed under a DoD contract, and (4) services where Seller shall furnish any such items.)
- 52.247-1 COMMERCIAL BILL OF LADING NOTATIONS (Applies when the Order will be cost-reimbursement or fixed-price f.o.b. origin)
- 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (Applies when the Order may involve international air transportation)
- 52.247-64<sup>1</sup> PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (Applies when Goods are to be shipped by ocean vessel unless exempted under paragraph (e)(4))
- 52.248-1 VALUE ENGINEERING (Applies when the Order exceeds \$150,000)
- 52.249-2 TERMINATION FOR CONVENIENCE (Applies in lieu of the Termination for Convenience clause in the body of this Agreement) (In paragraph (c) change "120 days" to "60 days," and in paragraph (e) change "90 days" to "45 days")
- 52.249-5 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (Applies when Seller is an educational or other non-profit institution and in lieu of the Termination for Convenience clause in the body of this Agreement) (Delete paragraph (h), in paragraph (c) change "120 days" to "60 days", and in paragraph (d) change "1 year" to "60 days")
- 52.249-8 TERMINATION FOR DEFAULT (Applies in lieu of the Termination for Default clause in the body of this Agreement) (In paragraph (a)(2) change "10 days" to "7 days")

**IF AN ORDER IS PLACED UNDER A DEPARTMENT OF DEFENSE (DOD) CONTRACT, THE FOLLOWING DOD FAR SUPPLEMENT CLAUSES APPLY IN ADDITION TO (OR IN LIEU OF WHERE NOTED) THE FAR CLAUSES ABOVE:**

- 252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES (Applies when the Order exceeds the SAT)
- 252.203-7002<sup>1</sup> REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
- 252.203-7003<sup>1</sup> AGENCY OFFICE OF THE INSPECTOR GENERAL (As referenced in FAR 52.203-13)
- 252.203-7004<sup>2</sup> DISPLAY OF HOTLINE POSTERS (Applies when the Order exceeds exceed the threshold specified in Defense Federal Acquisition Regulation Supplement 203.1004(b)(2)(ii) on the date of subcontract award in lieu of FAR 52.203-14)
- 252.204-7000 DISCLOSURE OF INFORMATION
- 252.204-7004<sup>1</sup> ANTITERRORISM AWARENESS TRAINING FOR CONTRACTORS (Applies when subcontractor requires routine physical access to a Federally-controlled facility or military installation)
- 252.204-7008<sup>1</sup> COMPLIANCE WITH SAFEGUARDING COVERED DEFENSE CONTROLS
- 252.204-7009<sup>1</sup> LIMITATIONS ON THE USE OR DISCLOSURE OF THIRD-PARTY CONTRACTOR REPORTED CYBER



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252.204-7012 <sup>1</sup>	INCIDENT INFORMATION (Applies when the Order involves services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting)
252.204-7014 <sup>1</sup>	SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING (Applies when the Seller has covered defense information resident on or transiting through Seller's unclassified information systems. Seller shall also send to Purchaser all required notifications to the U.S. Government)
252.204-7015 <sup>1</sup>	LIMITATIONS ON THE USE OR DISCLOSURE OF INFORMATION BY LITIGATION SUPPORT CONTRACTORS
252.204-7016 <sup>1</sup>	DISCLOSURE OF INFORMATION TO LITIGATION SUPPORT CONTRACTORS
252.204-7017 <sup>1</sup>	COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES—REPRESENTATION
252.204-7018 <sup>1</sup>	PROHIBITION ON THE ACQUISITION OF COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICES - REPRESENTATION
252.204-7020 <sup>1</sup>	PROHIBITION ON THE ACQUISITION OF COVERED DEFENSE TELECOMMUNICATIONS EQUIPMENT OR SERVICE
252.204-7021 <sup>1</sup>	NIST SP 800-171 DOD ASSESSMENT REQUIREMENTS (Applies when Seller has information systems that are required to comply with NIST SP 800-171 in accordance with DFARS clause at 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting; not applicable to Orders for COTS items)
252.208-7000	CONTRACTOR COMPLIANCE WITH THE CYBERSECURITY MATURITY MODEL CERTIFICATION LEVEL REQUIREMENT (if the requirement document or statement of work requires a contractor to have a specific CMMC level; not applicable to Order for COTS items)
252.209-7004	INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL (Applies unless Buyer knows that the item being purchased contains no precious metals)
252.211-7003 <sup>1</sup>	SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY
252.211-7007 <sup>1</sup>	ITEM IDENTIFICATION AND VALUATION (Applies when the Order involves Goods for which unique item identification is required in accordance with paragraph (c)(1))
252.215-7008 <sup>1</sup>	REPORTING OF GOVERNMENT-FURNISHED PROPERTY (IAW DFARS 211.274-6(b), DFARS 212.301(f)(iv))
252.215-7010 <sup>1</sup>	ONLY ONE OFFER (Applies when the Order exceeds the SAT and the Seller is not the Canadian Commercial Corporation)
252.219-7003 <sup>1&amp;2</sup>	REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA (Applies in lieu of FAR 52.215-20)
252.219-7004 <sup>1&amp;2</sup>	SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) (Applies when FAR 52.219-9 applies)
252.222-7006	SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM).
252.223-7006 <sup>1</sup>	RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS
252.223-7008 <sup>1</sup>	PROHIBITION ON STORAGE, TREATMENT, AND DISPOSAL OF TOXIC OR HAZARDOUS MATERIALS
252.225-7000 <sup>1</sup>	PROHIBITION OF HEXAVALENT CHROMIUM (Applies when the Order is for supplies, maintenance and repair services, or construction materials)
252.225-7001 <sup>1</sup>	BUY AMERICAN – BALANCE OF PAYMENTS PROGRAM CERTIFICATE (Applies in lieu of FAR 52.225-2)
252.225-7002	BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM (Applies in lieu of FAR 52.225-1)
252.225-7007 <sup>1</sup>	QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS
252.225-7009 <sup>1</sup>	PROHIBITION ON ACQUISITION OF UNITED STATES MUNITIONS LIST ITEMS FROM COMMUNIST CHINESE MILITARY COMPANIES (Applies when the Order involves Goods covered by the U.S. Munitions List or the 600 series of the Commerce Control List)
252.225-7012 <sup>1</sup>	RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS (Applies when the Goods contain specialty metals; Note: Use of exceptions not permitted without advance Seller notification and prior Purchaser approval. Paragraph (d) of this clause is excluded)
252.225-7013 <sup>1</sup>	PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES
252.225-7015	DUTY-FREE ENTRY (Applies in lieu of 52.225-8)
252.225-7016 <sup>1</sup>	RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS (Applies when the Order exceeds the SAT and requires delivery of hand or measuring tools)
252.225-7020 <sup>1</sup>	RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (Applies when the Order requires Seller to provide a ball and roller bearing that is not incorporated into a higher level assembly)
252.225-7021 <sup>1</sup>	TRADE AGREEMENTS CERTIFICATE (Applies when DFARS 252.225-7021 applies)
252.225-7025	TRADE AGREEMENTS (Applies in lieu of FAR 52.225-5)
252.225-7028 <sup>1</sup>	RESTRICTION ON ACQUISITION OF FORGINGS
252.225-7030	EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS
252.225-7030	RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE



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252.225-7032	WAIVER OF UNITED KINGDOM LEVIES - EVALUATION OF OFFERS
252.225-7033	WAIVER OF UNITED KINGDOM LEVIES
252.225-7035	BUY AMERICAN ACT- FREE TRADE AGREEMENT - BALANCE OF PAYMENTS (Applies when DFARS 252.225-7036 applies and in lieu of FAR 52.225-4)
252.225-7036	BUY AMERICAN ACT- FREE TRADE AGREEMENT - BALANCE OF PAYMENTS (Applies in lieu of FAR 52.225-3)
252.225-7037	EVALUATION OF OFFERS FOR AIR CIRCUIT BREAKERS
252.225-7038 <sup>1</sup>	RESTRICTION ON ACQUISITION OF AIR CIRCUIT BREAKERS
252.225-7048 <sup>1</sup>	EXPORT-CONTROLLED ITEMS
252.225-7052 <sup>1</sup>	RESTRICTION ON ACQUISITION OF CERTAIN MAGNETS, TANTALUM AND TUNGSTEN
252.225-7056 <sup>1</sup>	PROHIBITION REGARDING BUSINESS OPERATIONS WITH THE MADURO REGIME
252.225-7057	PREAWARD DISCLOSURE OF EMPLOYMENT OF INDIVIDUALS WHO WORK IN THE PEOPLE'S REPUBLIC OF CHINA (Applies when 252.225-7058 is included)
252.225-7058	POSTAWARD DISCLOSURE OF EMPLOYMENT OF INDIVIDUALS WHO WORK IN THE PEOPLE'S REPUBLIC OF CHINA (Applies when the Order meets the definition of "covered contract")
252.225-7060 <sup>1</sup>	PROHIBITION ON CERTAIN PROCUREMENTS FROM THE XINJIANG UYGHUR AUTONOMOUS REGION
252.225-7967	PROHIBITION REGARDING RUSSIAN FOSSIL FUEL BUSINESS OPERATIONS (Deviation 2024-O0006)
252.226-7001 <sup>1</sup>	UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (Applies when the Order exceeds \$500,000)
252.227-7013 <sup>1</sup>	RIGHTS IN TECHNICAL DATA-NONCOMMERCIAL ITEMS (Applies when technical data is specified to be delivered under the Order)
252.227-7014 <sup>1</sup>	RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (Applies when Seller is required to deliver noncommercial computer software or computer software documentation)
252.227-7015 <sup>1</sup>	TECHNICAL DATA—COMMERCIAL ITEMS
252.227-7016 <sup>1</sup>	RIGHTS IN BID OR PROPOSAL INFORMATION
252.227-7017 <sup>1</sup>	IDENTIFICATION AND ASSERTION OF USE, RELEASE, OR DISCLOSURE RESTRICTIONS
252.227-7018	RIGHTS IN NONCOMMERCIAL TECHNICAL DATA AND COMPUTER SOFTWARE--SMALL BUSINESS INNOVATIVE RESEARCH (SBIR) PROGRAM
252.227-7019 <sup>1</sup>	VALIDATION OF ASSERTED RESTRICTIONS – COMPUTER SOFTWARE
252.227-7020	RIGHTS IN SPECIAL WORKS
252.227-7021	RIGHTS IN DATA--EXISTING WORKS
252.227-7025	LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS
252.227-7026 <sup>1</sup>	DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE
252.227-7027 <sup>1</sup>	DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE
252.227-7028	TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT
252.227-7030 <sup>1</sup>	TECHNICAL DATA—WITHHOLDING OF PAYMENT (Applies when technical data is specified to be delivered under the Order)
252.227-7032	RIGHTS IN TECHNICAL DATA AND COMPUTER SOFTWARE (FOREIGN)
252.227-7037 <sup>1</sup>	VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA (Applies when technical data is specified to be delivered under the Agreement)
252.227-7038	PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS)
252.227-7039	PATENTS--REPORTING OF SUBJECT INVENTIONS
252.232-7017 <sup>1</sup>	ACCELERATING PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS—PROHIBITION ON FEES AND CONSIDERATION (Applies in all subcontracts with small business concerns)
252.232-7004	DOD PROGRESS PAYMENT RATES
252.234-7002	EARNED VALUE MANAGEMENT SYSTEM (Applies in lieu of FAR 52.234-4)
252.235-7003 <sup>1</sup>	FREQUENCY AUTHORIZATION
252.239-7010 <sup>1</sup>	CLOUD COMPUTING SERVICES
252.239-7018 <sup>1</sup>	SUPPLY CHAIN RISK
252.243-7001	PRICING OF CONTRACT MODIFICATIONS
252.243-7002 <sup>1</sup>	REQUESTS FOR EQUITABLE ADJUSTMENT
252.244-7000 <sup>1</sup>	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS)
252.245-7001 <sup>1</sup>	TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY (IAW DFARS 245.107(2))



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- 252.245-7002<sup>1</sup> REPORTING LOSS OF GOVERNMENT PROPERTY (IAW DFARS 245.107(3))
- 252.245-7003<sup>1</sup> CONTRACTOR PROPERTY MANAGEMENT SYSTEM ADMINISTRATION (IAW DFARS 245.107(4))
- 252.246-7001<sup>1</sup> WARRANTY OF DATA (Applies when technical data is specified to be delivered under the Order)
- 252.246-7003<sup>1</sup> NOTIFICATION OF POTENTIAL SAFETY ISSUES
- 252.246-7007<sup>1</sup> CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE SYSTEM
- 252.246-7008<sup>1</sup> SOURCES OF ELECTRONIC PARTS
- 252.247-7003<sup>1</sup> PASS THROUGH OF MOTOR CARRIER FUEL SURCHARGE ADJUSTMENT TO COST BEARER
- 252.247-7023<sup>1</sup> TRANSPORTATION OF SUPPLIES BY SEA
- 252.249-7002<sup>1</sup> NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION

**IF AN ORDER IS PLACED UNDER A NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) PRIME CONTRACT, THE FOLLOWING NASA FAR SUPPLEMENT CLAUSES APPLY IN ADDITION TO THE FAR CLAUSES:**

- 1852.203-71<sup>1</sup> REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
- 1852.204-76<sup>1</sup> SECURITY REQUIREMENTS FOR UNCLASSIFIED INFORMATION TECHNOLOGY RESOURCES
- 1852.208-81<sup>1</sup> RESTRICTIONS ON PRINTING AND DUPLICATING
- 1852.219-75 INDIVIDUAL SUBCONTRACTING REPORTS
- 1852.223-72<sup>1</sup> SAFETY AND HEALTH (SHORT FORM)
- 1852.227-11 PATENT RIGHTS-RETENTION BY THE CONTRACTOR (SHORT FORM)
- 1852.227-14 RIGHTS IN DATA – GENERAL
- 1852.227-70 NEW TECHNOLOGY
- 1852.227-71 REQUESTS FOR WAIVER OF RIGHTS TO INVENTIONS
- 1852.227-72 DESIGNATION OF NEW TECHNOLOGY REPRESENTATIVE AND PATENT REPRESENTATIVE
- 1852.227-85 INVENTION REPORTING AND RIGHTS – FOREIGN
- 1852.242-73 NASA CONTRACTOR FINANCIAL MANAGEMENT REPORTING
- 1852.244-70 GEOGRAPHIC PARTICIPATION IN THE AEROSPACE PROGRAM
- 1852.245-73<sup>1</sup> FINANCIAL REPORTING OF NASA PROPERTY IN THE CUSTODY OF CONTRACTORS
- 1852.246-74<sup>1</sup> CONTRACTOR COUNTERFEIT ELECTRONIC PART DETECTION AND AVOIDANCE (ORDERS FOR (A) ELECTRONIC PARTS; (B) END ITEMS, COMPONENTS, PARTS, OR ASSEMBLIES CONTAINING ELECTRONIC PARTS; OR (C) SERVICES, IF THE COVERED CONTRACTOR WILL SUPPLY ELECTRONIC PARTS OR COMPONENTS, PARTS, OR ASSEMBLIES CONTAINING ELECTRONIC PARTS AS PART OF THE SERVICE)

**IF AN ORDER IS PLACED UNDER A DEPARTMENT OF HOMELAND SECURITY (HSAR) PRIME CONTRACT, THE FOLLOWING HSAR FAR SUPPLEMENTAL CLAUSES APPLY IN ADDITION TO THE FAR CLAUSES:**

- 3052.219-70 SMALL BUSINESS SUBCONTRACTING PROGRAM REPORTING

<sup>1</sup> If Purchaser has notified Seller in writing that the Goods or Services are a commercial item as defined in 2.101, then only these clauses apply.

<sup>2</sup> The clause does not apply to international suppliers when work is performed outside the United States and its outlying areas.

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**APPENDIX II: SUPPLEMENTARY TERMS AND CONDITIONS FOR COST REIMBURSEMENT ORDERS**

This Appendix II supplements Appendix I and applies only to cost-reimbursement purchase orders awarded under a prime or higher tier U.S. Government contract.

THE FOLLOWING CLAUSES APPLY IN ADDITION TO THOSE SET FORTH IN APPENDIX I:

- 52.215-22 LIMITATIONS ON PASS-THROUGH CHARGES – IDENTIFICATION OF SUBCONTRACT EFFORT (Applies when the Order exceeds the SAT for non-DOD Orders)
- 52.215-23 LIMITATIONS ON PASS-THROUGH CHARGES (Applies when the Order exceeds the SAT for



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	non-DOD Orders)
52.216-7	ALLOWABLE COST AND PAYMENT
52.216-8	FIXED FEE
52.216-10	INCENTIVE FEE
52.228-7	INSURANCE-LIABILITY TO THIRD PERSONS
52.232-20	LIMITATION OF COST
52.232-22	LIMITATION OF FUNDS
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS
52.242-15	STOP WORK ORDER (Alt 1 applies)
52.246-8	INSPECTION OF RESEARCH AND DEVELOPMENT – COST REIMBURSEMENT
52.249-14	EXCUSABLE DELAYS

APPENDIX III: IT MOD REQUIREMENTS

**IT MOD Requirements:** The parties recognize that some or all of the Goods and Services that are the subject of this Agreement may be used to satisfy requirements in furtherance of Purchaser’s performance under a IT Ministry of Defence (MOD) prime or sub-contract. Accordingly, Seller agrees that in that instance it shall be bound by the MOD Conditions and narrative clauses detailed on the face of Purchaser’s orders issued under this Agreement. Where applicable specific MOD Conditions will be given effect by substituting “Purchaser” for “the Authority”, and “Seller” for “the Seller”. Quality assurance activity shall be carried out at Seller’s premises if specified by the MOD QAR who will advise Seller accordingly.

Seller undertakes to observe the terms and conditions of the relevant Government Contracts and accepts, mutatis mutandis, in respect of the Goods and Services, the obligations and liabilities on the part of Purchaser contained in such terms and conditions.

Seller also agrees, if required by MOD Conditions, to provide costs data to IT MOD pricing authority or delegated military pricing authority of the nation in which Seller is doing business in accordance with the MOD methodology. If as a consequence of any pricing investigation, Purchaser is required to reduce its prices, Seller agrees to reduce its pricing accordingly.

Without prejudice to Purchaser’s other rights under this Agreement, if the Goods and Services or any part of it is required to fulfil a contract for any other country’s government department or authority, Seller undertakes to observe the terms and conditions of the relevant government contracts and accepts, mutatis mutandis, in respect of the Goods and Services, the obligations and liabilities on the part of Purchaser contained in such terms and conditions. Further the Goods and Services (or such part of it as appropriate) shall be deemed to be the subject of a sub-contract made under such terms and conditions as may be in force from time to time under that contract for the said department or authority and any right of termination exercisable.



Read, confirmed and signed.

IN ACCEPTANCE

Stamp or Legal entity name address, VAT number  
and  
Signature \_\_\_\_\_

Date \_\_\_\_\_

We specifically approve, under and in accordance with art. 1341 of the Italian civil code, the following clauses of the afore Terms and Conditions of Purchase: article 4 - TRANSPORTATION AND DELIVERY; article 5 - TERMINATION; article 6 - DISPUTE RESOLUTION; article 7 - PURCHASER’S PROPERTY;



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article 8 - INTELLECTUAL PROPERTY; article 10 - CHANGES; article 12 - ASSIGNMENT AND CHANGE IN OWNERSHIP; article 13 - QUALITY ASSURANCE, INSPECTION AND TEST; article 14 - NON CONFORMING GOODS; article 15 - INDEMNITY AND INSURANCE; article 23 - MISCELLANEOUS.

EXPRESS ACCEPTANCE

Stamp  
and  
Signature \_\_\_\_\_

Date \_\_\_\_\_