

Supplier Terms and Conditions

1.0 DEFINITIONS

The term "Buyer" means EM Research, Inc., the company, and or it's authorized Buyer of supplies. The term "Seller" is the supplier or vendor of supplies provided. Reference to a "party" or "parties" means a party or the parties to this Order except where used as "third party" or "third parties." The term "Supplies" as used herein means any and all work, materials, components, assemblies, intermediate assemblies, parts and end products, manuals, instructions, materials, information and technical data or service to be performed and /or supplied by the Seller under this Order. The term "FAR" as used here in means the Federal Acquisitions Regulation in effect on the date of this Order. The term "DFARS" as used here in means the Defense Federal Acquisition Regulation Supplement.

2.0 ACCEPTANCE

This Order becomes a binding contract subject to the terms and conditions hereof, when accepted by an acknowledgement and /or commencement of performance thereon. Commencement of performance is an acceptance of these terms and conditions regardless of the fact that an acknowledgement form with different terms and conditions is submitted. No change, modification or revision of this Order shall be valid unless in writing and signed by Buyer's Purchasing Agent or Buyer. In case of any conflicts between the terms on the face of this Order and terms and conditions set forth below, the terms on the face of this Order shall control.

3.0 PRICES

If a specific price for the goods has been quoted to Buyer by a representative or agent of Seller or if a price previously established by Seller has been set forth for the goods on the face of this Order, such price shall be the price of the goods and the full extent of Buyer's liability for the goods, unless a different price is agreed to in writing by Buyer. Seller warrants that the prices for the goods are not less favorable than those currently extended to any other customer for the same or like articles in equal or less quantities. In the event Seller establishes or offers a lower price for the sale of such articles in such quantities, either generally or for any one sale to any other customer, from the date of acceptance of this Order to the date the goods are invoiced to Buyer, Seller agrees to reduce the prices hereof correspondingly. Seller represents that the prices specified in this Order do not exceed Seller's current selling prices for the same or substantially similar items, whether to the Government or to any other Purchaser, taking into account the quantity under consideration.

4.0 PROHIBITION OF GRATUITIES

This Order serves as notice to Seller that Buyer's personnel owe complete loyalty to Buyer and are forbidden to accept money or things of value from any supplier of goods, materials or services to Buyer, regardless whether such acceptance would constitute an act prohibited by Anti-Kickback laws and regulations. Seller for itself and its principal owners, shareholders and officers warrants and represents that no employee of Buyer has any financial

interest in Seller except such as has been disclosed in writing to Buyer. Further, Seller has not and shall not give anything of value to any employee of Buyer, except promotional or commemorative items having a value of less than \$25, and food and refreshments served during business meetings. Breach of the foregoing warranty and covenant shall entitle Buyer, in addition to any other rights and remedies, immediately to terminate for default any and all orders to Seller existing at the time that Buyer learns of any such breach, and regardless of when such breach occurred.

5.0 EXTRA CHARGES

No additional charges of any kind, including charges for boxing, packing, or cartage, taxes, import or export duties, excises, or other extras, will be allowed unless specifically agreed to in writing in advance by Buyer.

6.0 INVOICES AND PAYMENT

Upon Buyer's receipt of a proper invoice, Seller will be paid in accordance with the price and terms stated in a Purchase Order for Supplies delivered and accepted, or services rendered and accepted, less deductions if any as provided by the order. Cash discounts are determined by receipt date of Supplies or services, or of a proper invoice, whichever is later. Payment is subject to setoff of any claim of Buyer against Seller, arising from this or any other transaction. Such Purchase Order shall be governed by the terms and conditions of this Order.

7.0 TAXES

Seller's prices shall exclude any Federal, State, or local sales use or excise taxes levied upon, or measured by the sale, the sales price or use of the goods. All such taxes, lawfully applicable, shall be listed separately on Seller's invoice. (If such applicable taxes are not separately listed, Seller assumes responsibility for the payment of them, and shall indemnify and hold Buyer harmless from any and all liability in connection with such taxes.) Tax exemption certificate or other evidence of exemption, furnished by Buyer, shall be accepted by Seller in lieu of such taxes.

8.0 PACKING

No charges shall be made for transportation, handling, boxing or packing or for materials used in connection therewith unless stated in this Order. Supplies shall be packed to best protect Supplies, to secure lowest transportation costs and to comply with carrier regulations. All shipments must be packed and labeled in a manner that will provide efficient handling and prevent damage to the Supplies in shipment and in storage, including, without limitation, protection against ESD, electrostatic discharge, atmospheric deterioration, and fungus growth. Damages to any Supplies resulting from improper packing shall be charged to Seller.

9.0 EXCUSABLE DELAYS

Neither shall be liable in damages for delay in delivery due to any causes beyond its control or without its fault or negligence,

including without limitation, acts of God or of the public enemy, acts of the government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Seller and its subcontractor, and without the fault or negligence of either of them, the Seller shall not be liable for any excess cost for failure to perform unless the Supplies and services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Seller to meet the required delivery schedule. Seller shall notify Buyer in writing within 10 days of such causes once Seller first learns of same.

10.0 TERMINATION

Buyer reserves the right to cancel this Order or any part thereof if Seller breaches any of the provisions of this Order, or if Seller becomes insolvent or the subject of any proceedings under any law relating to bankruptcy or the relief of debtors, or if Seller defaults with respect to any Seller's obligations hereunder.

In the event of such cancellation, Buyer may procure similar Supplies and Seller shall be liable to Buyer for any excess costs on account thereof, except where the termination is a result of an excusable delay as defined in the preceding paragraph. Buyer's remedies provided in this paragraph shall be in addition to any other remedies provided in law or equity.

Without affecting its right to cancel this Order to default, Buyer may terminate this Order or any part thereof in accordance with the provisions of the "Termination Clause" contained in the FAR 52.249-2 which clause is incorporated herein by reference.

11.0 DELIVERIES

Delivery, according to schedule, is a condition precedent of this Order. No deviation from delivery schedules in this Order shall be allowed without the written authorization of Buyer. Buyer must be notified of any delay.

12.0 DANGEROUS GOODS

Hazardous, dangerous, explosive, inflammable, or toxic goods will be safely and properly marked and packaged by Seller, and Seller assumes all liability direct or indirect resulting from its failure to do so. An MSDS, Material Safety Data Sheet, must accompany each shipment.

13.0 WARRANTIES

Seller expressly warrants that the Supplies furnished hereunder will be merchantable, free from defects in material and workmanship, suitable and usable without restriction for the use intended and will conform to applicable specifications, drawings, samples, and description, and if of design other than Buyer's, will be free from design defects.

These warranties shall remain in effect for eighteen (18) months after the date on which the Supplies are delivered by Buyer to its customers or two (2) years from the date the Supplies are accepted by the Buyer, whichever occurs first. This warranty period is extended for an additional period equal to the time elapsed from the date that Seller has been notified to repair or

replace defective Supplies until delivery is made to Buyer of corrected Supplies or replacements.

Seller agrees, at its expense, to repair or replace any Supplies having any defect or defects in a manner satisfactory to Buyer or its customers.

All warranties herein shall run to Buyer and its customers and shall be construed as conditions as well as warranties and shall not be deemed to exclude other rights or warranties which Buyer may have or obtain.

14.0 MAINTENANCE OF RECORDS

Seller shall maintain complete and accurate records in accordance with generally accepted accounting principles and good commercial practices to substantiate Seller's charges hereunder. Seller shall retain such records for three (3) years from final payment of this contract, unless another period is specified by FAR Part 4.7. Buyer shall have access to such records.

15.0 CHANGES

Seller shall make no changes in the Supplies ordered, including without limitation, the specifications, drawings, packing or shipment thereof, except as authorized in writing by Buyer's Purchasing Agent or Buyer.

Buyer may at any time, by written order and without notice to sureties, make changes in the (1) drawings, designs or specifications, (2) methods of packing or shipment, (3) quantity of items ordered, (4) time of delivery, and/or (5) place of delivery. In such event, an equitable adjustment by the Seller for such adjustment must be made within 15 days from the date of receipt of the change order.

16.0 DESIGNS, DATA, TOOLS, ETC.

Title to all material and information, including without limitation, tools, patterns, equipment, designs, drawings, engineering data or other technical or proprietary information, furnished by Seller for Buyer or by Buyer for Seller, if furnished by Seller especially for this Order and included in the price of and relating to the performance of the Order, shall remain for Buyer or its customer, as the case may be. All such items shall be confidential, all such items shall be reported in writing to Buyer upon completion of this Order, maintained in good condition, and shall be subject at all times to disposition as Buyer may direct.

None of such items shall be used in the production, manufacture or design for the account of others or of any Supplies other than those called by this Order, except with the written consent of Buyer, nor shall Supplies furnished by Seller through the use of any such items be furnished or quoted to any other person or concern, without the written consent of the Buyer, provided, however, that upon prior written notice to Buyer and to the extent such use will not interfere with the Seller's performance of this or other orders from Buyer in effect at the time Seller enters into a direct contract with U.S. Government. Buyer does not warrant the accuracy of tools and fixtures which may be furnished and Seller must report any inaccuracies before commencing production.

Seller agrees to indemnify Buyer against any loss, cost, damage or liability by reason of Seller's violation of this section.

17.0 PATENT RIGHTS

If any experimental, developmental or research work is called for or required under this Order, Seller agrees to disclose and on request to assign to Buyer each invention conceived or first reduced to practice in the performance of this Order. (Not applicable if this Order is placed under a Government contract).

18.0 INFRINGEMENT

Buyer disclaims any responsibility for infringement of any patent, copyright, trade secret, trademark, and service mark ("Intellectual Property") by Seller in the production and/or performance of this Order. Seller agrees to indemnify Buyer and or its customers and users of its products against liability, including costs and expenses, on account of any infringement or alleged infringement of any Intellectual Property, in the manufacture, use sale or disposition of any Supplies called for hereunder. Buyer will notify Seller of any claim or suit instituted against it and the full extent of its ability to do so shall permit Seller to defend same or make settlement in respect thereof.

19.0 CONFIDENTIAL INFORMATION

Buyer confidential information shall be identified as, but not limited to, the terms of this Order, and product development plans, marketing plans, vendor list, trade secrets, drawings, schematics, technical specifications, manufacturing techniques, financial information, and customer list of Buyer. The Seller hereby agrees to maintain such information in trust and confidence, and not to disclose such information to third parties unless authorized in writing by Buyer, or to use such information for any purpose other than performing Seller's obligations under this Order. The Seller represents that its employees are contractually obligated not to disclose Buyer's confidential information obtained by them in the course of their employment and agree that only those employees having a need to know for the purpose of this Order shall have access to Buyer confidential information. Buyer shall at all times be the sole and exclusive owner of its confidential information. A signed Non-Disclosure Agreement, NDA, ADMN-0400001 is required before an RFQ, request for quote, is submitted by Buyer to Seller.

20.0 RISK OF LOSS

Seller assumes (1) all risks of loss or damages to all Supplies, work in process, materials and other things until the delivery thereof as herein provided; (2) all risk of loss or damage to any Supplies or part thereof rejected by Buyer or as to which Buyer has revoked its acceptance, from the time of such rejection or revocation; and (3) all risks of loss or damage to any property received by Seller from, or held by Seller or its suppliers for the account of or for Buyer or its customer, as the case may be.

21.0 FACILITIES

Except as otherwise provided in this Order, Seller represents that it now has or can readily procure, without assistance of Buyer or the Government, all facilities necessary for the performance of this Order.

22.0 SUBCONTRACTING

Seller shall not procure or contract for the procurement of any items covered by this Order in completed, or substantially completed form without prior written approval of the Buyer and if applicable, the Government contracting officer.

23.0 ADVERTISING

Seller shall not, without Buyer's prior written consent, in any manner, advertise or publish anything concerning this Order or the purchase by Buyer of the Supplies therein. (As to Supplies of Seller's standard manufacture, this paragraph shall not apply to publicity or advertising concerning the Supplies only).

24.0 NOTICE OF LABOR DISPUTE

Whenever any actual or potential labor dispute is delaying, or threatens to delay the timely performance of this Order, Seller shall immediately give notice thereof, including all relevant information with respect thereto, to Buyer and, if this Order is placed under a Government contract, to the nearest representative of the cognizant Department of the Government. Seller shall insert this clause or its substance in any subcontracts hereunder.

25.0 ADDITIONAL CLAUSES APPLICABLE IF THIS FIXED PRICE ORDER IS PLACED UNDER A GOVERNMENT CONTRACT

Each of the herein below named clauses, as set forth in the Federal Acquisition Regulations is in Buyer's prime or subcontract, the clauses so incorporated herein apply to Seller as though Seller was prime contractor, and in such manner as will enable Buyer to meet its obligations, arising out of the Department of Defense, NASA, or other Government agency prime or Subcontract. (If this Order is placed under a NASA or other Government agency contract, all references to the Government shall include NASA or such other Government agency and NASA or the applicable Government agency regulations will apply).

15.804.4	Certificate of Current Cost or Pricing Data
52.203-3	Gratuities
52.203-5	Covenant Against Contingent Fees
52.203-19	Prohibition on Requiring Certain Internal Confidential Agreements or Statements
52.204-2	Security Requirements
52.204-14	Service Contract Reporting Requirements
52.204-15	Service Contract Reporting Requirements for Indefinite-Delivery Contracts
52.204-21	Basic Safeguarding of Covered Contractor Information Systems (Applicable if Federal contract information resides in or transits through an information system)
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or provided by Kaspersky Lab and Other Covered Entities (a) Definitions. As used in this clause— Covered article means any hardware, software, or service that—

- (1) Is developed or provided by a covered entity;
- (2) Includes any hardware, software, or service developed or provided in whole or in part by a covered entity; or
- (3) Contains components using any hardware or software developed in whole or in part by a covered entity.
- Covered entity means—
- (1) Kaspersky Lab;
- (2) Any successor entity to Kaspersky Lab;
- (3) Any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or
- (4) Any entity of which Kaspersky Lab has a majority ownership.
- (b) Prohibition. Section 1634 of Division A of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91) prohibits Government use of any covered article. The Contractor is prohibited from—
- (1) Providing any covered article that the Government will use on or after October 1, 2018; and
- (2) Using any covered on or after October 1, 2018, in the development of data or deliverables first produced in the performance of the contract.
- (c) Reporting requirement.
- (1) In the event the Contractor identifies a covered article provided to the Government during contract performance, or the Contractor is notified of such by a subcontractor at any tier or any other source, the Contractor shall report, in writing, to the Contracting Officer or, in the case of the Department of Defense, to the website at <https://dibnet.dod.mil/> [and to ProcureCompliance@snccorp.com]. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer(s) for any affected orders in the report provided at <https://dibnet.dod.mil/> [and to ProcureCompliance@snccorp.com].
- (2) The Contractor shall report the following information pursuant to paragraph (c)(1) of this clause:
- (i) Within 1 business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; brand; model number (Original Equipment Manufacturer (OEM) number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
- (ii) Within 10 business days of submitting the report pursuant to paragraph (c)(1) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of a covered article, any reasons that led to the use or submission of the covered article, and any additional efforts that will be incorporated to prevent future use or submission of covered articles.
- (d) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts, including subcontracts for the acquisition of commercial items.
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| 52.204-24 | Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment. |
| 52.204-25 | Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment |
| 52.204-26 | Covered Telecommunications Equipment or Services-Representation |
| 52.208-1 | Required Sources for Jewel Bearings and Related Items |
| 52.208-7000 | Required Sources for Miniature and Instrument Ball Bearings |
| 52.208-7001 | Required Sources for Precision Components and Mechanical Time Devices |
| 52.209-5 | Certification Regarding Responsibility Matters |
| 52.209-10 | Prohibition on Contracting with Inverted Domestic Corporations |
| 52.210-5 | New Material |
| 52.211-5 | Material Requirements (Applicable if materials are delivered) |
| 52.212-8 | Priorities, Allocations and Allotments |
| 52.215-1 | Examination of Records by Controller General |
| 52.215-2 | Audit - Negotiations |
| 52.215-23 | Price Reduction for Defective Cost or Pricing Data - Modifications |
| 52.215-25 | Subcontractor Cost or Pricing Data - Modifications |
| 52.219-8 | Utilization of Small Bus. Concerns And Small Disadvantaged Bus. Concerns |
| 52.219-9 | Small Business and Small Disadvantaged Business Subcontracting Plan |
| 52.219-13 | Utilization of Woman-Owned Small Business |
| 52.220-3 | Utilization of Labor Surplus Area Concerns |

52.220-4	Labor Surplus Area Subcontracting Program	52.225-19	Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular Mission Outside the United States (Applies if Seller will be performing or traveling outside the U.S. under the agreement)
52.222-1	Notice to the Government of Labor Disputes	52.225-26	Contractors Performing Private Security Functions Outside the United States (Applies to DoD subcontracts performed in an area of contingency operations outside the United States or to non-DoD subcontracts in combat operations or other significant military operations)
52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation - General	52.225-7011	Preference for Domestic Specialty Metals
52.222-20	Walsh-Healey Public Contracts Act	52.227-19	Commercial Computer Software License
52.222-21	Prohibition of Segregated Facilities	52.227-7031	Data Requirements
52.222-22	Previous Contracts and Compliance Reports	52.228-3	Workers' Compensation and War-Hazard Insurance (Defense Base Act)
52.222-25	Affirmative Action Compliance	52.228-4	Workers' Compensation and War-Hazard Insurance Overseas (Applies if the Contractor employs any person who, but for a waiver granted by the Secretary of Labor, would be subject to workers' compensation insurance under the Defense Base Act)
52.222-26	Equal Opportunity	52.228-5	Insurance-Work on a Government Installation (Applicable if the Order involves work on a Government installation)
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans	52.230-3	Cost Accounting Standards
52.222-36	Affirmative Action for Handicapped Workers	52.230-4	Administration of Cost Accounting Standards
52.222-41	Service Contract Labor Standards (Applies if the Order is subject to the Service Contract labor Standards statute)	52.230-5	Disclosure and Consistency of Cost Accounting Practices
52.222-50	Combating Trafficking in Persons (22 U.S.C. 7104(g))	52.232-40	Providing Accelerated Payments to Small Business Subcontractors (Applies to subcontracts with small business concerns)
52.222-55	Minimum Wages Under Executive Order 13658 (Applicable to subcontracts that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements statute if work is to be performed, in whole or in part, in the United States)	52.236-13	Accident Prevention (Applies when a fixed-price construction contract or a fixed-price dismantling, demolition, or removal of improvements contract is contemplated)
52.222-62	Paid Sick Leave under Executive Order 13706 (Applicable to subcontracts that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements statute if work is to be performed, in whole or in part, in the United States)	52.244-6	Subcontracts for Commercial Items
52.223-2	Clean Air and Water	52.245-1	Government Property
52.223-3	Hazardous Material Identification and Material Safety Data) (Applies if work involves or contains hazardous material)	52.245-9	Use and Charges (applicable when FAR 52.245-1 is applicable to the subcontract)
52.223-6	Drug Free Workplace	52.246-2	Inspection of Supplies - Fixed Price
52.223-7	Notice of Radioactive Materials (Applies if work contains covered radioactive material. Insert "30" in the blank in section (a))	52.246-23	Limitation of Liability
52.223-11	Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (Applies if work was manufactured with or contains Ozone Depleting Substances)	52.247-63	Preference for U.S.-Flag Air Carriers (Applies if the Order involves international air transportation)
52.224-3	Privacy Training (Applies when the subcontractor's employees have access to a system of records; create, collect, use, process store, maintain, or operate a system of records)	52.247-64	Preference for Privately owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241) (Applies to the Order only if the contract is a contract or agreement for ocean transportation services; the supplies being transported are items the contractor is reselling or distributing to the Government without adding value; or the supplies being transported are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in connection with the United Nations or NATO humanitarian or peacekeeping operations)
52.225-1	Buy American Act-Supplies (Applicable if the Order indicates the Buy American Act applies)	52.249-2	Termination for Convenience of the
52.225-3	Buy American Act – Supplies		
52.225-5	Trade Agreements (Applicable if the order indicates the Trade Agreements Act applies)		
52.225-8	Duty-Free Entry (Applicable if supplies will be imported into the Customs Territory of the United States)		
52.225-10	Duty - Free Entry		
52.225-11	Certain Communist Areas		
52.225-13	Restrictions on Certain Foreign Purchases		

52.249-8	Government (Fixed Price) Default (Fixed Price Supply and Service)	252.219-7003	Small Business Subcontracting Plan (DoD Contracts) (Applies if FAR 52.219-9 applies)
		252.223-7001	Hazard Warning Labels (Applies if the Order requires the delivery of hazardous materials)
DFARS		252.223-7002	Safety Precautions for Ammunition and Explosives (Applies if articles furnished under the Order contains ammunition or explosives, including liquid and solid propellants)
252.203-7002	Requirement to Inform Employees of Whistleblower Rights		
252.204-7000	Disclosure of Information (Applies when Seller will have access to or generate unclassified information that may be sensitive and inappropriate for release to the public)	252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials (Applicable if the Order requires, or may require or permit, contract performance on a DoD installation)
252.204-7004	Antiterrorism Awareness for Contractors (Applicable when the subcontractor performance requires routine physical access to a Federally-controlled facility or military installation)	252.223-7008	Prohibition of Hexavalent Chromium
		252.225-7001	Buy American Act and Balance of Payments Program (Applies in lieu of FAR 52.225-1 if the Order indicates the Buy American Act applies)
252.204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information (Applicable if the Order is for services that include support for the Government's activities related to safeguarding covered defense information or cyber incident reporting)	252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese military Companies (Applies if Seller is supplying items on the U.S. Munitions list or the 600 series of the Commerce Control List)
		252.225-7008	Restrictions on Acquisition of Specialty Metals (Applicable if specialty metals are to be delivered)
252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting (Applicable if Seller performance of this Agreement will involve Covered Defense Information, as described in DFARS 52.204-7012 and the Controlled Unclassified Information (CUI) Registry at http://www.archives.gov/cui/registry/category-list.html .)	252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals (Applies if the Work to be furnished contains specialty metals)
252.204-7014	Limitations on the Use or Disclosure of Information by Litigation Support Contractors	252.225-7013	Duty-Free Entry (Applicable in lieu of FAR 52-225-8)
252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support	252.225-7014	Alt 1: Preference for domestic specialty metals.
252.204-7016	Covered Defense Telecommunications Equipment or Services-Representation	252.225-7021	Trade Agreements (Applies in lieu of FAR 52.225-5 if the Order indicates the Trade Agreements Act applies)
252.204-7017	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services-Representation	252.225-7025	Restriction on Acquisition of Forgings (Applies if Seller's deliverable contains forging items of other items which contain forging items)
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment Services	252.225-7033	Waiver of United Kingdom Levies (Applicable if Order is with a United Kingdom firm)
252.204-7019	Notice of NIST SP 800-171 DOD Assessment Requirements	252.225-7039	Defense Contractors Performing Private Security Functions Outside the United States (Applies when private security functions will be performed outside the United States in areas of: contingency operations; combat operations; other significant military operations as designated by the Secretary of Defense; peace operations; or other military operations or military exercises when designated by the Combatant Commander)
252.204-7020	NIST SP 800-171 DOD Assessment Requirements		
252.204-7021	Contractor Compliance with the Cybersecurity Maturity Model Certification Level Requirement	252.225-7040	Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States (Applies to Orders to support U.S. Armed Forces deployed outside the U.S. in contingency operations; peace operations; or other military operations or military exercises, when designated by the Combatant Commander or as directed by the Secretary of Defense)
252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material (Applies if Seller's product contains precious metals)		
252.211-7003	Item Identification and Valuation (Applicable if the order requires the Work to contain unique item identification)		
252.211-7007	Reporting of Government-Furnished Property (Applicable if the Order requires Government property in Seller's possession to contain unique item identification)	252.225-7043	Anti-Terrorism/Force Protection Policy for Defense Contractors Outside the United States

	(Applies where Seller will be performing or traveling outside the U.S. under Order)		Seller's performance requires securing telecommunications)
252.225-7048	Export-Controlled Items	252.239-7018	Supply Chain Risk (Applies if the Order involves the development or delivery of any information technology)
252.227-7015	Technical Data-Commercial Items		
252.225-7052	Restriction on the Acquisition of Certain Magnets and Tungsten (Applicable where Seller will be providing something containing a covered material ((1) Samarium-cobalt magnets; (2) Neodymium-iron-boron magnets; (3) Tungsten metal powder; and/or (4) Tungsten heavy alloy or any finished or semi-finished component containing tungsten heavy alloy, unless excepted by 252.225-7052(c))	252.246-7000	Subcontracts for Commercial Items
		252.246-7001	Warranty of Data
		252.246-7003	Notification of Potential Safety Issues (Applies if the Order is for (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system)
252.227-7016	Rights in Bid or Proposal Information		
252.227-7037	Validation of Restrictive Markings on Technical Data	252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer (Applies if the subcontractor is a motor carrier, broker, or freight carrier)
252.227-7038	Patent Rights-Ownership by the Contractor (Large Business) (Applicable if (1) Seller is not small business or nonprofit organization subject to FAR 52.227-11, and (2) the contract is for experimental, developmental, or research work)		
		252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System (Applies if the subcontractor provides electronic part or assemblies including electronic parts)
252.228-7001	Ground and Flight Risk		
252.228-7005	accidental Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.246-7008	Sources of Electronic Parts (Applies if the subcontractor provides electronic parts or assemblies containing electronic parts, unless the subcontractor is the original manufacturer)
252.235-7003	Frequency Authorization (Applicable if the Order requires developing, producing, constructing, testing, or operating a device requiring a radio frequency authorization)	252.247-7022	Representation of Extent of Transportation by Sea
		252.247-7023	Transportation of Supplies by Sea (10 U.S.C.2631) (Applies in lieu of FAR 52.247-64 in all requiring the transportation of supplies by sea)
252.235-7004	Protection of Human Subjects (Applies if Order's effort includes research involving human subjects in accordance with 32 CFR Part 219, DoD Directive 3216.02, and 10 U.S.C. 980, including research that meets exemption criteria under 32 CFR 219.101(b). This clause does not apply to Order that involve only the user of cadaver materials)		
		The Following FAR Clause Applies If The Value Of The Order Exceeds \$3,500:	
		52.222-54	Employment Eligibility Verification
		The Following FAR Clause Applies If The Value Of The Order Exceeds \$10,000:	
252.236-7013	Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers (Applicable if the Order uses funds appropriated by Title I of the Military Construction and Veterans Affairs Appropriations Act of 2009 and the Seller will deliver steel as a construction material)	52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving
		52.222-40	Notification of Employee Rights Under the National Labor Relations Act
		The Following FAR Clause Applies if the Value of the Order Exceeds \$15,000:	
252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel (Applies when Seller personnel may be required to interact with detainees in the course of their duties)	52.222-36	Equal Opportunity for Workers with Disabilities
		The Following FAR Clause Applies if the Value of the Order Equals or Exceeds \$30,000:	
252.237-7019	Training for Contractor Personnel Interacting with Detainees (Applies when Seller personnel may be required to interact with detainees in the course of their duties)	52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards
		The Following FAR Clause Applies if the Value of the Order Equals or Exceeds \$35,000:	
252.237-7023	Continuation of Essential Contractor Services (Applies if the Seller's work is deemed essential services)	52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Does not apply if the Order is for commercially available off-the-shelf items)
		The Following FAR Clause Apply if the Value of the Order Equals or Exceeds \$150,000:	
252.239-7010	Cloud Computing Services (Applies if the Order involves or may involve cloud services)		
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services (Applies if	52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

52.203-12 Limitation on Payments to Influence Certain Federal Transactions
 52.222-35 Equal Opportunity for Veterans
 52.222-37 Employment Reports on Veterans
 The Following FAR Clauses Apply if the Value of the Order Equals or Exceeds the Simplified Acquisition Threshold, as Defined in FAR 2.101:
 52.203-6 Restrictions on Subcontractor Sales to the Government (Alt I)
 52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity
 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity)
 52.203-16 Preventing Personal Conflicts of Interest (Applicable if Seller employees will perform acquisition functions closely associated with inherently governmental functions)
 52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights
 52.248-1 Value Engineering
 The Following DFARS Clauses Apply if the Value of the Order Equals or Exceeds the Simplified Acquisition Threshold, as Defined in FAR 2.101:
 252.209-7004 Subcontracting with Firms that are Owned or Controlled by the Government of a Terrorist Country
 252.225-7012 Preference for Certain Domestic Commodities
 The Following DFARS Clause Applies if the Value of the Order Exceeds \$500,000:
 252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises and Native Hawaiian Small Business Concerns
 The Following FAR Clause Applies if the Value of the Order Exceeds \$750,000:
 52.219-9 Small Business Subcontracting Plan (\$1.5 million for construction of a public facility; not applicable if Seller is a small business concern)
 The Following DFARS Clause Applies if the Value of the Order Exceeds \$700,000:
 252.249-7002 Notification of Anticipated Contract Termination or Reduction
 The Following FAR Clause Applies if the Value of the Order Exceeds \$6,000,000:
 52.203-13 Contractor Code of Business Ethics and Conduct (Applies if the Order's period of performance is more than 120 days)
 The Following DFARS Clause Applies if the Value of the Order Exceeds \$6,000,000:
 252.203-7003 Agency Office of the Inspector General
 252.203-7004 Display of Hotline Poster(s) (Applies in lieu of FAR 52.203-14)
 The Following FAR Clause Applies if the Value of the Order Exceeds \$10,000,000:
 52.222-24 Preaward On-Site Equal Opportunity Compliance Evaluation
 The Following DFARS Clauses in Full Text Apply to the Agreement:
 252.225-7993 Prohibition on Providing Funds to the Enemy (Deviation 2020-O0022)
 (a) The Contractor Shall-

(1) Exercise due diligence to ensure that none of the funds, including supplies and services, received under this contract are provided directly or indirectly (including through subcontracts) to a person or entity who is actively opposing United States and Coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities:

(2) Check the list of prohibited/restricted sources in the System for Award Management (SAM) at www.sam.gov-

(i) Prior to subcontract award; and
 (ii) At least on a monthly basis; and

(3) Terminate or void in whole or in part any subcontract with a person or entity listed in SAM as a prohibited or restricted source pursuant to section 841 of the National Defense Authorization Act for Fiscal Year 2015 (Pub. L. 113-291), as amended unless the Contracting Officer provides to the Contractor written approval of the head of the contracting activity to continue the subcontract.

(b) The Head of the Contracting Activity has the authority to-

(1) Terminate this contract for default, in whole or in part, if the Head of the Contracting Activity determines in writing that the contractor failed to exercise due diligence, as required by paragraph (a) of this clause; or

(2)
 (i) Void this contract, in whole or in part, if the Head of the Contracting Activity determines in writing that any funds received under this contract have been provided directly or indirectly to a person or entity who is actively opposing United States or Coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

(ii) When voided in whole or in part, a contract is unenforceable as contrary to public policy, either in its entirety or with regard to a segregable task or effort under the contract, respectively.

(c) The Contractor shall include the substance of this clause, including this paragraph (c), in subcontract that have an estimated value over \$50,000 and will be performed outside the United States and its outlying areas.

(End of clause)

Additional Access to Contractor and Subcontractor Records (Deviation 2020-O0022)

(a) In addition to any other existing examination-of-records authority, the Government is authorized to examine any records of the Contractor and its subcontractors to the extent necessary to ensure that funds, including supplies and services, available

under this contract are not provided, directly or indirectly, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

(b) The substance of this clause, including this paragraph (b), is required to be included in subcontracts, including subcontracts for commercial items, under this contract that have an estimated value over \$50,000 and will be performed outside the United States and its outlying areas.

(End of clause)

26.0 ITAR COMPLIANCE

Seller shall comply with all U.S. export control laws and regulations, including the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 through 130, and the Export Administration Regulations (EAR), 15 CFR Parts 730 through 799, in the performance of this contract. Unless otherwise granted an exemption, Seller shall be responsible for obtaining the appropriate licenses or other approvals, if required, for exports of hardware, technical data, and software, or for the provision of technical assistance.

Seller shall be responsible for obtaining export licenses, if required, before utilizing foreign persons in the performance of this contract, including instances where the work is to be performed on-site at any Government installation, where the foreign person will have access to export-controlled technical data or software.

Seller shall be responsible for all regulatory record keeping requirements associated with the use of licenses and license exemptions/exceptions.

Lower Tier Subcontracts. Seller shall flow-down ITAR compliance provisions to suppliers and subcontractors in all purchase orders and subcontracts.

27.0 DISPUTES

DISPUTES: Either party may litigate any dispute arising under or relating to this Order before a Nevada court of competent jurisdiction located in Washoe County, Nevada. Pending resolution of any such dispute by settlement or by final judgment, the parties shall proceed diligently with performance under the terms of this Order. Seller's performance shall be in accordance with Buyer's written instructions.

These Terms and Conditions shall be governed in all respects by the substantive laws of the State of Nevada, and where applicable, the laws of the United States. Each of the parties hereby submits to the jurisdiction of the courts of the State of Nevada and of the United States in the District of Nevada. In the event any dispute arises between the parties, the parties agree that the given dispute shall exclusively be resolved in a court of competent jurisdiction located in Washoe County, Nevada. The parties agree that this is a mandatory forum selection clause.

28.0 ASSIGNMENT AND DELEGATION

No assignment of this Order, in whole or part, or of any moneys due or to become due hereunder may be made by Seller without in each case, the prior written consent of Buyer. Furthermore, Seller shall not delegate any of its duties under this Order to any third party without the prior written consent of Buyer.

29.0 COMPLIANCE WITH LAWS

Seller shall comply with all applicable Federal, State and local laws and executive orders and regulations issued pursuant thereto and in the performance of this Order. This Order shall be construed in accordance with the laws of the state of Nevada.

30.0 NON DISCRIMINATION IN EMPLOYMENT

In accordance with the Executive Order 11246, Seller agrees not to discriminate against any employee or applicant for employment because of race, creed, color or national origin. All other applicable provisions of the Rules and Regulations of the Office of Federal Contract Compliance are herein incorporated by reference. Seller shall hire only United States citizens and/or individuals who are authorized to work in the United States.

31.0 EFFECT OF INVALIDITY OR WAIVER

The invalidity, in whole or in part, of any conditions of this Order shall not affect the validity of other conditions, nor shall the waiver of a breach of any provision of this Order constitute a waiver of any subsequent breach of that provision or the breach of any other provision.

32.0 INDEMNITY AND INSURANCE

Seller (including contractors and all subcontracts if any) shall indemnify and hold harmless Buyer, its shareholders, directors, officers, employees, agents, contractors, and attorneys ("Buyer Indemnified Parties") against any and all liabilities, claims, demands, and/or damages arising directly or indirectly from any breach of any section of this Order and/or in connection with work performed or materials delivered hereunder. Seller shall further indemnify and hold the Buyer Indemnified Parties harmless from any and all loss and damages and shall defend the Buyer Indemnified Parties against any and all claims (including, but not limited to, injuries to persons or damage to property) arising from the failure of Seller (including contracts and all subcontracts, if any), or the Buyer Indemnified Parties to conform to the statutes, ordinances, regulations, or requirements of any governmental authority, concerning or in any way relating to (either directly or indirectly) any work done, materials delivered hereunder, or the operations and techniques employed in connection therewith, and arising from anything done by the negligence of the Seller (including contractors and all subcontractors, if any), or the Buyer Indemnified Parties while engaged in the performance of any act directly or indirectly related to work done or materials delivered or while in and about the premises of the Buyer or arising from liens or claims for services rendered or labor or materials furnished.

The Seller (including contracts and all subcontractors, if any), shall maintain the following insurance with an insurance company or companies authorized to do business under the law the State in which the work is to be done or materials furnished.

Workmen's Compensation Insurance covering its obligations under the applicable law or laws, Comprehensive General Liability Insurance (including Contractual Liability for the obligations assumed hereunder) with bodily injury limits of \$100,000 per person and \$300,000 per accident and a property damage limit of \$100,000 per accident.

Upon request, Certificates of said insurance shall be filed with Buyer and shall provide for 10 days prior to written notice of cancellation of or material change in said insurance. The liability insurance limits shall in no way be construed as a limit on the Buyer's right indemnity hereunder.

33.0 TIME IS OF THE ESSENCE

Time shall be of the essence in the performance of the provisions of this Order.

34.0 RESERVATION OF RIGHTS

Any rights not expressly granted herein are reserved.

35.0 REVIEW OF ORDER

The parties agree that they have had an opportunity to have this Order reviewed by counsel. The parties agree that this Order has been mutually prepared. Since the Order was mutually prepared, the terms of this Order shall not be construed or interpreted against any one party hereto.

36.0 SECTION HEADINGS

The Section headings appearing in this Order have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit or extend the scope or intent of the Sections to which they pertain.

37.0 ENTIRE AGREEMENT

This Order reflects the entire agreement of the parties regarding the subject matter hereof, and expressly supersedes all prior and contemporaneous agreements between the parties, whether written or oral.

38.0 AMENDMENT OR MODIFICATION

This Order may not be amended or modified in any respect except by a written instrument signed by all of the parties.

39.0 ATTORNEYS' FEES AND COSTS

In the event any dispute or litigation arises between the parties, the prevailing party shall be entitled to reasonable attorney's fees and costs.

40.0 NOTICES

All notices and other communications required or permitted under this Order shall be validly given, made, or served if in writing and delivered personally, sent by registered mail, receipted commercial courier, or by electronic receipt (acknowledged in like manner by the intended recipient) facsimile transmission to the parties at the following address:

EM Research, Inc.
P.O. Box 10430
Reno, Nevada 89510-0430
Facsimile: (775) 345-1030
sales@emresearch.com

41.0 INVALID PROVISION/SEVERABILITY

If any provision of this Order is held to be invalid or unenforceable, the other provisions shall not be affected to the greatest extent possible consistent with the parties' intent. Any invalid, void or unenforceable provision shall be modified as may be necessary to make it valid, effective and enforceable to the greatest extent possible consistent with the parties' intent.

42.0 INDEPENDENT AGENTS

The parties are independent contractors and nothing contained in this Order shall be construed to constitute the parties as partners, joint venturers, co-owners, principals and agents, or otherwise as participants in a joint or common undertaking.