

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

**SECTION I: GENERAL PROVISIONS**

**1. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS**

(a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and, together with Exhibits, Attachments, and any Task Order (s) issued hereunder, constitutes the entire agreement between the Parties.

(b) Seller's acknowledgment, acceptance of payment, or commencement of performance, shall constitute Seller's unqualified acceptance of this Contract.

(c) Additional or differing terms or conditions proposed by SELLER or included in Seller's acknowledgment are objected to by RAMONA and have no effect unless expressly accepted in writing by RAMONA.

**2. APPLICABLE LAWS**

(a) This Contract shall be governed by and construed in accordance with the laws of the State from which this Contract is issued, excluding its choice of laws rules, except that any provision in this Contract that is (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR); or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or; (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the federal Government.

(b)

(1) SELLER agrees to comply with all applicable laws, orders, rules, regulations, and ordinances. SELLER shall procure all licenses/permits, pay all fees, and other required charges and shall comply with all applicable guidelines and directives of any local, state and/or federal governmental authority.

(2) If: (i) RAMONA contract price or fee is reduced; (ii) RAMONA costs are determined to be unallowable; (iii) any fines, penalties, withholdings, or interest are assessed on RAMONA; or (iv) RAMONA incurs any other costs or damages; as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, RAMONA may proceed as provided for in (3) below.

(3) Upon the occurrence of any of the circumstances, other than withholdings, identified in paragraphs (2) above, RAMONA may make a reduction of corresponding amounts (in whole or in part) in the price of this Contract or any other contract with SELLER, and/or may demand payment (in whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded. In the case of withholding(s), RAMONA may withhold the same amount from SELLER under this contract.

(c) SELLER represents that each chemical substance constituting or contained in Work sold or otherwise transferred to RAMONA hereunder is on the list of chemical substances compiled and

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.

(d) SELLER, if specified in the Contract, shall provide to RAMONA with each delivery any Material Safety Data Sheet applicable to the work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated there under, or its state approved counterpart.

**3. ASSIGNMENT**

Any assignment of Seller's Contract rights or delegation of Seller's duties shall be void, unless prior written consent is given by RAMONA. SELLER may assign rights to be paid amounts due, or to become due, to a financing institution if RAMONA is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned shall be subject to setoffs or recoupment for any present or future claims of RAMONA against SELLER. RAMONA shall have the right to make settlements and/or adjustments in price without notice to any assignee.

**4. COMMUNICATION WITH RAMONA CUSTOMERS**

RAMONA shall be solely responsible for all liaison and coordination with the RAMONA customer, including the U. S. Government, as it affects the applicable prime contract, this contract, and any related contract.

**5. CONTRACT DIRECTION**

(a) Only the RAMONA Procurement Representative has authority to make changes in or amendments to this Contract. Changes and amendments must be in writing.

(b) RAMONA technical personnel may from time to time render assistance or give technical advice or discuss or affect an exchange of information with Seller's personnel concerning the work hereunder. No such action shall be deemed to be a change under the "Changes" clause of this contract and shall not be the basis for equitable adjustment.

(c) Except as otherwise provided herein, all notices to be furnished by the SELLER shall be sent to the RAMONA Procurement Representative.

(d) Purchase Orders which identify a U.S. Government Prime Contract Number, and/or a DPAS Rating, in the Notes section of the P.O. Header shall incorporate the FAR Supplement to General Terms and Conditions located at [www.ramonaresearch.com/OPS-101.pdf](http://www.ramonaresearch.com/OPS-101.pdf).

**6. DEFINITIONS**

The following terms shall have the meanings set forth below:

(a) "Contract" means the instrument of contracting, such as "PO", "Purchase Order", or "Task Order", or other such type designation, including all referenced documents, exhibits and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a Purchase Order or other such document) the term "Contract" shall also mean the release document for the Work to be performed.

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

(b) "FAR" means the Federal Acquisition Regulation, issued as Chapter 1 of Title 48, Code of Federal Regulations.

(c) "RAMONA " means Ramona Research, Inc., a California Corporation.

(d) " RAMONA Procurement Representative" means a person authorized by RAMONA's cognizant procurement organization to administer and/or execute this Contract.

(e) "PO" or "Purchase Order" means this Contract.

(f) "SELLER" means the party identified on the face of this Contract with whom RAMONA is contracting.

(g) "Work" means all required labor, articles, materials, supplies, goods, and services constituting the subject matter of this Contract.

**7. DISPUTES**

All disputes under this Contract which are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, SELLER shall diligently proceed with the performance of this Contract as directed by RAMONA.

**8. ELECTRONIC CONTRACTING**

The parties agree that if this Contract is transmitted electronically neither party shall contest the validity of this Contract, or any Acknowledgement thereof, on the basis that this Contract or Acknowledgement contains an electronic signature.

**9. EXCESS QUANTITIES**

Work shall not be supplied in excess of quantities specified in this Contract unless expressly accepted in writing by RAMONA prior to shipment by SELLER. SELLER shall be liable for handling charges and return shipment costs for any excess quantities.

**10. FURNISHED PROPERTY**

(a) RAMONA may provide to SELLER property owned by either RAMONA or its customer (Furnished Property). Furnished Property shall be used only for the performance of this Contract.

(b) Title to Furnished Property shall remain in RAMONA or its customer. SELLER shall clearly mark (if not so marked) all Furnished Property to show its ownership.

(c) Except for reasonable wear and tear, SELLER shall be responsible for, and shall promptly notify RAMONA of, any loss or damage. Without additional charge, SELLER shall manage, maintain, and preserve Furnished Property in accordance with good commercial practice.

(d) At RAMONA request, and/or upon completion of this Contract, the SELLER shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by RAMONA.

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

(e) The Government Property Clause contained in Section II shall apply in lieu of paragraphs (a) through (d) Above with respect to Government-furnished property, or property to which the Government may take title under this Contract.

**11. INDEPENDENT CONTRACTOR RELATIONSHIP**

(a) SELLER is an independent contractor in all its operations and activities hereunder. The employees used by SELLER to perform Work under this Contract shall be Seller's employees exclusively without any relation whatsoever to RAMONA.

(b) SELLER shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expenses of litigation and/or settlement, and court costs, arising from any act or omission of SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this Contract.

**12. INFORMATION**

(a) Information provided by RAMONA to SELLER remains the property of RAMONA. SELLER agrees to comply with the terms of any proprietary information agreement with RAMONA and to comply with all proprietary information markings and restrictive legends applied by RAMONA to anything provided hereunder to SELLER. SELLER agrees not to use any RAMONA provided information for any purpose except to perform this Contract and agrees not to disclose such information to third parties without the prior written consent of RAMONA.

(b) Seller shall, upon Buyer's request or upon completion of this Subcontract, whichever occurs first, promptly at its option: (1) destroy all proprietary information furnished in connection with the Subcontract and certify such destruction; or (2) return all proprietary information furnished in connection with the Subcontract, together with all copies or reprints then in Seller's possession and control, and Seller shall thereafter make no further use of nor disclose to others any such data or documents or any information derived therefrom without Buyer's prior written consent.

**13. INSURANCE, ENTRY ON RAMONA PROPERTY**

(a) In the event that SELLER, its employees, agents, or subcontractors enter the site(s) of RAMONA or its customers for any reason in connection with this Contract then SELLER and its subcontractors shall procure and maintain for the performance of this Contract worker's compensation, comprehensive general liability, bodily injury and property damage insurance in reasonable amounts, and such other insurance as RAMONA may require. In addition, SELLER and its subcontractors shall comply with all site requirements. SELLER shall provide RAMONA thirty (30) days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of Seller's required insurance, provided however such notice shall not relieve SELLER of its obligations to procure and maintain the required insurance. If requested, SELLER shall send a "Certificate of Insurance" showing Seller's compliance with these requirements. SELLER shall name RAMONA as an additional insured for the duration of this Contract. Insurance maintained pursuant to this clause shall be considered primary as respects the interest of RAMONA and is not contributory with any insurance which RAMONA may carry. "Subcontractor" as used in this clause shall include Seller's subcontractors at any tier. Seller's

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

obligations for procuring and maintaining insurance coverages are freestanding and are not affected by any other language in this Contract.

(b) SELLER shall indemnify and hold harmless RAMONA, its officers, employees, and agents from any losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expenses of litigation and/or settlement, and court costs, by reason of property damage or loss or personal injury to any person caused in whole or in part by the actions or omissions of SELLER, its officers, employees, agents, suppliers, or subcontractors.

**14. INTELLECTUAL PROPERTY**

(a) SELLER warrants that the Work performed or delivered under this Contract will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. Except to the extent that the U.S. Government assumes liability therefore, SELLER agrees to defend, indemnify, and hold harmless RAMONA and its customers from and against any claims, damages, losses, costs, and expenses, including reasonable attorneys' fees, arising out of any action by a third party that is based upon a claim that the Work performed or delivered under this Contract infringes or otherwise violates the intellectual property rights of any person or entity.

(b) All reports, memoranda or other materials in written form, including machine readable form, prepared by SELLER pursuant to this Contract and furnished to RAMONA by SELLER hereunder shall become the sole property of RAMONA.

**15. PACKING AND SHIPMENT**

(a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice.

(b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the RAMONA Contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this Contract number.

(c) Unless otherwise specified, delivery shall be FOB Destination.

**16. PAYMENTS, TAXES, AND DUTIES**

(a) Unless otherwise provided, terms of payment shall be net thirty (30) days from the latest of the following: (i) RAMONA receipt of the Seller's proper invoice; (ii) Scheduled delivery date of the Work; or (iii) Actual delivery of the Work. RAMONA shall have a right of setoff against payments due or at issue under this Contract or any other contract between the parties.

(b) Each payment made shall be subject to reduction to the extent of amounts which are found by RAMONA or SELLER not to have been properly payable, and shall also be subject to reduction for overpayments. SELLER shall promptly notify RAMONA of any such overpayments found by SELLER.

(c) Payment shall be deemed to have been made as of the date of mailing Ramona Research, Inc. payment or electronic funds transfer.

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

(d) Unless otherwise specified, prices include all applicable federal, state, and local taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice.

**17. PRECEDENCE**

Any inconsistencies in this Contract shall be resolved in accordance with the following descending order of precedence: (i) Face of the Purchase Order, (including any continuation sheets), as applicable, including any special provisions; and (ii) This form.

**18. QUALITY CONTROL SYSTEM**

(a) SELLER shall maintain a reasonable quality control system that is consistent with industry practice and in compliance with any other specific quality requirements identified in this Contract.

(b) SELLER shall ensure that employees are aware of their contribution to product or service conformity, product safety, and the importance of ethical behavior.

(c) SELLER shall retain all documented SELLER generated information related to the Contract for a period of seven (7) years. The information shall be kept secure, complete, and available to RAMONA and its customers throughout the retention period. Upon completion of the retention period, the SELLER may, at its option: (1) securely archive; (2) destroy; (3) or remit to RAMONA all copies or reprints then in SELLER's possession.

(d) Right of access by RAMONA, our customers and legal authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

**19. RELEASE OF INFORMATION**

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, will be made by SELLER without the prior written approval of RAMONA.

**20. SEVERABILITY**

Each paragraph and provision of this Contract is severable, and if one or more paragraphs or provisions are declared invalid, the remaining paragraphs and provisions of this Contract will remain in full force and effect.

**21. SURVIVABILITY**

(a) If this Contract expires, is completed, or is terminated, SELLER shall not be relieved of those obligations in the following provisions:

Applicable Laws  
Communication with RAMONA Customers  
Electronic Contracting  
Independent Contractor Relationship  
Information

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

Insurance  
Intellectual Property  
Quality Control System  
Release of Information  
Warranty  
Counterfeit Parts Prevention

(b) Those U. S. Government flow down provisions that by their nature should survive.

**22. TIMELY PERFORMANCE**

(a) Seller's timely performance is a critical element of this Contract.

(b) Early deliveries are acceptable and preferred unless otherwise specified on the Contract.

(c) If SELLER becomes aware of difficulty in performing the Work, SELLER shall timely notify RAMONA, in writing, giving pertinent details. This notification shall not change any delivery schedule.

(d) In the event of a termination for convenience or change, no claim will be allowed for any manufacture or procurement in advance of Seller's normal flow time unless there has been prior written consent by RAMONA.

**23. WAIVERS, APPROVALS, AND REMEDIES**

(a) Failure by RAMONA to enforce any provisions of this Contract shall not be construed as a waiver of the requirements of such provisions, or as a waiver of the right of RAMONA thereafter to enforce each such provision.

(b) RAMONA approval of documents shall not relieve SELLER of its obligation to comply with the requirements of this Contract.

(c) The rights and remedies of RAMONA in this Contract are in addition to any other rights and remedies provided by law or in equity.

(d) Purchase Orders may identify the following requirements in the Notes section of the P.O. Header. If so, SELLER shall incorporate:

(1) Verification or validation activities that RAMONA, or its customer, identifies that it intends to perform at SELLER's facility;

(2) Design and development control;

(3) Any special requirements, critical items, or key characteristics identified;

(4) Any test, inspection, and verification (including production process verification) identified;

(5) The use of statistical techniques for product acceptance and related instructions for acceptance by RAMONA identified;

**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

(6) Use of Ramona designated or approved external providers, including process sources (e.g. special processes).

(7) Provide test specimens for design approval, inspection/verification, investigation, or auditing;

(8) Obtain approval of products and services; methods, processes, and equipment; the release of products and services.

(e) SELLER must:

(1) Immediately notify RAMONA of any nonconforming processes, products, or services, and obtain RAMONA's approval for their disposition;

(2) Prevent the use of counterfeit parts (see 25);

(3) Immediately notify RAMONA of any changes to processes, products, or services, including changes of external providers or location of manufacture, and obtain RAMONA's approval;

(4) Flow down to external providers applicable requirements including customer requirements;

(5) Within 72 hours, notify RAMONA of any nonconformities discovered after delivery of product. If counterfeit parts are suspected, SELLER shall comply with §25(d).

(f) Processing suppliers shall not process any parts for which SELLER's employees are not qualified, or SELLER is not certified or approved.

(g) Material suppliers shall not supply any material for which they are not certified or approved.

#### **24. WARRANTY**

SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to applicable specifications, drawings, samples, descriptions, and other requirements of this Contract and be free from defects in design, material, and workmanship. This warranty shall begin upon final acceptance and extend for a period of one (1) year. If any nonconforming Work is identified within the warranty period, SELLER, at RAMONA's option, shall promptly repair, replace, or perform the Work. Transportation of replacement Work and return of non-conforming work, and re-performance of Work shall be at Seller's expense. If repair, replacement, or re-performance of Work is not timely, RAMONA may elect to return, re-perform, repair, replace, or re-procure the non-conforming Work at Seller's expense. All warranties shall run to RAMONA and its customers.

#### **25. Counterfeit Parts Prevention**

a) For purposes of this clause, Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.



**RAMONA RESEARCH'S TERMS AND CONDITIONS**  
GENERAL PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS

(b) SELLER agrees and shall ensure that Counterfeit Work is not delivered to RAMONA.

(c) SELLER shall only purchase products to be delivered or incorporated as Work to RAMONA directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by RAMONA.

(d) SELLER shall immediately notify RAMONA with the pertinent facts if SELLER becomes aware or suspects that it has furnished nonconforming and/or Counterfeit Work. When requested by RAMONA, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.

(e) In the event that Work delivered under this Contract constitutes or includes Counterfeit Work, SELLER shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, SELLER shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation RAMONA's costs of removing Counterfeit Work, of reinserting replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies RAMONA may have at law, equity or under other provisions of this Contract. SELLER shall establish and maintain a Counterfeit Parts Prevention and Control Plan using Industry Standard AS-5553 as a guideline. The purpose of this document shall be to prevent the delivery of counterfeit parts and control parts identified as counterfeit.