

## PO Terms and Conditions

Last Update 10/18/21

This order is subject to the following terms and conditions:

1. No agreement or any other understanding in any way purporting to modify the Terms and Conditions hereof shall be binding upon Buyer unless agreed to in writing and signed by Buyer's authorized representative.
2. Time of delivery is of the essence. Buyer reserves the right to refuse any goods and to cancel all or any part of this order if Seller fails to deliver all or any part of the goods in accordance with the terms of this order. Acceptance of any part of this order shall not bind Buyer to accept future defective shipments nor deprive it of the right to return defective goods already accepted.
3. Seller must include packing slip and any other documents as specified (i.e. certificates of conformance) with all shipments. Packing slip must show our order number, part number, and name or description, quantity shipped and number of containers. Each package must show part number, quantity, and order number. Failure to comply with this clause may at buyer's option be grounds for rejection.
4. Notwithstanding prior payment, all goods are subject to inspection and acceptance by Buyer within a reasonable time after they arrive at destination.  
Buyer shall notify Seller if any goods are rejected for any reason. Rejected goods may be subject to repair and/or inspection charges. Otherwise, defective goods must be dispositioned within 48 hours of rejection. If the Seller does not specify disposition, the Buyer will dispose of or return goods to Seller at Buyer's option and at Seller's risk and expense. Credits will be taken by Buyer, which may include handling and disposal charges. No replacement or correction of nonconforming goods shall be made by Seller without written authorization from Buyer.
5. Delay in receiving invoices, or any other documents deemed necessary as specified on purchase order, or errors or omissions on such documents, will be considered just cause for withholding payment and will not affect any of Buyer's cash discount privileges.
6. It is assumed that the Seller performs inspections required to assure materials meet specifications. Accordingly, Seller warrants that the goods covered by this order will conform to the specifications, drawings, samples, or other description furnished or specified by Buyer, and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship, and free from defects. New suppliers are required to submit first articles for approval. Any changes to the specification of these goods are not to be made unless authorized by the Buyer in writing. Any unauthorized change may cause the goods to be considered defective.
7. The Seller shall not fabricate any of the goods covered by this order, procure any materials required in their fabrication, or ship any of such goods to Buyer, unless specific delivery dates or an authorization for raw material acquisition and stocking periods is provided in this order, a Blanket Purchase Order, or in written instructions subsequently furnished to Seller by Buyer. Buyer shall have no responsibility for goods for which delivery dates or such written instructions have not been provided. Shipments in excess of those authorized may be returned to Seller and Seller shall pay Buyer for all expenses incurred in connection with the return of such shipments. Typically, shipments which are within  $\pm 2\%$  of ordered quantities will be considered to be in conformance with this order, unless specifically indicated otherwise.
8. Seller warrants that the goods specified herein (and their sale or use, alone or in combination, according to Seller's specifications or recommendations, if any) will not infringe any United States or non-U.S. patents, and agrees to defend, indemnify and save harmless Buyer and anyone selling or using any of Buyer's products against all loss, damage, liability, costs, expenses and legal fees as they are incurred by reason of any infringement or alleged infringement.
9. Unless otherwise agreed in writing, all drawings, designs, prototypes, specifications, tools, equipment, or materials of every description furnished to Seller by Buyer or specifically paid for by Buyer and all tooling, patterns, and molds manufactured from Buyer's specifications and specifically paid for by Buyer shall be and remain the personal property of Buyer. Such property shall be held at Seller's risk and insured at Seller's expense in an amount equal to its replacement cost with loss payable to Buyer. It shall be safely stored, maintained, and, wherever possible, clearly marked "Property of The Lighthouse for the Blind" by Seller. Buyer shall have the right to enter upon Seller's premises to inspect such property and any related records. Upon Buyer's written request, Seller shall prepare the property for shipment and redeliver it to Buyer in the same condition in which it was received, reasonable wear and tear excepted, or at Buyer's option Seller shall assemble the property for pickup by Buyer or destroy or have destroyed any such property designated by Buyer and certify to Buyer that such property has been destroyed.
10. Seller shall not disclose any details connected with this order to any third party, except as may be required to ensure performance, without first obtaining Buyer's written consent.

11. Seller agrees that in the performance of this order it will comply with the requirements of all applicable federal, state and local statutes, regulations and orders and will indemnify and save Buyer harmless from any claim, loss or damage arising from Seller's violation or alleged violation of the same. Buyer serves from time to time as a contractor for the United States Government. The Seller agrees that, if applicable to this purchase order, Seller will comply with the requirements of U.S. Executive Order 11246 as amended by Executive Order 11375 or subsequent issued thereunder, U.S. Executive Order 13496, and other applicable equal employment opportunity laws. Contract clauses required by the U.S. Government in such circumstances are incorporated herein by reference.  
Seller shall promptly notify Buyer of any applicable export or import requirements or restrictions of any government or governmental entity with respect to the articles, materials or work covered by this order.
12. Supplier certifies by the acceptance of this purchase order that it does not appear on the "List of Parties Excluded from Federal Procurement" published by the General Services Administration, and that it is not currently debarred, suspended or otherwise excluded by the United States Government from receiving Federal Government contracts.
13. Seller will immediately disclose any event or cause which may affect quality, delivery or our common business interests.
14. Any errors incorporated in or appearing on this order are subject to correction.
  15. Any assignment of this order or any interest therein without the prior written approval of Buyer shall be void. No waiver of any provision of this purchase order shall constitute a waiver of any other provision, or a waiver of any subsequent default by Seller. If any provision or portion thereof of this order or the contract formed thereby shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and this order or any contract formed thereby shall be construed as if such invalid or unenforceable provision had not been contained herein. This order and the contract formed thereby shall be governed by and construed and enforced in accordance with the laws of the State of Washington. Seller accepts the jurisdiction of the courts of the State of Washington for any dispute arising hereunder.
16. All of Buyer's remedies hereunder are cumulative and in addition to any and all other remedies provided by law.
17. Seller must adhere to FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (Jul 2010). Unless otherwise directed by the contracting officer, by the end of the month following the month of a first-tier subcontract with a value of \$25,000 or more, and annually thereafter, the Contractor shall report the names and total compensation of each of the five most highly compensated executives for each first-tier subcontractor for the subcontractor's preceding completed fiscal year at <http://www.fsr.gov>, if—
  - (i) In the subcontractor's preceding fiscal year, the subcontractor received—
    - (A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements; and
    - (B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements; and
  - (ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
18. In addition to the provision set forth in the Code of Basic Working Conditions and Human Rights in the contract, Seller further commits that any material violation of law by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Contract/Agreement may be considered a material breach of this Contract/Agreement for which Boeing may elect to cancel any open Orders between Boeing and the Seller, for cause, in accordance with the provisions of this Contract/Agreement, or exercise any other right of Boeing for an Event of Default under this Contract/Agreement.
19. Purchaser is required to use E-Verify if it is a subcontractor to the Lighthouse for the Blind for federal contracts if the contract meets the following  
Conditions:
  - a. The prime contract includes the FAR E-Verify clause;
  - b. The subcontract is for commercial or noncommercial services or construction;
  - c. The subcontract has a value of more than \$3,000; and
  - d. The subcontract includes work performed in the United States.

As proof of enrollment, the subcontractor should provide the prime contractor a copy of its Edit Company Profile page in E-Verify, which can be printed directly from E-Verify. This page contains proof of their enrollment in E-Verify.

20. Indemnification of Seller or Subcontractor

Seller hereby releases and agrees to defend, indemnify and hold harmless the Lighthouse, and their directors, officers, employees and agents from and against all claims, demands, suits and causes of action for property damage, personal injury or death (including without limitation injury to or death of employees of Seller or any subcontractor), and all loss, cost, damage and expense (including reasonable attorneys' fees) arising out of or in any way related to this contract. The foregoing indemnity shall apply only to the extent of any negligence or willful misconduct of Seller, any subcontractors thereof, or employees of Seller that occurs while Seller is on Lighthouse premises.

21. Commercial General Liability

If the Seller or one of its subcontractors performs work on Lighthouse property, Seller and its subcontractors shall carry and maintain an appropriate amount of Commercial General Liability Insurance during the period of work performance and up to final acceptance of work by the Lighthouse. The available limits of said insurance shall not be less than \$1,000,000 per occurrence for bodily injury and property damage.

22. Self-Assumption

Any self-insured retention, deductibles and exclusions in coverage in the policies required under this article shall be assumed by, for the account of and at the sole risk of Seller or the subcontractor which provides the insurance and to the extent applicable shall be paid by such Seller or subcontractor. In no event shall the liability of Seller or any subcontractor thereof be limited to the extent of any of the minimum limits of insurance required herein.

23. Protection of Property

At all times Seller shall, and ensure that any subcontractor thereof shall, use suitable precautions to prevent damage to Buyer's property. If any such property is damaged by the fault or negligence of Seller or any subcontractor thereof, Seller shall, at no cost to Buyer, promptly and equitably reimburse Buyer for such damage or repair or otherwise make good such property to Buyer's satisfaction. If Seller fails to do so, Buyer may do so and recover from Seller the cost thereof.

24. Evidence of Citizenship

The Lighthouse may be required to obtain citizenship information about Seller's personnel or Seller's subcontractor personnel in circumstances where Seller is performing work on Lighthouse property. Consistent with all applicable local, state and federal statutes and regulations, Seller shall furnish such information before commencement of work on Lighthouse property or anytime thereafter before substituting or adding new personnel to work on Lighthouse premises. Seller acknowledges that if it is unable to provide such information, then access to Lighthouse premises may be limited due to the Lighthouse's compliance with applicable federal export control statutes and regulations.

25. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.

Seller to comply with FAR 52.203-11 (c) Certification. The offeror, by signing its offer, hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this contract. Refer to <https://www.gpo.gov/fdsys/pkg/CFR-2012-title48-vol2/pdf/CFR-2012-title48-vol2-sec52-203-11.pdf> to read in its entirety.

26. Cybersecurity:

Suppliers must comply with DFARs regulations 252.204-7008 Compliance with Safeguarding Covered Defense Information Controls. 252.204-7009 Limitations on the Use or Disclosure of Third Party Contractor Reported Cyber Incident Information and 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting.

27. Inspection Systems – The supplier will as a minimum implement and maintain a documented inspection system. This system is subject to review by Lighthouse's (LH) Quality Assurance.

Certification – A certificate of conformance must accompany each shipment. The certificate must state that the material supplied meets the applicable material specification. The certificate of conformity shall also include as applicable, traceability (metals and nonmetallic - heat lot number, perishables - batch number, LH Purchase Order

number) to the product provided. Distributors of hardware or raw material are also required to include the part number, legal name of the product manufacturer on the certificate of conformance and provide copies of the original manufacturer certifications.

28. Test Reports – Test reports are required per the applicable specification stated on the LH PO. Send all test result certifications for chemical and physical analysis testing to [MaterialResults@seattlelh.org](mailto:MaterialResults@seattlelh.org)

29. Shelf Life – The manufacturing and applicable expiration date must be noted on each individual container and / or certification.

30. Parts Identification – In addition to drawings/specification requirements, all products must be identified with the part number. The manner and location of this identification shall be agreed upon with LH Purchasing.

31. Protection against Contamination or Damage – On all parts, the surface must have a protective sleeve or equivalent protection. The parts must be boxed, banded, or shipped in a manner that will ensure no damage will occur.

32. Right of Entry – LH or LH customer or government representatives will have the right to survey facilities and review all processes, subcontractors, contracted parts, procedures, and records.

33. Subcontracting without Written Approval – Subcontracting all or substantially all of the order without written consent of LH Quality and Engineering is prohibited.

34. Lighthouse Supplied Drawings – All engineering drawings provided by LH are LH property and must be returned with the order.

35. Quality Records – Supplier shall maintain: record identification, evidence of changes, preservation, availability, accessibility, and protection from access by unauthorized persons. Supplier shall retain quality records for a minimum of fifteen (15) years from shipment of last part and dispose proprietary and sensitive records in a manner that protects them.

36. Less than AS9100 Suppliers – Suppliers who manufacture product complete, and do not maintain a quality system in compliance with AS9100 must maintain documented procedures that address the following:

1. Identification and Traceability
2. Control of non-conforming Material
3. Process Control
4. Measurement and Monitoring of Product
5. Purchasing
6. Supplier qualification and Approval
7. Contract Review
8. Verification of Purchase Product
9. Control of Inspection, Measuring and Test Equipment
10. Preservation of Product
11. Training

37. Revision Control – Unless otherwise specified, latest revision applies on all listed specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data.

38. Supplier Notification to LH: supplier must notify LH of nonconforming product, allow for LH for disposition by LH of non-conforming product, notify LH of changes in products and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain LH approval, and flow down to the supply chain the applicable requirements including customer requirements. Supplier must use end user approved sources for special processes as applicable.

39. ITAR Requirement – IMPORTANT/CONFIDENTIAL: This PO (and any drawings and/or attachments accompanying it) may contain confidential information, including information protected by United States Government. The information is intended only for the use of the intended recipient(s). Delivery of this PO to anyone other than the intended recipient(s) is not intended to waive any privilege or otherwise detract from the confidentiality of the PO. If you are not the intended recipient, or if this PO has been addressed to you in error, do not read, disclose, reproduce, distribute, disseminate or otherwise use this information, rather, please promptly notify the sender by phone or e-mail, and then destroy all copies of the PO and its attachments, if any.

40. FOD Prevention Program- Seller hereby agrees to maintain a FOD Prevention Program in accordance with AS9146 and/or NAS412.

41. Requirement to ensure the supplier is aware of their contribution to product conformity, safety, counterfeit parts and the importance of ethical behavior; See 40506 Supplier Code of Conduct.

42. Counterfeit Part Prevention - Suppliers are expected to develop, implement, and maintain effective methods and processes appropriate to their products to minimize the risk of introducing counterfeit parts and materials into deliverable products. In addition, suppliers shall provide notification to recipients of counterfeit product(s) when warranted, and exclude them from the delivered product.

43. Pack Slip and bill of Lading – Packing slip and Bill of Lading must be included in each shipment.

44. The following DFARS are incorporated herein via BAC Amendments;  
DFARS 252.223-7008 Prohibition of Hexavalent Chromium (JUN 2013), DFARS 252.225-7007 Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies (DEC 2018), DFARS 252.227-7015 Technical Data – Commercial Items (FEB 2014), applies if any technical data related to commercial items developed in any part at private expense will be obtained from Seller for delivery to the Government, DFARS 252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 2016) and DFARS 252.246-7003 Notification of Potential Safety Issues (JUN 2013).

45. Flammability testing to FAR 25.853 (A) shall meet 60-second vertical flammability requirements before the adhesive if as required.

End of form

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Last Update 10/18/2021

Date	By	Changes Made
04-13-11	Diana Crombie	Added Executive Order 13496 to T&C #11.
05-20-11	Barbara Parker	Added Note #17
02-16-12	Barbara Parker	Added Note #18
09-11-12	Barbara Parker	Added Note #19 – per CPAR #12-047
10-02-12	Barbara Parker	Added Notes # 20 through # 24
08-25-17	Diana Crombie	Added note #25
11-6-17	Jeannette Finch	Updated note #7 to reflect current process, added DFARs Cybersecurity information.
04-26-18	Diana Crombie	Combined general Quality Notes into terms and conditions
02/02/21	Diana Crombie	Added note #44 to include additional DFARS in Boeing Amendments A21 and A18 listed in BSCA-65AC3-2016, SWOA-65BA2-2345, GTA-65350-2144 and SBP-65350-2145
03/25/21	Diana Crombie	Added note 45 to clarify the 60 second requirement.
10-18-21	Diana Crombie	Added note to # 38 about using end user approved suppliers.