W R Systems, Ltd.

Terms and Conditions of Purchase

Addendum 1

For orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of said prime contract are incorporated herein by reference. In the event of a conflict between the FAR provisions in this Addendum 1 and the W R Systems, Ltd. Terms and Conditions of Purchase, the FAR provisions of this Addendum 1 shall control. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under this Purchase Order. In DFARS 252.215-7003, the term “Offeror” shall mean Seller. Seller shall include the terms of this Addendum 1 in all purchase orders or subcontracts awarded under this Purchase Order.

The DFARS clauses set forth in 16 through 31 below are applicable only to Purchase Orders issued under DoD contracts.

1. 52.203-13 “Contractor Code of Business Ethics and Conduct” (This clause is applicable to Purchase Orders (i) that have a value more than $5,000,000; and (ii) that have a performance period of more than 120 days. (In Paragraph (b)(3)(i), the meaning of “agency office of the Inspector General” and “Contracting Officer” does not change, in Paragraph (b)(3)(ii) the meaning of “Government” does not change, and in Paragraphs (b)(3)(iii) and (c)(2)(ii)(F), the meaning of “OIG of the ordering agency”, “IG of the agency” “agency OIG” and “Contracting Officer” do not change.)

2. 52.204-10 “Reporting Executive Compensation and First-Tier Subcontract Awards” (Applicable to first-tier Purchase Orders of $25,000 or more, except Purchase Orders with Sellers which are exempt under Paragraph (d)(2). “Contractor” shall mean the Buyer in Paragraph (c). Seller shall report to Buyer the information required by Paragraph (c)(1) and the executive compensation information required by Paragraph (c)(3), unless Seller is exempt thereunder.)

3. 52.209-6 “Protecting the Government’s Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment” (This Clause is not applicable to Purchase Orders that are: (i) $35,000 or less; (ii) for the acquisition of a commercially available off-the-shelf item; or (iii) issued under contracts for the acquisition of commercial items.)

4. 52.215-22 “Limitations on Pass-Through Charges – Identification of Subcontract Effort” (excluding Paragraph (c)(1), which is deleted from this provision) (Applicable to solicitations for cost – reimbursement Purchase Orders that exceed the simplified acquisition threshold issued under non-DoD Government solicitations issued after October 13, 2009, and to DoD Solicitations issued after such date for Purchase Orders that exceed the threshold for obtaining cost or pricing data, except solicitations for FFP Purchase Orders, FP incentive Purchase Orders, and FP Purchase Orders with economic price adjustment.)

5. 52.215-23 & Alt I “Limitations on Pass – Through Charges” (Include Alternate I if it is Included in the prime contract) (Applicable to cost – reimbursement Purchase Orders that exceed the simplified acquisition threshold issued under non-DoD Government contracts awarded after October 13, 2009, and to Purchase Orders that exceed the threshold for obtaining cost or pricing data, issued under DoD Contracts awarded after October 13, 2009, except FFP Purchase Orders, FP incentive Purchase Orders, and FP Purchase Orders with economic price adjustment.)

6. 52.219-8 “Utilization of Small Business Concerns”

7. 52.222-26 “Equal Opportunity”

8. 52.222-35 “Equal Opportunity for Veterans”

9. 52.222-36 “Affirmative Action for Workers with Disabilities”

10. 52.222-40 “Notification of Employee Rights Under the National Labor Relations Act” (Applicable to Purchase Orders that exceed $10,000 and are issued under prime contracts resulting from Solicitations issued after December 12, 2010.)

12. 52.222-50 & Alt 1 “Combating Trafficking in Persons” (Include Alternate 1 if it is in the prime contract)

13. 52.222-54 “Employment Eligibility Verification” (This clause is applicable to Purchase Orders (i) for construction or commercial or noncommercial services (except commercial services that are part of a purchase of a COTS item, or an item that would be a COTS item, but for minor modifications, performed by the COTS provider, and that are normally provided for that COTS item); (ii) has a value more than $3,000; and (iii) includes work performed in the United States

14. 52.246-1 “Contractor Inspection Requirements” (This clause is applicable to Purchase Orders for supplies or services when the contract amount is expected to be at or below $35,000.)
15. **52.244-6** “Subcontracts for Commercial Items”

16. **52.247-64** “Preference for Privately Owned U.S.-Flag Commercial Vessels”

17. **252.204-7008** “Requirements for Contracts Involving Export-Controlled Items”

18. **252.215-7003** “Excessive Pass-Through Charges – Identification of Subcontract Effort” (APR 2007) (Excluding Paragraph (c) (1) which is deleted from this provision.) (Applicable to solicitations for Purchase Orders issued under Department of Defense (DoD) solicitations issued after April 25, 2007 and before May 13, 2008, except solicitations for firm-fixed price (FFP) Purchase Orders and fixed-price (FP) Purchase Orders with economic price adjustment.)

19. **252.215-7003** “Excessive Pass-Through Charges – Identification of Subcontract Effort” (MAY 2008) (Excluding Paragraph (c) (1) which is deleted from this provision.) (Applicable to solicitations for Purchase Orders issued under DoD solicitations issued after May 12, 2008 and before October 14, 2009, except solicitations for FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)


21. **252.215-7004 & Alt I** “Excessive Pass-Through Charges” (MAY 2008) (Include Alternate I if it is included in the prime contract) (Applicable to Purchase Orders under DoD contracts awarded after May 12, 2008, and before October 14, 2009, except FFP Purchase Orders and FP Purchase Orders with economic price adjustment.)

22. **252.225-7008** “Restriction on Acquisition of Specialty Metals” (Applicable to Purchase Orders for the delivery of specialty metals as end items.)

23. **252.225-7009** “Restriction on Acquisition of Certain Articles Containing Specialty Metals” (excluding Paragraph (d) which is deleted from this clause). (This clause applies to Purchase Orders under prime contracts awarded after July 28, 2009).


25. **252.225-7014 & Alt I** “Preference for Domestic Specialty Metals” and Alternate 1

26. **252.225-7014 (Deviation (Dev.) No. 2006-O0004 & Alt. 1 (Dev. No.2006-O0004)** “Preference for Domestic Specialty Metals” (DEVIAITON No.2006-O0004) and Alternate I (DEVIAITON No. 2006 O0004) (These deviations apply to Purchase Orders under prime contracts awarded after November 15, 2006 and before October 26, 2007.)


29. **252.227-7013** “Rights in Technical Data Noncommercial Items” (Applicable whenever any technical data for commercial items developed in part at Government expense will be provided for delivery to the Government under this Purchase Order.)

30. **252.227-7015** “Technical Data – Commercial Items” (Applicable whenever any technical data related to commercial items developed in any part at private expense will be provided under this Purchase Order for delivery to the U.S. Government.)

31. **252.227-7037** “Validation of Restrictive Markings on Technical Data” (Applicable whenever technical data is to be delivered under this Purchase Order.)

32. **252.244-7000** “Subcontracts for Commercial Items and Commercial Components”

33. **252.246-7003** “Notification of Potential Safety Issues”

34. **252.246-7007** “Contractor Counterfeit Electronic Part Detection and Avoidance System”

35. **252.247-7023** “Transportation of Supplies by Sea”

36. **252.247-7024** “Notification of Transportation of Supplies by Sea”