

**Supplemental to FXC Corporation and Guardian Parachute Conditions of Purchase
April 2020**

SECTION I

SUPPLEMENTAL PURCHASE ORDER CONDITION

APPLICABLE ONLY AS NOTED BY THE ITEM NUMBER ON FACE OF PURCHASE ORDER

- 1.1 CERTIFICATION: a. When the YES Block on the face of this purchase order is marked X, certification is required.
b. Under the above condition, Vendor must CERTIFY that item furnished is as called out on this purchase order.
- 1.2 Necessary Additional PROCESSING such as HEAT TREAT, SILVER PLATE, ANODIZE, etc. to be performance by one of the approved PROCESSORS on list furnished to your firm.
- 1.3 Please advise UNIT PRICE VIA acknowledgment copy. Also advise best delivery date if date requested cannot be met.
- 1.4 TOOLING: Dies, Molds, Jigs and/or fixtures, paid on this order, become the property of the buyer. Same to be Class A quality capable of long run production. Seller to retain property in good condition for the exclusive use of buyer without storage charge. Buyer reserves the right to remove property upon written notice.
- 1.5 TOOLING: Dies, Molds, Jigs and/or fixtures, paid for on this order, are designed to operate in special fixtures and machines owned by the seller and therefore remain the property of the seller. Property to be maintained in good condition for the exclusive use of the buyer
- 1.6 FIRST ARTICLE INSPECTION: Inspection of first article by our quality control is required. Parts, presented for inspection, must be those as produced from tooling for production run, a minimum of 1 piece must be presented for inspection.
- 1.7 GOVERNMENT SOURCE INSPECTION: The items on this order are subject to Government Inspection at source. A copy of this order is furnished for the Government Inspector who normally services your facility. In the event of the Government Inspector, or office, cannot be located, our purchasing agent should be contacted immediately.
- 1.8 QUANTITIES: Buyer will normally accept an over-shipment not to exceed 10% of the total quantity, or an excess in value not to exceed \$50.00 (whichever is less) on each line item on a single order. Approval of under-shipment must be obtained from the buyer since, the quantity requested is normally minimum required.
- 1.9 PRIORITY: A DO priority order must take preferential delivery over unrated orders and a DX priority over a DO rated order. Notification of acceptance or rejection of a DO or DX rated order must be transmitted in writing within 5 consecutive calendar days. If rejected, reason must be given.
- 1.10 The article covered by this purchase order must conform with safety orders of the California Division of Industrial Safety.

SECTION II

GENERAL SUPPLEMENTAL PURCHASE ORDER CONDITION APPLICABLE TO ALL PURCHASE ORDERS

- a. **PRICE:** (1) In the event of a price increase on any material covered by this order, authorization for shipment of material at such increased price must be obtained from our purchasing agent before shipment is made. FXC Corporation shall be under no obligation to pay higher prices than shown on this order unless authorized by purchasing agent.(2) In the event of decrease of market prices of any materials, or raw materials and/or components out of which it is composed, an appropriate adjustment of prices shall be made on the unshipped balance of items covered by this purchase order.
- b. **INSPECTION:** (1) All items on this order are subject to inspection upon arrival in our plant. Acceptance or rejection is based on the results of the inspection.
(2) During performance on this order, your quality control or inspection system and manufacturing process are subject to review, verification, and analysis by authorized government representatives. Government inspection or release of Product prior to shipment is not required unless you are otherwise notified. You shall provide a copy of this order to your Government representative based upon his request.
- c. **CANCELLATION:** The buyer reserves the right to cancel, at no charge, all or any part of this order in the event the seller defaults in delivery as requested or as promised and agreed to on the acknowledgment copy, of this order. Buyer will notify acceptance or rejection delivery promise on acknowledgement copy within 2 working days after receipt of acknowledgement copy.
- d. **PACKING:** (1) Parts and/or material being shipped against this order must be packaged in such a manner as to protect same from damage in transit. No additional charge is allowed for packaging unless specifically authorized on this order. (2) Each box or container must have our purchasing order number visible on the exterior. Packing list must also accompany shipment.
- e. **PATENT PROTECTION:** The buyer shall not be held liable for expense of loss resulting from infringement of patent or Trademarks arising from deliveries made against this order.
- f. **INVOICE:** (1) No invoice shall be rendered against this order until a firm price has been agreed upon prior to the substantial completion of this order.
(2) Only one (1) copy of the invoice is required.

SECTION III

EQUAL EMPLOYMENT OPPORTUNITY

In connection with the accomplishment of this order the seller agrees as follows:

1. The seller will not discriminate against any employee or applicant for employment because of race, creed, or color, or national origin. The seller will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed or color, or national origin. Such action shall include, but not limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
2. The seller will, in all solicitations or advertisements for employees placed by or on behalf of the seller, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.
3. The seller will comply with all provision of Executive Order No. 10925 of March 6, 1961 and the rules, regulations, and relevant orders of the President's committee on Equal Employment Opportunity created thereby.

4. The seller will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of said committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
5. In the event of seller's non-compliance with the nondiscrimination clauses of this order or with any of the said rules, regulations, or orders, this order may be canceled in whole or in part the seller may be declared ineligible for further orders for items pertaining to a government contract in accordance with procedures authorized in Executive Order No. 10925, and such sanctions may be imposed and remedies invoked as provided in said Executive order or by rule, regulation, or order of the President's committee on Equal Opportunity, or as otherwise provided by law.