

	PURCHASE ORDER	CONTROL NUMBER: PR-01
	TERMS AND CONDITIONS	REVISION: 03
	PURCHASING	Effective date: 06/2019
	ISO 9001: 2015	Approved by: Carla MacDonald

SECTION 1. ACCEPTANCE AND MODIFICATION OF TERMS. This Purchase Order integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties. Acceptance of this Purchase Order by Seller may be made by Seller's acknowledgment, acceptance of payment, or commencement of performance, and shall constitute Seller's unqualified acceptance of this Purchase Order. Unless expressly accepted in writing by i3, additional or differing terms or conditions proposed by Seller or included in Seller's acknowledgment are objected to by i3 and have no effect.

SECTION 2. GENERAL RELATIONSHIP. The Seller is not an employee of i3 for any purpose whatsoever. Seller agrees that in all matters relating to this Order it shall be acting as an independent contractor and shall assume and pay all liabilities and perform all obligations imposed with respect to the performance of this Order. Seller shall have no right, power or authority to create any obligation, expressed or implied, on behalf of i3 and/or i3's customers and shall have no authority to represent i3 as an agent.

SECTION 3. SUBCONTRACTS AND ASSIGNMENTS. Seller agrees to obtain i3's approval before subcontracting this Order or any portion thereof. This limitation shall not apply to the purchase of standard commercial supplies or raw materials. This Order shall not be assigned or delegated by Seller without the prior written consent of i3.

SECTION 4. RESPONSIBILITY FOR PROPERTY. i3 may provide to Seller property owned by either i3 or its customer as "Furnished Property". Such Furnished Property includes, but is not limited to tools, dies, jigs, fixtures, patterns, equipment, and facilities and shall be used only for the performance of this Order. Title to Furnished Property shall remain in i3 or its customer. Seller shall clearly mark, if not already so marked, all Furnished Property to show its ownership. Such property shall be returned to i3 in the condition in which it was received by Seller, except for ordinary wear and tear and except to the extent that such property has been incorporated into goods or services delivered hereunder or has been consumed in the production of such goods or services. Risk of loss with respect to all such property shall be the responsibility of Seller. Seller shall indemnify, defend and hold harmless i3 from any loss or damage to such property which is caused by or results from any act or omission on the part of Seller or its agents, employees or subcontractors. If Seller acquires or manufactures any property in connection with this Order and invoices i3 for it, i3 may, at its option, elect to take title to and possession of such property.

SECTION 5. RESPONSIBILITY FOR SUPPLIES. Seller shall bear the risk of loss of, or damage to, the supplies covered by this Order, until delivered to i3's place of business (or to such other place as may be designated on the face of this Order) and accepted by i3. Risk of loss shall stay with seller for any defective, non-conforming or rejected supplies.

SECTION 6. INTERCHANGEABILITY. All items furnished pursuant to this Order under the part number specified shall be fully interchangeable with and equal in function and quality to items heretofore furnished under the same part number.

SECTION 7. PACKING AND SHIPPING. Any goods or services purchased hereunder must be suitably packed and prepared for shipment to secure the lowest transportation rates or appropriately packed to comply with any specific transportation specifications of i3, and in all cases, to comply with carrier's regulations. All charges for packing, crating and transportation are included in the price for the goods or services set forth herein and will be paid by Seller. A Packing List shall accompany each box or package shipment showing the order number specified hereon as well as the item number and a description of the goods or services. In the event that no such Packing List accompanies any shipment, the count, weight or other measure of i3 shall be final and conclusive. i3 shall not be obligated to accept any shipments in excess of the ordered quantity and any excess or advance shipments may be returned to Seller at Seller's expense.

SECTION 8. CHANGES AND SUSPENSION. The Parties, by written mutual consent, may make changes within the general scope of this Order in any one or more of the following:

- (a) drawings, designs or specifications;
- (b) place of inspection, acceptance, or point of delivery
- (c) method of shipment or packing; and
- (d) order quantity;
- (e) time or place of delivery;

i3 may, for any reason, direct Seller to suspend, in whole or in part, delivery of goods or services or performance of services hereunder for such period of time as may be determined by i3 in its sole discretion. If any such change or suspension causes a material increase or decrease in the cost of, or the time required for the performance of any part of the work under this Order, an equitable adjustment shall be made in the Order price or delivery schedule, or both, provided Seller shall have notified i3 in writing

of any claim for such adjustment within twenty (20) days from the date of notification of the change or suspension from i3. No such adjustment or any other modification of the terms of this Order will be allowed unless authorized by i3 by means of a written modification to this Order. Seller shall proceed with the work as changed without interruption and without awaiting settlement of any such claim. Failure to agree to any adjustment shall be resolved in accordance with the Section 20 "Disputes" clause of this Purchase Order. However, nothing contained in this "Changes" clause shall excuse Seller from proceeding without delay in the performance of this Order as changed.

SECTION 9. NOTICE OF DELAYS. Whenever the Seller has knowledge that any actual or potential issue, event, or circumstance is delaying or threatens to delay the timely performance of this Order, the Seller shall immediately give notice thereof, including all relevant information with respect thereto, to the i3.

SECTION 10. COMPLIANCE WITH LAWS. Seller shall comply with the applicable provisions of any federal, state or local law or ordinance and all orders, rules and regulations issued there under. This Order shall be governed by and construed in accordance with the laws of the State of Alabama without regard to its conflict or choice of law provisions.

SECTION 11. DELIVERY. The date specified for delivery or performance is the required delivery date at i3's place of business or other specified location (FOB Destination), unless otherwise specifically noted herein. i3 reserves the right to refuse any goods or services and to cancel all or any part hereof if Seller fails to deliver all or any part of any goods or services or fails to perform all or any part of any services in accordance with the terms specified herein. If Seller's deliveries or performance will not meet agreed schedules, i3 may require Seller to ship via a more rapid route or carrier in order to expedite such delivery or provide additional personnel and any difference in cost caused by such change shall be paid by Seller. Delivery shall not be deemed to be complete until goods or services have been actually received and accepted by i3, notwithstanding delivery to any carrier, or until orders for services have been performed, received and accepted.

SECTION 12. INSPECTION AND ACCEPTANCE. All goods supplied and services performed shall be subject to inspection and test by i3, its agents and its customers at all reasonable times and places, including, when practicable, during manufacture and before shipment. Seller shall provide all information, facilities, and assistance necessary for safe and convenient inspection without additional charge. No such inspection shall relieve Seller of its obligations to furnish and warrant all Work in accordance with the requirements of this Purchase Order. i3's final inspection and acceptance shall be at destination. If Seller delivers non-conforming Work, i3 may, in addition to any other remedies available at law or at equity: (i) accept all or part of such Work at an equitable price reduction; or (ii) reject such Work; or (iii) require Seller, at Seller's cost, to make all repairs, modifications, or replacements at the direction of i3 necessary to enable such Work to comply in all respects with Purchase Order requirements. Seller shall not re-tender rejected Work without disclosing the corrective action taken.

If Seller is unable to accomplish the foregoing, then i3 may procure such goods or services from another source.

In no event shall either Party be liable for consequential, incidental, special (including multiple or punitive) or other indirect damages that are claimed to be occurred by the other Party whether such claim arises under contract, tort (including strict liability) or other theory of law.

SECTION 13. PAYMENT. Invoices shall be submitted via email to purchasing@i3-corps.com and shall contain the following information: order number, item number, description of articles, sizes, quantities, unit prices and extended totals. Invoices submitted hereunder will be paid after receipt of a proper invoice and final acceptance of delivered items/services by the i3 at either **NET 45 DAYS for Orders under \$250,000** or **NET 90 DAYS for Orders over \$250,000**. Any adjustments needed in Seller's invoices due to shortages, late delivery, rejections, or other failure to comply with the requirements of this Order will be mutually discussed and agreed upon before payment. Payment shall not constitute final acceptance. Payment shall be deemed to have been made as of the date of mailing i3's payment or electronic funds transfer. i3 is not a tax-exempt organization; Negotiated prices shall 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 quote and the invoice.

SECTION 14. WARRANTY. Seller represents and warrants that: (1) all goods or services delivered pursuant hereto will be new, unless otherwise specified, and free from defects in material and workmanship; (2) all goods or services will conform to applicable specifications, drawings, and standards of quality and performance, and all items will be free from defects in design and suitable for their intended purpose; (3) the goods or services covered by this Order are fit and safe for consumer use, if so intended; and (4) that any services performed hereunder shall be performed in accordance with the specifications and instructions of i3, and with that degree of skill and judgment exercised by recognized professional firms performing services of a similar nature and consistent with best practices in the industry. All representations and warranties of Seller shall run to i3 and be transferable to the i3 customer/Government applicable under this Order. Remedies under this warranty shall include, without limitation, at i3's option and at Seller's sole expense, prompt repair, replacement, re-performance, or reimbursement of the purchase price. The foregoing warranties shall survive any delivery, inspection, acceptance or payment by i3.

SECTION 15. TERMINATION FOR CONVENIENCE. i3 may, without cause or prior preliminary notification, terminate this Purchase Order, in whole or in part, when it is in the best interest of i3. If so terminated under this provision, i3 shall not be liable for any products delivered or services initiated and performed after the effective date of termination and Seller shall have no claim against i3 for Services not performed, anticipatory profits lost or indirect or consequential damages claimed to have been suffered by reason of such termination. i3 will be liable for payment for work performed prior to date of termination.

SECTION 16. TERMINATION FOR DEFAULT. i3 may terminate this Purchase Order, in whole or in part, upon the occurrence of one or more of the following:

1. Seller fails to perform this Purchase Order, within the specifications, requirements, or time specified herein and fails to cure the default within ten (10) days (unless extended by i3) after receiving a notice specifying the nature of the default. Default includes, but is not limited to, a failure to make progress in the work so as to endanger performance or a failure to deliver products or services within the time specified hereunder;
2. The entering into or filing by or against Seller of a petition, arrangement, or proceeding seeking an order for relief under the bankruptcy laws of the United States, a receivership for any of the assets of Seller, an assignment for the benefit of its creditors, or the dissolution, liquidation, or insolvency of Seller.
3. Seller fails to agree upon any deletion, amendment or addition to this Purchase Order which is required by statute, executive order, applicable regulations, or is otherwise deemed appropriate by Seller as a result of or relating to a modification of the Prime Contract;
4. Seller is sanctioned, suspended, or debarred by the Federal government; or
5. Seller has an organizational conflict of interest as defined in FAR Subpart 9.5 that, in the conclusive opinion of i3 or the Customer, cannot be mitigated.

In the event that i3 exercises its rights under this Termination Section, and without prejudice to any rights which to claim damages or to be indemnified on account of a breach of this Purchase Order, the Seller shall, if requested by i3: (i) take all reasonable steps to achieve an orderly transition and termination; (ii) provide reasonable training for i3 personnel and such other services, including services support and provision of parts, to permit continuity in the performance of the Prime Contract; and (iii) continue to perform its obligations hereunder diligently to the extent this Purchase Order is not terminated. If, after termination, it is determined that Seller was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination been for the convenience of i3 and shall be deemed to have been effective as of the date following receipt of the original notice of termination for default.

If i3 terminates this Purchase Order for default in whole or in part, i3 may acquire, under the terms and in the manner it considers appropriate, supplies or services similar to those terminated, and the Seller shall be liable to i3 for any excess costs for such supplies or services. If this Purchase Order is terminated for any reason, i3, in addition to any other rights provided in this Section, may require the Seller to transfer title or license, as applicable, and deliver to i3 in the manner and to the extent directed by i3: (i) any completed or partially completed Purchase Order products and/or services not previously delivered to and accepted by i3; and (ii) any other property, including, but not limited to, contract rights the Seller has specifically acquired for the performance of such part of this Purchase Order as has been terminated. The Seller shall protect and preserve property in the possession of the Seller in which i3 has an interest. i3 shall pay Seller for all products and services therefore delivered to i3.

Except for defaults of its Sellers at any tier, the Seller shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Seller or any of its Sellers, at any tier. Examples of such causes include (1) acts of God or the public enemy, (2) acts of the Customer either in its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, (9) unusually severe weather, and (10) acts of i3.

The rights and remedies of i3 provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, or otherwise under this Purchase Order.

SECTION 17. ADVERTISING. Seller shall not, without first obtaining the written consent of i3, in any manner advertise or publish the fact that Seller has furnished or contracted to furnish i3 with the supplies or services hereunder, or disclose any of the details connected with this Order to any third party, except as may be required to perform this Order.

SECTION 18. EXPORT CONTROL COMPLIANCE FOR FOREIGN PERSONS. The subject technology of this Order (together including data, services, and hardware provided hereunder) may be controlled for export purposes under the International Traffic in Arms Regulations (ITAR) controlled by the U.S. Department of State or the Export Administration Regulations ("EAR") controlled by the U.S. Department of Commerce. ITAR controlled technology may not be exported without prior written authorization and certain EAR technology requires a prior license depending upon its categorization, destination, end-user and end-use. Exports or re-exports of any U.S. technology to [any destination under U.S. sanction or embargo are forbidden. Access to certain technology ("Controlled Technology") by Foreign Persons (working legally in the U.S.), as defined below, may require an export license if the Controlled Technology would require a license prior to delivery to the Foreign Person's country of origin. Seller is bound by U.S. export statutes and regulations and shall comply with all U.S. export laws. Seller shall have full responsibility for obtaining any export licenses or authorization required to fulfill its obligations under this Subcontract. Seller hereby certifies that all Seller employees who have access to the Controlled Technology are U.S. citizens, have permanent U.S. residency or have been granted political asylum or refugee status in accordance with 8 U.S.C. 1324b(a)(3). Any non-citizens who do not meet one of these criteria are "Foreign Persons" within the meaning of this clause but have been authorized under export licenses to perform their work hereunder.

SECTION 19. STANDARDS OF BUSINESS ETHICS & CONDUCT. i3 believes in fair and open competition and is committed to conducting its business fairly, impartially and in an ethical and proper manner. These characteristics make it imperative that i3 employees adhere to a particularly high ethical standard, which demands and fosters highly ethical conduct because i3 can be successful only when employees look after long-term interests of the company and resist pressures to compromise i3 standards. i3's expectation is that Seller also will conduct its business fairly, impartially and in an ethical and proper manner.

SECTION 20. DISPUTES. i3 and Seller agree to first enter into negotiations to resolve any controversy, claim, or dispute (“dispute”) arising under or relating to this Order. The parties agree to negotiate in good faith to reach a mutually agreeable resolution of any dispute within a reasonable period of time not to exceed sixty (60) days. If good faith negotiations are unsuccessful in the sole determination of either party, i3 and Seller agree to resolve the dispute by binding and final arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the “AAA Rules”) then in effect. The arbitration shall take place in Huntsville, AL and be conducted by a single arbitrator appointed in accordance with the AAA Rules. Each party shall be responsible for its cost and expense with respect to such arbitration proceedings. The arbitrator shall be bound to follow the provisions of this Order in resolving the dispute, and may not award punitive damages. The decision of the arbitrator shall be final and binding on the parties, and any award of the arbitrator(s) may be entered or enforced in any court of competent jurisdiction. Pending any decision, appeal or judgment referred to in this provision or the settlement of any dispute arising under this Order, Seller shall proceed diligently with the performance of this Order. Each party irrevocably waives, any right it may have to a trial by jury in respect to any litigation directly or indirectly arising out of, under, or in connection with this purchase order.

SECTION 21. CONFIDENTIALITY. Seller agrees that it will keep confidential and not disclose, disseminate or publish the features of any equipment, tools, gauges, patterns, designs, drawings, engineering data, computer programs and software or other technical or proprietary information furnished, loaned or bailed by i3 hereunder (hereinafter collectively referred to as “Items/Information”), and use such Items/Information only in the performance of this Purchase Order or, if authorized, other orders from i3 and not otherwise, without i3’s prior written consent. Notwithstanding any other provision herein, i3 and Seller shall each retain ownership of, and all right, title and interest in and to, their respective pre-existing Intellectual Property.

SECTION 22. ANTI-KICKBACK ACT OF 1986. By accepting this Order, Seller certifies that it has not and will not offer, provide, or solicit any kickback in violation of the Anti-Kickback Act of 1986 (41 USC §§ 51-58). “Kickback” means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided, directly or indirectly, for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or a subcontract relating to a prime contract. Seller agrees to indemnify, defend, and hold i3 harmless from and against any losses, liabilities, offsets and expenses (including reasonable attorney’s fees) arising out of or relating to Seller’s failure to comply with the provisions of the Anti-Kickback Act.

SECTION 23. PRESERVATION OF GOVERNMENT’S RIGHTS. If i3 furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) which the U. S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that i3, acting on its own behalf, may modify or limit any rights the Government may have to authorize SELLER’s use of such Furnished Items in support of other U. S. Government prime contracts.

SECTION 24. ENTIRE AGREEMENT. This Order, including all documents incorporated herein by reference, shall constitute the entire agreement and understanding between the parties hereto and shall supersede and replace any and all prior or contemporaneous representations, agreements or understandings of any kind, whether written or oral, relating to the subject matter hereof.