

**GENERAL TERMS AND CONDITIONS OF PURCHASE
ES-111 SUPPLEMENT (U.S. GOVERNMENT)
JULY 2008**

TERMS AND CONDITIONS APPLICABLE TO PURCHASE ORDERS FOR GOODS OR SERVICES DESTINED FOR USE BY THE UNITED STATES GOVERNMENT - If the face of Purchase Order bears reference to a U. S. Government Contract Number, the following Clauses shall be supplemental to the foregoing and to the extent of any inconsistency with the foregoing, shall rule.

A. TERMINATION

Teledyne shall have the right at any time and for any reason to terminate this Purchase Order in its entirety or in part in accordance with the provisions of Federal Acquisition Regulations 52.249-1 "Termination for Convenience of the Government (Fixed Price) (Short Form)," 52.249-2 "Termination for Convenience of the Government (Fixed Price)," 52.249-4, "Termination for Convenience of the Government (Services) (Short Form) ", or 52.249-6, "Termination (Cost Reimbursement)." as applicable (excluding any references to the Disputes Clause). These clauses are specifically incorporated herein by reference.

In addition to the rights conferred in subparagraph (1), Teledyne may terminate this Purchase Order for default if Seller fails to make any delivery in accordance with the schedule set forth herein or for failure to comply with any of the other requirements or terms and conditions of this Purchase Order or for failure to make progress under this Purchase Order so as to endanger performance of this Purchase Order, and does not cure such failure within a period of ten (10) days after notice from Teledyne. In the event of termination for Seller's default, Teledyne may procure commodities or services similar to those terminated, and Seller shall be liable for excess procurement costs. Further, Seller shall be liable to Teledyne for any other remedies prescribed by law or equity.

B. FEDERAL ACQUISITION REGULATIONS (FAR)

1. Procurement of "Commercial Items" in Support of Government Contract.

b. Applicable FAR Clauses

(1) 52.222-26 Equal Opportunity (Executive Order 11246)

a. Definition – A commercial item is customarily used for nongovernmental purposes that are made available to the public..

(2) 52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S. Code 4212(a))

(3) 52.222-36 Affirmative Action for Handicapped Workers (29 U.S. Code 793)

2. Procurement of other than "Commercial Items"

This Purchase Order, if for other than "commercial items," is subject to the following FAR clauses, all of which are hereby incorporated by reference:

- 52.202-1 Definitions
- 52.204-2 Security Requirements
- 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
- 52.216-7 Allowable Cost and Payment (applies only to cost-reimbursement-type contracts)
- 52.222-20 Walsh Healy Public Contracts Act
- 52.222-26 Equal Opportunity
- 52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era
- 52.222-36 Affirmative Action for Handicapped Workers
- 52.222-37 Employment Reports on Disabled Veterans and Veterans of the Vietnam Era
- 52.223-3 (with Alternate I) Hazardous Material Identification and Material Safety Data
- 52.223-6 Drug-Free Workplace
- 52-223-11 Ozone Depleting Substances
- 52-225-9 Buy American Act-Trade Agreements--Balance of Payments Program
- 52.225-11 Restrictions on Certain Foreign Purchases
- 52.225-18 European Union Sanction for End Product
- 52.225-21 Buy American Act—North American Free Trade Agreement Implementation Act—Balance of Payments Program
- 52.227-14 Rights in Data - General
- 52.242-15 Stop-Work Order
- 52.245-2 Government Property (Fixed Price Contracts)
- 52.245-4 Government-Furnished Property (Short Form)
- 52.245-5 Government Property (Cost Reimbursement, Time and Material, or Labor Hour Contract)
- 52.246-1 through -9 Contractor Inspection Requirement, Provisions and Clauses
- 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels
- 52.249-2 Termination for Convenience of the Government (Fixed

**GENERAL TERMS AND CONDITIONS OF PURCHASE
ES-111 SUPPLEMENT (U.S. GOVERNMENT)
JULY 2008**

**3. FAR Clauses required on orders exceeding “simplified acquisition Price)threshold” (\$100,000)
(FAR 2-201)**

- 52.203-3 Gratuities
- 52.203-5 Covenant Against Contingent Fees
- 52.203-6 Restrictions on Subcontractor Sales to the Government
- 52.203-7 Anti-Kickback Procedures
- 52-203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity
- 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity Sheet 4 of 5
- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
- 52.215-2 Audit and Records—Negotiation
- 52.215-14 Integrity of Unit Prices
- 52.219-8 Utilization of Small, Small Disadvantaged, and Women-Owned Small Business Concerns
- 52.222-4 Contract Work Hours and Safety Standards Act—Overtime Compensation
- 52.223-2 Clean Air and Water
- 52.227-1 Authorization and Consent
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement
- 52.229-3 Federal, State, and Local Taxes
- 52-232-17 Interest
- 52.233-3 Protest After Award
- 52.244-5 Competition in Subcontracting
- 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels

4. FAR Clauses required when subcontractor cost or pricing data is required (\$550K and over)

- 52.214-26 Audit and Records - Sealed Bidding
- 52.214-27 Price Reduction for Defective Cost or Pricing Data - Modifications - Sealed Bidding
- 52.214-28 Price Reduction for Defective Cost or Pricing Data - Modifications - Sealed Bidding
- 52.215-10 Price Reduction for Defective Cost or Pricing Data
- 52.215-11 Price Reduction for Defective Cost or Pricing Data - Modifications
- 52.215-12 Subcontractor Cost or Pricing Data
- 52.215-13 Subcontractor Cost or Pricing Data - Modifications
- 52.215-15 Termination of Defined Benefit Pension Plans
- 52.215-18 Reversion or Adjustment of Plans for Post-retirement Benefits (PRB) Other than Pensions
- 52.215-20 Requirements for Cost or Pricing Data or Information Other than Cost or Pricing SR
- 52.215-21 Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data -- Modifications
- 52.219-9 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan
- 52.230-2 Cost Accounting Standards (applicable to Large Business only)
- 52.230-3 Disclosure and Consistency of Cost Accounting Practices
- 52.230-6 Administration of Cost Accounting Standards
- 52.242-1 Notice of Intent to Disallow Costs (applicable only for cost reimbursement, fixed price incentive or price redetermination orders)
- 52.242-3 Penalties for Unallowable Costs (applicable only for cost reimbursement, fixed price incentive or price redetermination orders)