

PURCHASE ORDER ATTACHMENT NO. 1

Revision "8"
(December 2008)

ATK Space Systems Inc. (ATK) forthwith known as *BUYER*, herewith incorporates any/all of the below clauses by reference within the text of the Purchase Order, and which shall apply to the extent indicated therein.

1.0 ADMINISTRATIVE/GENERAL

- 1.1 Right of Entry:** The right of access by ATK, ATK's customer and regulatory authorities to all facilities involved in the order and to all records is hereby reserved.
- 1.2 Nondisclosure:** All hardware and/or dimensional data provided in the performance of this contract is to be considered proprietary.
- 1.2.1** A mutually signed "Confidential Disclosure Agreement" is currently on file with ATK.
- 1.3 Contract Type:**
- 1.3.1** This is a Firm Fixed Price contract.
- 1.3.2** This is a Time and Material contract.
- 1.3.3** This is a Not-To-Exceed contract, subject to downward negotiation.
- 1.4 Precedence:** If the various parts of this Purchase Order/Contract are inconsistent, the following order of precedence will apply: **a)** Purchase Order/Contract; **b)** Drawings; **c)** Specifications; **d)** All other Attachments incorporated in Purchase Order/Contract by reference
Remaining conflicts, if any, shall be resolved, in writing, between Buyer and Seller.
- 1.5 Drawings/Specifications:**
- 1.5.1** Applicable Buyer drawing/specifications provided with this order.
- 1.5.2** Applicable Buyer drawing/specifications previously provided to Seller.
- 1.5.3** Applicable Buyer drawing/specifications shall be provided, under separate cover, prior to start of performance against this contract.
- 1.6** The Supplier shall comply with Counterfeit PM&P Controls and Verification requirements in accordance with ATK 60-000549, Counterfeit PM&P Controls and Verification Plan.
- 1.7** The Supplier shall comply with Prohibited Materials Mitigation and Controls requirements in accordance with ATK 60-000550, Prohibited Materials Mitigation and Controls Plan.
- 1.8 Government Contract Requirements:** This is a priority rated order certified for national defense. Compliance with provisions, regulations and official actions of the Defense Production Act are required as applicable. Written acceptance/acknowledgment of this order must be returned within five (5) days after receipt of a "DX" rated order; within 10 days of receipt of a "DO" rated order. The Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFAR) clauses of Purchase Order Attachment 2, Rev. 2, are flowed down (incorporated) and apply to the extent indicated.
- 1.9 Indemnification:** *Prior to start of performance*, Seller shall provide valid copies of Certificate(s) of Insurance, per the Indemnification Clause (No. 11) of the Standard Terms & Conditions of this Purchase Order.
- 1.9.1 Hold Harmless:** Individual employees, subcontractors and/or otherwise authorized representatives of the Seller are not authorized to utilize ATK property, tools and/or equipment *unless* a Hold Harmless Agreement has been properly executed and is on file.
- 1.9.2 Safety Glasses:** All employees, subcontractors and/or otherwise authorized representatives of the Seller *shall wear protective eye wear* while in the confines of ATK (exceptions are the parking lot, office and shipping/receiving areas.) Shatter-proof/prescription glasses are acceptable, otherwise ATK will provide eye protection.
- 1.10 Permits/Acceptance:** Seller to provide Buyer with applicable building permits. Final payment, by ATK, *shall not* be made until final inspection/acceptance by the applicable agency.
- 1.11 Contractor Release(s):** Upon completion of work, and *prior to final payment*, Seller shall provide material/labor releases for all employees and/or subcontractors.
- 1.12 Export Control:** "The Seller represents and warrants that it shall comply with all U.S. export and import laws and regulations. Further, by acceptance of this Order, the Seller certifies that they are registered in accordance with the U.S. Department of State as required by the International Traffic in Arms Regulations (22 C.F.R. Parts 120-130), if required. Any commodities, technical data and/or services provided by the Buyer to the Seller in connection with this Order

1.12 Export Control (continued)

Any commodities, technical data and/or services provided by the Buyer to the Seller in connection with this Order (hereinafter referred to as “Items Provided by Buyer”), as well as any commodities, technical data and/or services developed or produced there from by the Seller (hereinafter referred to as “Items Produced by Seller for Buyer under the terms of this Purchase Order”), are subject to the requirements of the International Traffic in Arms Regulations, 22 C.F.R. Part 120, et seq. (“ITAR”), the Export Administration Regulations, 15 C.F.R. Part 730, et seq. (“EAR”), and/or DOD Directive 5230.25, withholding of Unclassified Technical Data from Public Disclosure (“DOD Directive”).

The Seller represents and warrants that neither the Items Provided by Buyer, nor the Items Produced by Seller for Buyer under the terms of this Purchase Order, will be exported, transferred or disclosed outside the United States or to any foreign person, as defined under ITAR and the EAR, unless any necessary United States Government export license or other authorization has been obtained.

The Seller shall obtain the written consent of the Buyer prior to exporting, transferring or disclosing any items Provided by the Buyer or Produced by the Seller outside the United States or to any foreign person, and also shall obtain the written consent of the Buyer prior to submitting any application for a license or other authorization under ITAR and EAR. The Seller shall indemnify and hold Buyer harmless for all claims, demands, damages, costs, fines, penalties, attorneys’ fees, and all other expenses arising from the Seller’s failure to comply with this clause, the stated statutes and regulations, as they may be amended.”

1.13 Flow-Down: Seller is required to flow-down applicable requirements of this purchase order to sub-tier suppliers, including “key characteristics” where required.

1.14 Corrective Action Requests: Seller shall respond in a timely manner to Corrective Action Requests (CARs) from ATK. Failure to do so may result in the removal of Seller from ATK’s Approved Supplier List (ASL).

2.0 PROPERTY

2.1 CAUTION! CRITICAL HARDWARE/COMPONENTS TO BE FURNISHED! Seller shall ensure that receiving, handling, storage and/or preparation for shipment procedures are such that Buyer supplied property is protected at all times.

2.2 Seller to maintain Buyer's material and/or tooling at Sellers facility at no charge to Buyer and shall, at all times, comply with sound industrial storage practices.

2.3 Buyer furnished tooling and/or excess material shall be identified on Seller's packing list and returned at completion of order.

2.4 Buyer furnished material or tooling, shall *not* relieve the Seller of the responsibility to furnish the goods/services contracted for, of meeting all applicable drawing, specification and/or other requirements as specified.

2.5 Upon receipt, acquisition or fabrication of any parts, material, tooling or other property, whereas the title is in the name of Buyer and/or United States Government, the Seller agrees to assume financial responsibility of any loss or damage to said property until the Seller returns same property to the Buyer in an acceptable condition.

2.6 Title to all forging dies developed for ATK shall remain with the Seller, per industry standard. However, all such tooling is to be retained and properly maintained by Seller for ATK's *exclusive* use and **shall not** be utilized by Seller for any other purpose *without prior, written consent/authorization of ATK.*

3.0 PROCESS CONTROL

3.1 Seller shall provide to the Buyer, a copy of process/production documentation necessary to furnish the contracted hardware/services for review/approval. The Seller **shall not** make changes in any design, configuration, manufacturing, cleaning or testing process *without prior, written approval/authorization from ATK.*

3.2 Material must be free of any surface corrosion/contamination, scratches, kinks, creases or warping.

3.3 Process/test shall conform to the following requirements:

- A) NDT personnel shall be qualified per AIA/NAS-410, Level II.
- B) Radiography Procedure(s) shall be per ASTM E1742.
- C) Liquid Penetrant Procedure(s) shall be per ASTM E1417.

4.0 CERTIFICATION

Certification *must* be provided stating that components manufactured/processed conform to the requirements of the applicable drawing, specification, procedure and Purchase Order. *Partial deliveries shall have certification(s) provided with each shipment.*

4.1 Material Certification

4.1.2 Material certification showing quantitative analysis of material per drawing/specification/P.O. requirements is mandatory. Material certification *must be a legible* copy of original mill Certified Material Test Report(s) or Seller supplied certification attesting to the validity of the mill Certified Material Test Reports. The wording, or a variation thereof, stating "*...test results are correct/true to the best of the Seller's knowledge...*" **is not acceptable.**

4.1.3 All Titanium **MUST** be processed (rolled, formed, etc.) within the United States. Material test reports and certifications must provide evidence, or certification thereof, that any/all processing (subsequent to melt) is performed domestically (USA).

4.1.4 Seller to provide *Cut Chart* showing the location of each PSI serialized forging traceable to bar and bar to ingot.

4.1.5 Seller to *certify ultrasonic acceptance* per SAE-AMS-STD-2154, Type 1, Class AA Quality Level Acceptance Criteria after rough machining; Buyer to perform ultrasonic inspection. In the event forging(s) fail ultrasonic examination, Seller shall be held liable for the cost of machining time, inclusive to the time of rejection, as well as attributable testing charges.

4.1.5.1 Seller to certify ultrasonic acceptance per SAE-AMS-STD-2154, Type 1, Class AA Quality Level Acceptance Criteria. Buyer to perform ultrasonic inspection.

4.2 Process Certifications

4.2.1 All thermal processing must be documented with Seller's Certification and reproducible copies of furnace/thermocouple and vacuum strip charts. All charts must show inspector/processor and identify, as a minimum, P.O. Number, Part and/or Serial/Lot Number; parts per load; date; time in; time out and chart speed.

4.2.2 Certification of proof and leak tests required.

4.2.3 Certification and radiographs of transition zone are required.

4.2.4 Certificate of penetrant inspection is required.

5.0 QUALITY SYSTEM

5.1 Deleted.

5.2 Deleted.

5.3 Seller shall maintain a quality control system that is adequate to meet this purchase order. The Buyer will develop controls to assure compliance to contractual requirements using the ATK Supplier Rating System.

5.4 This purchase contract has been identified as either a Group I, II or III procurement as defined below. Buyer reserves the right to conduct surveillance at Seller's facility to determine that Seller's Quality Assurance System meets the imposed requirements.

5.4.1 **Group I Purchase:** This group includes (a) purchases for products or services that are either complex or have critical application and for which conformance to contract requirements cannot or should not, for economical reasons, be fully determined on receipt, and (b) purchases requiring direct shipment from the supplier to the government.

5.4.2 **Group II Purchase:** This group includes purchases for products or services for which conformance to contract requirements may be adequately determined by the purchasing contractor upon receipt.

5.4.3 **Group III Purchase:** This group includes purchases for products or services for which there are no contractual quality requirements specified and for which requirements of this standard do not pertain.

6.0 QUANTITY

6.1 Excess use of material without prior consent of Buyer is unauthorized. All excess material, regardless of condition and with the exception of machine turnings, is to be listed on Seller's packing list and returned to Buyer at completion of the order.

6.2 Seller is responsible for the delivery of each item quantity as specified. If Seller delivers, and Buyer receives, quantities of any item in excess to the specified quantity without prior approval, such excess will be treated as being delivered for the convenience of the Seller and Buyer may, at their option, retain such excess quantities without compensation and Seller waives all rights, title, or interest therein.

6.3 Total order quantity has a tolerance as stated within purchase order.

6.4 Seller to return all coupons and/or sample material upon completion of analysis.

7.0 TRACEABILITY

Traceability must be maintained at all times. All documentation shall contain traceability to ATK's Purchase Order Number, Part/Serial /Lot Number, and/or material heat number, as applicable. Failure to maintain and/or provide traceability will be cause for rejection.

7.1 Use the ATK Serial Number (S/N) or Lot Number (L/N) as shown on shipper.

7.2 Use the ATK Serial Number (S/N) or Lot Number (L/N) as shown on purchase order.

7.3 Parts are to be individually bagged and tagged with ATK Part Number (P/N), Serial Number (S/N) and/or Lot Number (L/N) as applicable.

7.4 Seller to maintain traceability of material by Heat and/or Lot Number at all times. Buyer's Material Certification Sticker(s) **must** be reapplied to residual material being returned at completion of order.

7.5 Seller to maintain traceability by Heat Number, at all times. Material supplied in multiple pieces must be of the same Heat Number and so marked on each piece.

8.0 INSPECTION

8.1 Government inspection is required *prior* to shipment from your plant. Upon receipt of this order, promptly notify the Government Representative who normally services your plant so that appropriate planning for Government Inspection can be accomplished. On receipt of this order, promptly furnish a copy to the Government Representative who normally services your plant or, if none, to the nearest Army, Navy, Air Force, or Defense Supply Agency inspection office. In the event the representative or office cannot be located, the ATK Buyer should be notified immediately.

8.2 Source Inspection is required as described within Purchase Order.

8.2.1 ATK Source Inspection is required. Please notify Buyer a **minimum of 24 business hours prior** to inspection requirements.

8.2.2 ATK's Customer Source Inspection is required. Please notify Buyer a **minimum of 48 business hours prior** to inspection requirements.

8.3 First Article

First Article acceptance is required *prior* to continuation of production. A copy of the First Article Dimensional Inspection Record is required. Part(s) accepted are to be considered part of, and not in addition to, total quantity ordered. Place of First Article inspection to be coordinated between ATK and vendor prior to requirements.

8.3.1 First Article - Seller's Facility: Please notify Buyer **24 business hours** prior to inspection requirements. A copy of the First Article Dimensional Inspection Log with ATK acceptance stamp shall be included with applicable documentation upon delivery of finished product.

8.3.2 First article - Buyer's Facility: The first article should be tagged "*First Article*" as well as all associated paperwork. A copy of the First Article Dimensional Inspection Log shall also be marked "First Article" and included with the part(s).

8.4 Penetrant Inspection: Buyer shall perform penetrant inspection. Seller must ensure that the manufacturing process does not create surface indications which, when inspected per ATK Procedure 90-000086, are basis for rejection. Seller shall certify that material is free from indications serious enough to warrant rejection. Rejected material/parts will be returned to Seller for rework/replacement.

8.5 Conditional Acceptance: All manufacturing processes shall be subject to *conditional acceptance* upon receipt. It is expressly agreed that payment rendered upon conditional acceptance does not constitute final acceptance. Buyer reserves the right to issue Final Acceptance upon completion of applicable non-destructive testing.

8.6 Dimensional Inspection Record: Recorded actual dimensions are required for all part dimensions and a dimensional inspection report shall be provided with part shipment. The ATK purchase order number, part number, serial number, lot number and raw material heat number (as applicable) must be included on the inspection report.

8.7 Non-Conforming Product: Seller must notify Buyer (or designee) of any non-conforming product at Seller's facility. Moreover, Seller shall make a request for material review of such non-conformances prior to shipment to Buyer.

9.0 SOCIOECONOMIC

During the performance of this order, Seller agrees to comply with all Federal, State and Local laws, rules and regulations/ordinances including, but not limited to, those within Clauses 9.1 through 9.7.6, as applicable.

- 9.1 Non segregated Facilities:** Seller certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The Seller agrees that a breach of this Certification is a violation of the Equal Opportunity Clause in this order. As used in this Certification, the term *segregated facilities* means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontracts for specific time periods) he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 that are not exempt from the provisions of the Equal Opportunity Clause; that he will retain such certifications in his files; and that he will forward the notice set forth in paragraph 9.1.1, below, to such proposed subcontractors except where the proposed subcontractors have submitted identical certifications for specific time periods.
- 9.1.1** A *Certification of Non segregated Facilities* is required by 41 CFR, Part 60-1, as amended. It must be submitted prior to the award of a subcontract exceeding \$10,000 that is not exempt from the provisions of the Equal Opportunity Clause. The Certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., annually). The penalty for making false statements in offers is prescribed in 18 USC 1001.
- 9.2 Equal Opportunity Clause:** During the performance of this order, Seller agrees as follows:
- Seller will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Seller will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be 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. Seller agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
 - Seller will state, in all solicitations or advertisements for employees placed by or on behalf of Seller, that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
 - Seller will send, to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of Seller's commitments under section 202 of Executive Order 11246, as amended and shall post copies of the notice in conspicuous places available to employees and applicants.
 - Seller will comply with all provisions of Executive Order 11246, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.
 - Seller will furnish all information and reports required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purpose of investigation to ascertain compliance with such rules, regulations, and orders.
 - In the event of Seller's noncompliance with the nondiscrimination clauses of this order or with any of such rules, regulations, or orders, this order may be canceled, terminated, or suspended in whole or in part, and Seller may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246, as amended and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - Seller will include the provisions of all paragraphs contained within Clause 9.2 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246, as amended, so that such provisions will be binding upon each subcontractor or supplier. Seller will take such action with respect to any subcontractor or supplier. Seller will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event Seller becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction by the contracting agency. Seller may request the United States to enter into such litigation to protect the interest of the United States.

9.3 Equal Employment Opportunity Reporting Requirements (applicable to orders amounting to \$10,000 if seller has 50 or more employees):

- Seller will complete and file Government Standard Form 100, Equal Employment Opportunity Employer Information Report (EEO-1), in accordance with instructions contained therein. Notification of compliance with the above requirement shall be furnished to Buyer, by duly executed Systems 3139, Equal Opportunity Supplier Certificate, within 30 days after receipt of an order, unless a duly executed Systems 3139 reflecting current reporting status has previously been submitted by Seller to Buyer.

9.4 Requirements For Small Business and Small Disadvantaged Business Concerns and Labor Surplus Area Concerns

9.4.1 Utilization of Small Business and Small Disadvantaged Business Concerns:

- If this order amounts to \$10,000 or more, Seller agrees to carry out United States policy with respect to utilization of small business and small disadvantaged business concerns as required by FAR 52.219-8, which is hereby incorporated by reference. Where necessary to make the context of the referenced clauses applicable hereto, the term "Contractor" shall mean "Seller" or "Subcontractor."

9.4.2 Subcontracting with Small Business, Small Disadvantaged Business, and Labor Surplus Area Concerns:

- Unless otherwise advised by the Buyer in writing, if this order exceeds \$500,000, Seller agrees to establish a Small Business and Small Disadvantaged Business Plan and Labor Surplus Area Subcontracting Program in accordance with the applicable government regulation listed below.
- Governmental agency regulations governing small business, small disadvantaged business, and labor surplus area subcontracting plans or programs are:

Small and Small	Labor Surplus
Disadvantaged Business	Areas
FAR 52.219-9	FAR 52.220-4

9.5 Affirmative Action Compliance Programs (orders of \$50,000 or more if seller has 50 or more employees):

- Paragraph 60-1, 40 of 41 CFR, part 60-1; stipulates that each prime contractor shall require each subcontractor who has 50 or more employees and a subcontract of \$50,000 or more to develop a written affirmative action compliance program for each of its establishments. Within 120 days from the commencement of this order, the subcontractor shall maintain a copy of separate affirmative action compliance programs for each establishment, including evaluations of utilization of minority group personnel and the job classification tables, at each local office responsible for the personnel matters of such establishment. An affirmative action compliance program shall be part of the manpower and training plans for each new establishment and shall be developed and made available prior to the staffing of such establishment. A report of the results of such program shall be compiled annually and the program shall be updated at that time. This information shall be made available to representatives of the agency or director upon request, and the subcontractor's affirmative action program and the result it produces shall be evaluated as part of compliance review activities.

9.6 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (applicable if order is \$10,000+):

9.6.1 Seller will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam Era in regard to any position for which the employee or applicant for employment is qualified. Seller agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans or veterans of the Vietnam Era without discrimination based upon their disability status in all employment practices such as the following: layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

9.6.2 Seller agrees that all suitable employment openings of Seller that exist at the time of the execution of this order and those that occur during the performance of this order, including those not generated by this order and including those occurring at an establishment of Seller other than the one wherein the order is being performed, but excluding those of independently operated corporate affiliates, shall be listed in an appropriate local office of the state employment service system wherein the opening occurs. Seller further agrees to provide such reports to such local office regarding employment openings and hires as may be required. State and local government agencies holding federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the state employment service, but are not required to provide those reports set forth in Clauses 9.6.4 and 9.6.5.

9.6.3 Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source or effort and shall involve the normal obligations that attach to the placing of bonafide job order, including the acceptance of referrals of veterans and non-veterans. The listing of employment openings does not require the hiring of any particular job applicants and nothing herein is intended to relieve Seller from any requirements in executive orders or regulations regarding nondiscrimination in employment.

- 9.6.4** The reports required by Clause 9.6.2 shall include, but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where Seller has more than one hiring location in a state, with the central office of that state employment service. Such reports shall indicate for each hiring location (1) the number of individuals hired during the reporting period, (2) the number of nondisabled veterans of the Vietnam Era hired, (3) the number of disabled veterans of the Vietnam Era hired, and (4) the total number of disabled veterans hired. The reports should include covered veterans hired for on-the-job training under 38 USC 1787. Seller shall submit a report within 30 days after the end of each reporting period wherein any performance is made on this order identifying data for each hiring location. Seller shall maintain, at each hiring location, copies of the reports submitted until the expiration of one year after the final payment under the order, during which time their reports and related documentation shall be made available, upon request, for examination by any authorized representative of the contracting officer or of the Secretary of Labor. Documentation would include personnel records respecting job openings, recruitment, and placement.
- 9.6.5** Whenever Seller becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each state where it has establishments of the name and location of each hiring location in the state.
- As long as Seller is contractually bound to these provisions and has so advised the state system, there is no need to advise the system of subsequent contracts. Seller may advise the state system when it is no longer bound by this clause.
- 9.6.6** This clause does not apply to the listing of employment openings that occur and are filled outside the 50 states, the District of Columbia, Puerto Rico, Guam and the Virgin Islands.
- 9.6.7** The provisions of Clauses 9.6.2 through 9.6.5 do not apply to openings that Seller proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.
- 9.6.8** As used in this clause:
- "All suitable employment openings" includes, but is not limited to, openings that occur in the following job categories: production and non-production, plant and office, laborers and mechanics, supervisory and non-supervisory, technical, and executive, administrative, and professional openings as are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than 3 days duration, and part-time employment. It does not include openings that Seller proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement nor openings in an educational institution that are restricted to students of that institution. Under the most compelling circumstances, an employment opening may not be suitable for listing, including such situations where the needs of the government cannot reasonably be otherwise supplied, where listing would be contrary to national security, or where the requirement of listing would otherwise not be for the best interest of the government.
 - "Appropriate office of the state employment service system" means the local office of the federal-state national system of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.
 - "Opening that Seller proposes to fill from within his own organization" means employment openings for which no consideration will be given to persons outside Seller's organization (including any affiliates, subsidiaries, and the parent companies) and includes any openings that Seller proposes to fill from regularly established "recall" lists.
 - "Openings that Seller proposes to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings that Seller proposes to fill from union halls, which is part of the customary and traditional hiring relationship that exists between Seller and representatives of his employees.
- 9.6.9** Seller agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act, hereinafter referred to as the "Act" (38-USC 2012).
- 9.6.10** In the event of Seller's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 9.6.11** Seller agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the director, provided by or through the contracting officer. Such notices shall state Seller's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam Era for employment, and the rights of applicants and employees.
- 9.6.12** Seller will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that Seller is bound by the terms of the Act and is committed to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam Era.

- 9.6.13** Seller will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more, unless exempted by rules, regulations, orders of the Secretary of Labor issued pursuant to the Act, so that such provisions will be binding upon each subcontractor or supplier. Seller will take such action with respect to any subcontract or purchase order as the director, Office of Federal Contract Compliance Programs, may direct to enforce such provisions, including action for compliance.
- 9.7 Affirmative Action for Handicapped Workers**
- 9.7.1** Seller will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. Seller agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment upgrading, demotion, or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 9.7.2** Seller agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, as amended.
- 9.7.3** In the event of Seller's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor pursuant to the Act.
- 9.7.4** Seller agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the director, Office of Federal Contract Compliance Programs, Department of Labor, provided by or through Buyer. Such notices shall state Seller's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- 9.7.5** Seller will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that Seller is bound by the terms of Section 503 of the Act and is committed to take affirmative action to employ and advance in employment qualified physically and mentally handicapped individuals.
- 9.7.6** Seller will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or supplier. Seller will take such action with respect to any subcontract or purchase order as the director, Office of Federal Contract Compliance Programs, may direct to enforce such provisions, including action for noncompliance.



EFFECTIVITY: 12/04/08

REVISIONS

Rev.	Date	By	Change	Affected Pages
6	01/31/05	RHG	Added Clause 1.12 Added Clause 1.13 Clause 3.3 A: Changed from MIL-STD-410E, Level II to AIA/NAS-410, Level II Clause 3.3 B: Changed from MIL-STD-453C to ASTM E 1742 Clause 3.3 C: Changed from MIL-STD-6866 to ASTM E1417 Clause 4.1.5 and 4.1.5.1: Changed from MIL-STD-2154 to SAE-AMS-STD-2154 Clause 5.1 and 5.2: Deleted Clause 5.3: Changed the 2 nd sentence to add "...to contractual requirements using the ATK Supplier Rating System." Clause 5.4: Changed 1 st sentence from "...as defined by MIL-STD-1535." to "...as defined below." Added Clause 8.7.	
7	09/24/07	RHG	Added Clause 1.14 Clause 8.6 changed and rewritten.	
8	12/04/08	RHG	Added Clause 1.6 Added Clause 1.7	