



**PURCHASE ORDER- SERVICES
APPENDIX A
GENERAL TERMS AND CONDITIONS**

1. GENERAL

- a. The President/Chief Executive Officer (or authorized representative) has the authority to make findings, determinations and decisions with respect to the Purchase Order; to approve materials, Work and payment therefore; and to modify or terminate the contract on behalf of AAC.
- b. The Contractor shall have responsibility for the means, methods, sequences, or procedures related to the Project, based on guidance provided by AAC. The Contractor shall conduct all Work in such a manner that protects the public and State resources.
- c. The Contractor shall not award Work to any Subcontractor without prior written approval from the an authorized AAC Representative.

2. NO ADDITIONAL WORK OR MATERIAL. No claim for additional services, not specifically provided in this Agreement, performed or furnished by the Contractor, will be allowed, nor may Contractor do any work or furnish any material not covered by this Agreement unless the work or material is ordered in writing by an authorized AAC Representative.

3. PACKING, MARKING, and SHIPPING

- a. All goods shall be properly packaged to prevent damage or deterioration and to obtain the lowest transportation rates. AAC will pay no charge for preparation, cradling, dunnage or other materials unless separately stated on this order.
- b. Each packing slip, bill of lading, invoice, container, tag and correspondence shall bear the applicable purchase order number.

4. IMPROPER DELIVERY. If for any reason the Contractor fails to make timely delivery, AAC may approve a revised delivery schedule, request expedited shipment (at the Contractor's expense) or terminate this order without liability. The Contractor will not be liable for damages resulting from delays due to causes beyond the Contractor's reasonable control provided the Contractor promptly notifies AAC when such delay becomes apparent.

5. INSPECTIONS AND REJECTION

- a. All goods are subject to final inspection and acceptance by AAC at destination notwithstanding any payment or prior inspection at source. Such inspection will be made within a reasonable time after receipt of goods.
- b. AAC shall notify the Contractor if any goods delivered hereunder are rejected, and at AAC's election and the Contractor's risk and expense, such goods shall be held by AAC or returned to the Contractor. No replacement or correction of nonconforming goods shall be made by the Contractor unless agreed to in writing by an authorized AAC Representative.

6. WARRANTY. The Contractor warrants that the specified supplies covered by this purchase order will conform to the specifications, drawings, samples, or other description furnished or specified by AAC, and will be fit and sufficient for the purpose intended and free from defects.

7. INSTALLATION. If this order requires the Contractor to furnish services of its supervisor expert or other employee in connection with the installation or any other matter under this order to perform work on AAC's premises, the Contractor agrees, whether or not a separate charge is made therefore, that such supervisor, expert or other employee of the Contractor, in performing such services, is not and shall not be deemed to be the agent or employee of AAC. The Contractor assumes full responsibility for its acts and omissions and agrees to save AAC harmless from any claims whatever arising therefrom. The Contractor assumes exclusive liability for any payroll or other taxes imposed upon the employer by Federal or State law.

8. INVOICES, PAYMENT, AND TAXES

- a. All invoices shall reference the purchase order number and be submitted electronically to AACBillings@akaerospace.com.
- b. For Fixed Price Purchase Orders, the Contractor shall invoice after the supplies or services have been delivered and accepted; unless otherwise agreed upon in writing prior to execution of the Purchase Order. Payment for accepted supplies and services shall be made 30 days after receipt of proper billing. For Federally Reimbursable Projects, upon receipt of properly submitted invoice, payment shall be to the contractor no more than five (5) days after AAC receives payment from the Government.
- c. Liens or other claims relating to the Project may be withheld from final payment if written notice is first given to the Contractor. Acceptance of the final payment will constitute the Contractor's waiver to future claims.

9. CONFIDENTIALITY. Confidential and proprietary information refers to any data or information relating to the business of AAC and any affiliated/partnered relationship which would reasonably be considered as proprietary to AAC, including but not limited to accounting records, business processes, business development prospects, strategic planning, client records, and customer contracts. The Contractor shall not disclose, divulge, reveal, report or use for any purpose any Confidential or Proprietary information obtained under this Agreement, except as authorized by AAC.

10. CHANGES AND DISCREPANCIES. Any discrepancies, omissions or lack of clarity in drawings, specifications, or purchase orders, must be referred to AAC for written interpretation before this order is processed. AAC shall have the right at any time before completion of the order, to make changes in quantities, in drawings and specifications, in delivery schedules, and in methods of shipment and packaging. If such changes cause an increase or decrease in price or in the time required for

performance, the Contractor shall promptly notify AAC thereof in writing and equitable adjustment shall be made. Changes shall not be binding upon AAC unless evidenced by a purchase order change notice and issued and signed by AAC.

11. **STOP WORK.** AAC may, by written order to the Contractor, require the Subcontractor to stop all, or any part, of the work called for by this Purchase Order for a period of 30 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. AAC shall specify if Stop Work is for all, or part of the work in progress. If only for partial stoppage, AAC shall identify any subtask(s) intended for stoppage, as to not impact other areas of the program.
12. **BREACH.** The failure of the Contractor to perform a material obligation under this Agreement shall be a default if not cured within ten (10) days after AAC gives the Contractor written notice of the default, or if the default cannot be cured within such ten (10) day period, within the time for cure specified in a written cure plan provided by the Contractor and approved in writing by AAC within such ten (10) day period. Immediately upon receiving written approval of a cure plan, the Contractor shall commence and proceed diligently to carry out the cure plan. Failure to perform under this article constitutes a material breach of this Agreement.
13. **TERMINATION**
 - a. AAC may terminate performance of work under this contract in whole or, from time to time, in part if the Contracting Officer determines that a termination is in AAC's interest. The Contract Manager shall terminate by delivering to the Contractor a Notice of Termination specifying the extent of termination and the effective date.
 - b. For Cause. AAC, by written notice, may terminate this Agreement in the event of a default by CONTRACTOR that is not cured within the time allowed under Section 12.
 - c. For Convenience. AAC may terminate this Agreement, in whole or in part, when it is in the best interest of AAC. AAC is liable only for payment in accordance with the payment provisions of this Agreement for supplies/services rendered before the effective date of termination.
14. **COVENANT AGAINST CONTINGENT FEES.** The Contractor warrants that no person or agency has been employed or retained to solicit or secure this Purchase Order upon an agreement or understanding for a commission, percentage, contingent fee, or brokerage except employees or agencies maintained by the Contractor for the purpose of securing business. For the breach or violation of this warranty, AAC may terminate this Purchase Order without liability or in its discretion deduct from the Purchase Order price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.
15. **AUTHORIZED REPRESENTATIVES.** The President and Chief Executive Officer of AAC is the only authorized representative of AAC under this Purchase Order unless the Contractor is notified in writing by the President and Chief Executive Officer that another individual has been delegated the authority to act on behalf of AAC for purposes relating to this Purchase Order. All communications must be directed to the attention of the President and Chief Executive Officer, or his designated authorized representative.
16. **APPLICABLE LAW.** The Contractor must comply with all applicable laws, regulations, codes, ordinances and written directives issued by the Procurement Officer. In addition, the Contractor must obtain applicable licenses and permits; provide supervision and labor, except as may otherwise be provided by AAC. This Purchase Order is governed by the laws of the State of Alaska.