

DRAFT PURCHASE ORDER TERMS AND CONDITIONS

SCOPE OF PURCHASE ORDER: Inspection and Repair of P-3C (Non Flight Safety Critical) as per attached "list of services".

The Contractor represents that it operates as ☐ an individual ☐ a non-profit organization ☐ a corporation incorporated in

The Contractor agrees to perform all the services set forth in the list of services attached to the Terms and Conditions for the consideration stated herein. The rights and obligations of the parties to this Purchase Order shall be subject to and governed by the Terms and Conditions and the General Provisions. To the extent of any inconsistency between the Terms and Conditions or the General Provisions and any specifications or other provisions which are made a part of this purchase order, by reference or otherwise, the Terms and Conditions and the General Provisions shall control. To the extent of any inconsistency between the Terms and Conditions and the General Provisions, the Terms and Conditions shall control.

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This purchase order consists of:

- Terms and Conditions containing 29 parts
- NSPA General Provisions for Fixed Price Contracts (Services)
- Termination for Convenience of NSPA
- [NSPA Supplier Code of Conduct](#)
- NSPA Materiel Inspection and Shipping Report (MISR) NSPA Form 194
- List of services

all of which are hereby made a part of the Purchase Order and attached hereto.

The following documents are available on the Internet at:

<https://www.nspa.nato.int/business/procurement/general-information>

- **NSPA General Provisions for Fixed-Price Contracts (Services)**
- **Termination for Convenience of NSPA**
- **NSPA Materiel Inspection and Shipping Report (MISR) NSPA Form 194 with relevant distribution instructions**

If you have no Internet access, please contact the undersigned and a printed copy of these documents will be forwarded to you

TERMS AND CONDITIONS

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Part 1 - Services to be furnished by the Contractor

1. The Contractor shall furnish to NSPA the services listed and priced in the attached document entitled "List of services" .

2. **Preliminary task**

Upon receipt of the item, the Contractor shall report immediately to the point of contact designated in this purchase order by fax or e-mail the serial number of the item and the date of receipt at Contractor's facility after customs clearance.

3. **Task 1 – Inspection (tear-down and quote), preparation for delivery, Beyond Economical Repair price**

- a. Inspection

Inspection is defined as the application of actions to fault isolate/troubleshoot, remove/install, and disassemble to identify troubles, specific damages, faults, malfunctions or failures in parts, subassemblies, modules, end items or systems in accordance with the appropriate technical documentation.

- b. Total cost quotation

Inspection of the items and submission to NSPA of the total costs, labor plus repair parts to bring the items to fully serviceable conditions. Written approval by NSPA is required prior to commencement of the repair work.

- c. Beyond Economical Repair (BER)

A repairable item is declared Beyond Economical Repair when the cost to repair it (Total Repair) exceeds 65% of the new item in the latest manufacturer's price list.

The Contractor will inform NSPA about the items that he considers are Beyond Economical Repair.

Upon receipt of this information, NSPA will decide whether the item is to be repaired or not and advise the Contractor accordingly by fax or e-mail.

In case NSPA decides not to repair the item, only the agreed inspection price will be reimbursed by NSPA. Disposition instructions will be issued by NSPA.

- d. **Pricing**

The firm fixed inspection price will include the costs for inspection/troubleshooting, total cost quotation, reporting, preparation for delivery, update of logbooks/test results, if applicable.

4. **Task 2 – Repair**

Repair is defined as the application of maintenance services to restore serviceability of an item by correcting specific damage, fault, malfunction or failure in part, subassembly, module, end item or system in accordance with the appropriate technical documentation.

Perform repair of the components after submission and acceptance of a quotation.

Pricing:

The per unit repair cost to be reimbursed by NSPA will consist of a firm fixed total labor price (hourly labor rate x hours performed) for all the labor necessary to bring the item to fully serviceable conditions in accordance with the appropriate technical documentation, preparation for Government Quality Assurance Representative' signature, if requested, and **will exclude the inspection and repair parts costs**.

Note: The inspection costs and repair parts used in the repair of the item will be reimbursed by NSPA in accordance with paragraphs 3 and 8.

5. **Repair Parts**

All parts should be in NEW condition, from current production, OEM or approved authorized source origin, with traceability on record. Traceability evidence will be accessible to NSPA and/or delegated GQAR inspector.

Repair parts reimbursed at cost is defined as the price paid by the Contractor for acquiring repair parts needed to perform the work requirements of this contract.

Repair parts are to be furnished by the Contractor.

Handling charges for Provisioning of Repair Parts

The handling charge indicated in the attached "List of Services" only covers the Contractor's expenses incurred in purchasing, transport, handling and storage of the repair parts as well as any other administrative overhead expenses including profit related to the purchase of those repair parts. The Contractor warrants that none of the aforementioned expenses are included in the prices listed in the attached document entitled "List of Services".

No handling charges shall be charged by the Contractor when the procurement of spares has been undertaken by the subcontractor.

Where a service is subcontracted but the Contractor remains performing the procurement of the spares, inclusion of the handling charge may be authorized if fully justified/substantiated at time of invoicing.

Costs of direct materials and repair parts will be reimbursed as follows:

- manufactured by the Contractor: At production cost
- purchased by the Contractor: At acquisition price plus a handling

charge of % *(to be completed
at time of award)*

No handling charges shall be charged by the Contractor when the procurement of spares has been undertaken by the subcontractor.

Where a service is subcontracted but the Contractor remains performing the procurement of the spares, inclusion of the handling charge may be authorized if fully justified/substantiated at time of invoicing.

6. **Definition of materials**

The following definitions govern all materials required in the performance of this contract.

a. **Direct materials**

Any repair parts or materials purchased, supplied, manufactured or fabricated by the Contractor which enter directly into the end product or which are used and consumed directly in the performance of the work called for under the terms of the contract and which can be easily identified by a stock number, a part number, a detailed description or by reference to a drawing number.

b. **Indirect materials**

Any other materials which cannot be easily identified and measured to a specific repairable component or assembly, such as paint, lubricant, tape, rivets, packing and packaging materials, etc... including miscellaneous hardware furnished by the Contractor and all other materials such as office supplies, sweeping compounds, brooms, forms and tags etc.. Indirect materials are included in the man-hour rate or fixed prices, as appropriate.

7. The firm fixed labor prices applicable under this contract are inclusive of all costs and shall be deemed to include, but not necessarily limited to the following:

- The fixed man-hour rate is payable for the actual working time performed by the Contractor's producing personnel directly applied to the services called for. Fractional parts of an hour shall be paid pro rata. This rate shall also be payable during travel time from Contractor's facility to the site of work and return to Contractor's facility, if and when such travel is performed during the normal working hours. Producing personnel shall include engineers, technicians, mechanics and other skilled workers as may be necessary to perform the required services. Direct labour hours will not include the time of non-producing personnel, including but not limited to directors, managers, supervisory staff, foremen, clerks, typists, time keepers, packers, material handlers, receiving and shipping personnel, etc... Such time is included in the overhead of the fixed man-hour rates. Overtime is payable at the same rate as normal time.
- Intermediate and final testing as to applicable specifications.
- Quality Assurance requirements, preparation of Material Inspection and Shipping

- Report (MISR). Update of logbooks, if applicable, and provision of reports / test certificates.
- Signature of the CoC by the Government Quality Assurance Representative.
 - Storage, customs clearance formalities and other incidental expenses required at the collection or delivery points of any NSPA property input for work under the resulting contract.
 - Overheads, General Administrative Costs and Profit.
 - Storage, preservation, crating and / or packing, marking, handling, check-up, bracing, handling and shipment preparation. Despatch of the Notice of Availability.
 - Indirect material to mean other materials which cannot easily be identified and measured to a specific component or assembly to be overhauled/repared such as fuel, paints, lubricants, safety wires, tape, rivets, tooling, test equipment, etc.
 - License fees or royalties of any kind.
 - For overhaul: 100% mandatory replacement parts as per technical documentation.
8. The pricing arrangements set forth in the "List of services" cover full and unconditional acceptance by the Contractor of all the requirements and conditions included in the purchase order. These pricing arrangements satisfy any and all expenses incurred by the Contractor for a satisfactory performance of the work required under the purchase order.

Part 2 - Pricing Warrant

The Contractor warrants that the prices included in this purchase order are for comparable services, quantities, terms and conditions equal to or less than those proposed or that would be proposed to the Contractor's most favored customer, including any other international organization or NATO member state government bodies.

Part 3 - Delivery Terms

1. The contractual Turn-Around-Time (TAT) for the equipment to be serviced under this purchase order shall not exceed () calendar days.
2. Provided that the purchase order is available at the Contractor, the Contractual TAT is the number of calendar days between the date of arrival (customs cleared) of a repairable item at the point of delivery (see Part) and the date of signature of the CoC, by the GQAR, if requested, or the notification by the Contractor of the item's availability via the MISR.
3. The Contractor shall be responsible for completing all services ordered under this purchase order, including supply of any required repair parts and materials within the contractual TAT.
4. The Contractor shall be responsible for providing shipping documents, if required, and for arranging GQA activities by the GQAR, if requested, within the contractual TAT.

5. The Contractor will notify NSPA of any exceptional long unscheduled repair part delivery conditions. Upon such conditions, NSPA will evaluate to either provide the part to the Contractor or to freeze the TAT for the purpose. Should NSPA Furnished Property be delayed in the delivery, the TAT will be augmented accordingly.
6. Adjustment of TAT

For the item to be repaired, NSPA will inform the Contractor by fax or e-mail of its acceptance of the costs and the TAT will be augmented with the number of calendar days elapsed between the Contractor's notification of the repair and NSPA's approval of the costs.

Part 4 - Place of Delivery and Inspection

1. Inspection of the items delivered against this purchase order shall be performed in accordance with **Part 10 -** hereof at the Contractor's facility designated below for all items of work specified in the attached list of services.

Company Name:
 Address:

2. NSPA shall deliver the equipment to be repaired/overhauled/modified/calibrated DAP (Delivered at Place) (Incoterms 2020) to the following point of delivery as appropriate.

Company Name:
 Address:

(Paragraphs 1 & 2 to be completed at time of award)

3. The Contractor shall be responsible to perform immediately the necessary import customs formalities, if so exceptionally required in this Purchase Order (PO) and to pick-up the consignment from the point of delivery.
4. The Contractor shall deliver all components processed under this contract EX WORKS (Incoterms 2020) to the above named point of delivery customs cleared and shall inform NSPA of their availability.
5. At a minimum the Notice of Availability shall indicate: Purchase Order number, nomenclature, Part and / or NATO Stock Number, quantity and unit of issue, number of shipping containers, gross weight and volume of each container in metric units.

For that purpose, a Shipping Notification Form is attached hereto. This Form shall be filled in and sent to the point of contact indicated in the PO so that NSPA can arrange the return shipment of the item to NSPA.

6. The Contractor is requested by NSPA to perform the transportation of the items to the delivery address indicated in the Purchase Order and shall provide the appropriate shipping information (tracking number) to NSPA. The only acceptable evidence of delivery shall be a document bearing proof of transportation charges paid by the Contractor. If not shipped by the Contractor, the only acceptable evidence of delivery

shall be a receipt document signed by the authorized Shipping Agent or his duly designated representative.

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| Part 5 - Contractor Notice Regarding Late Delivery |
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In the event that the Contractor encounters difficulty in meeting the time limits specified for any service, it shall immediately notify NSPA in writing, giving pertinent details. However, this data shall be for information only and shall not be construed as a waiver by NSPA of any time limit or of any rights or remedies provided under this Purchase Order.

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| Part 6 - Invoicing and Payment |
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1. One original invoice shall be submitted to the following address:

As PDF-document to:

CIMO@nspa.nato.int

OR as Hardcopy to

NSPA
CIMO OFFICE
11 rue de la Gare
L-8302 CAPELLEN

accompanied by the MISR, if requested, certifying the completion of the work. Each invoice submitted and the attached MISR forms shall bear the purchase order reference number, shall refer to the service line item and shall show as separate items of cost all repair parts used. Faxed invoices will not be accepted for payment.

2. The following certificates shall be affixed to each invoice submitted for services, repair parts and other reimbursable costs:
 - a. All invoices:
"I certify that this invoice is correct and just, that payment has not been received and that the price is exclusive of all taxes and duties from which NSPA is exempted."
 - b. In addition:
 - i. For work done on a labour hour basis

"I certify that the man hours of producing personnel as shown are true summaries of direct man hours actually used in the performance of the work as extracted from the company timekeeping records which are available to NSPA for verification and audit."
 - ii. For direct materials and spare parts:

"I certify that the costs invoiced hereunder are equal to reimbursement of cost plus the allowable handling charges."

3. Payment

Payment for services performed by the Contractor under the terms of this purchase order shall be made in (bidder to specify currency) within (...) days with % prompt payment discount or (...) days net following receipt by NSPA of invoices duly certified, supported and substantiated as specified above.

(This paragraph will be completed at time of award)

NSPA will pay the net invoice amount and support the charges of its bank. All other charges will be for the Contractor.

The payments will be made to the account identified by the Contractor at time of registration to the NSPA Source file.

OR

The payment will be made by NSPA as follows:

- a. Full name and address of banker(s)
- b. Detailed bank account information as follows:
 - for EU countries: IBAN code plus BIC
 - for USA: bank account number(s) + ABA code (or SWIFT code)
 - for Canada: bank account number(s) + bank code (5 digits) and branch code (3 digits)
 - for any other country: bank account number(s) plus any country-specific codes, if applicable.

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| Part 7 - Liquidated Damages |
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1. If the Contractor fails to deliver within the time specified in the purchase order, he shall pay NSPA liquidated damages at the rate of 1 % for each full week of such delay but not more than a total of 10 % of the total price and/or total cost of the services not delivered on time.
2. Without prejudice to the final decision regarding the liquidated damages, NSPA shall be entitled to deduct imposed liquidated damages when paying invoices, even in the event that claims deriving from submitted invoices have been assigned or otherwise transferred to third parties. The total of the deductions made by NSPA pursuant to this clause will be considered as full and final satisfaction of all claims received out of late delivery of any service.
3. During a period of one year after delivery and acceptance of the services performed, NSPA shall have the right to claim liquidated damages even if such right is not reserved at the time when delivery is accepted.
4. The liquidated damages will not apply if the Contractor's failure to perform is due to causes beyond its control and without his fault or negligence.

5. Such causes may include but are not limited to: Acts of God or of the public enemy, acts of Government in its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and failure of subcontractors to perform due to such causes. If the Contractor is responsible for obtaining necessary export licenses / permits / DSP forms, it has to ensure that such requests are made in a timely manner so as to not delay shipment. Failure to do so will NOT be considered Force Majeure.
6. The foregoing provisions of this part apply only to delinquencies in deliveries and do not prejudice NSPA's rights under the provisions of the clause entitled "Default" of the General Provisions for Fixed Price Purchase Orders (Services).

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| Part 8 - Completion and Distribution of the NSPA Material Inspection Shipping Report (MISR) |
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1. **Completion.**
 - a. The MISR is printed on Form 194. The MISR is available in the Internet. United States Contractors may use DD Form 250, or a modification thereof in lieu of the MISR.
 - b. The Contractor shall complete all blocks, except blocks 22 and 27, which are reserved for use by NSPA. Block 19 of form 194 must also be completed with the relevant Document Number(s)
2. **Distribution.**
 - a. Four copies inside the exterior container in which materiel is packed for shipment and four copies inserted in a waterproof envelope attached to the outside of the exterior container. If the shipment consists of more than one exterior container, the copies should accompany container n° 1.
 - b. One (1) copy to be attached to the Contractor's invoice.
3. If the Contractor is requested to use the services of a NSPA Shipping Agent, it shall provide the NSPA Shipping Agent with three (3) copies of the MISR.

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| Part 9 - Preservation and Packing |
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1. Packaging shall be accomplished by the Contractor in accordance with customary commercial practices.
2. If any item is found damaged upon receipt by NSPA or its customer, due to not meeting the customary commercial packaging standard or any special packaging instructions, the Contractor undertakes to repair or replace any such item at his own expense.

Part 10 - Quality Control, Inspection and Acceptance

1. The Contractor is responsible for maintaining effective control of the quality of materiel. If the Contractor himself is not the provider of the contracted services, he shall impose these quality requirements upon his subcontractor.

In case where an AQAP is specified, the Contractor shall meet its requirements. The Contractor must provide a CoC. In case he is not the manufacturer, he shall provide a copy of the CoC received from the original manufacturer.

2. The MISR shall not be used in lieu of a CoC.
3. The Contractor is ISO 9001 or AS9110 certified.
4. Acceptance or rejection of the services will be done by NSPA.
5. Release to Service Certificate.

Bidder shall provide with each deliverable a "Release to service" certificate EASA "Form One" or EMAR 145 or FAR 145 EMAR "Form One" or TCCA AM 573 or military equivalent form (see the form proposed) issued by the entity performing the work, to document the airworthiness status of the items and certify the material is "ready to return to service".

Part 11 - Permits and Customs Clearance Formalities

1. The Contractor warrants that it has or will obtain at no cost to NSPA all necessary licenses and permits required in connection with the purchase order; also that it will fully comply with all laws, decrees and regulations of the country or countries concerned during the performance of the purchase order, including the observance of all applicable rules and regulations governing the site on which work is to be performed.
2. If so exceptionally requested in this Purchase Order, all customs clearance formalities shall be performed by the Contractor at his cost. NSPA shall in no case be responsible for charges of any nature incurred by the Contractor in effecting such clearance or for any customs infraction committed by the Contractor in connection therewith. The Contractor shall be responsible for compliance with all applicable national import and export customs regulations and formalities, including payment of fees incident thereto and the posting of a customs bond, if required, and further, including all required licenses, customs declarations and other documentation, concerning the entry to and the exit from the Contractor's facility, of all items or materiel pertinent to the Contractor's performance under this purchase order.

Part 12 - Contractor Facilities and Capabilities, OEM Repair Parts, TDP and procedures

1. The Contractor warrants that he has suitable facilities available and that it has all necessary license rights, skilled personnel, technical orders, data, specifications,

drawings, standard and special test equipment and tooling to enable him to comply with the requirements of this purchase order.

2. The Contractor warrants that the repair parts for the performance of the required services under this purchase order will be obtained from authorized sources in accordance with para 3 below. NSPA reserves the right to demand proof of compliance with this requirement.
3. The Contractor shall use its best endeavour to furnish deliverables under this Contract free of defects and vulnerabilities to IT-/cyber security. To that end, the Contractor shall employ adequate means such as penetration testing, code review, unit testing and other methods as appropriate, and shall provide the results of such means upon NSPA request at no additional cost.

4. **OEM REPAIR PARTS**

Contractor furnished parts (CFP) shall be new from current production, and procured only from OEM, or OEM approved sources, as to specifications available in the Technical Data Package (TDP) or OEM maintenance manual current at the time these items are procured.

No Government surplus (parts originally bought by a Government and sold as surplus) shall be utilized in the repair/overhaul process. The contractor shall maintain on record for minimum 2 (two) years evidence of origin of spares; subject records must be made available to NSPA on request. For aircraft hardware (bolts, nuts, rivets, etc.), the contractor must ensure parts are covered by a Certificate of Conformance, with identification of manufacturer, lot number, and test certificate in accordance with the relevant aeronautical standards.

5. "No *hazardous materiel* will be used in the production, supply or maintenance of any item placed on contract by the NATO Support and Procurement Agency (NSPA). If the item purchased or serviced in any manner contains hazardous materiel due to the replacement of spares or hardware, the contractor shall inform NSPA accordingly. Failure to provide the above information will be considered as justification for cancellation of the contract for cause." PLEASE NOTE THAT NO ITEMS CONTAINING ASBESTOS MAY BE USED.
6. All replaced flight safety critical parts shall be destroyed (standard de-mil procedures per DOD 4160.21-M-1 or National equivalent) or, if serialized, disposition instructions should be requested to NSPA.
7. Engine test cell or other test equipment (if applicable): The contractor's test equipment(s) shall be correlated back to the Original Equipment Manufacturer's (OEM), or certified by the applicable national organizations. Evidence of certification shall be made available to NSPA on request.
8. The Contractor will perform the requested services in accordance with the standards set up in the following technical documentation:

.....

(to be completed upon contract award; information to be provided by the contractor on Exhibit - Part A.- Technical Proposal)

9. The Contractor will (at own cost) maintain standards and documentation current.
10. Any procedures developed by the Contractor not specified in the prescribed execution and performance specifications shall be approved prior to implementation. All deviations & waivers, Source Approval Requests, engineering test, etc., (including those associated with spare part purchases) shall require approval from the Contracting Officer (CO) who will liaise with the customer design authorities.
11. The Contractor shall maintain applicable certifications for the duration of the purchase order:
 - ISO 9001 or EN9100 or EN9110
 - OEM Authorized Maintenance Center
 - repair licensee by the OEM for these equipment
 - FAR 145 or equivalent, i.e. EASA Part 145/JAR/CAA

(to be adapted upon contract award)

Part 13 - Indemnity and Insurance

1. The Contractor shall indemnify and keep indemnified NSPA, against cases of injury (including death) to any persons or loss of or damage to any property which may arise out of the act, default or negligence of the Contractor, a Sub-Contractor, their employees or agents in consequence of the Contractor's obligations under the contract and against all claims, demands, proceedings damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto. The Contractor agrees that he has complete freedom of choice of means and capabilities to comply with the obligations of the contract.
2. Without thereby limiting his responsibilities in paragraph 1 above, the Contractor shall take insurance with a reputable insurance company against all loss of and damage to property and injury to persons (including death) arising out of or in consequence of his obligations under the contract and against all actions, claims, demands, costs and expenses in respect thereof. The Contractor will provide documentary evidence that he took the appropriate insurance. The Contractor must submit a certificate from a reputable company. Acceptance of this certificate in no way equates or implies amendment of the insurance obligation in the contract. Change of insurance level cannot be implied but is to be explicitly accepted by NSPA as an amendment for which the contract defines agreed procedure.

Part 14 - Product Liability Insurance

The Contractor will comply with the applicable national and/or international product liability regulations.

Part 15 - Scrap Control

1. Any scrap generated from the work performed on the equipment under the terms of this purchase order, shall be segregated from other scrap generated in the Contractor's plant.
2. Any scrap from in-plant activities will be disposed of after approval by NSPA. Contractor's justified disposal expenses will be set off against proceeds of the sale of scrap, if any.
3. In case of scrap, the Contractor will provide free of charge a disposal certificate to NSPA.

Part 16 - NSPA Representatives and Verification

1. Subject to prior notification, NSPA representatives will have reasonable access to the premises where the work required by the purchase order is being undertaken and to observe or inspect any work or test performed. Accordingly, the Contractor undertakes to permit such access to his own premises and to ensure that similar rights are included in the terms and conditions of all sub-contracts.
2. Upon NSPA request, the Contractor shall make available all relevant drawings, specifications, procedures, tools, measuring instruments, test equipment and records.
3. NSPA may perform quality assurance inspection whenever it deems it necessary, in accordance with AQAP or contractual requirements.

Part 17 - NSPA Furnished Property

1. NSPA will not furnish any tools, equipment, Repair Parts and Materials etc. All necessary tools and other materials must be supplied by the Contractor.
2. The Contractor may request assistance from NSPA in the event of work stoppage or imminent work stoppage or when it can be foreseen that the lead time for obtaining any repair part through his normal sources is such that it may jeopardize the turn-around-time set forth in the Purchase Order.
3. If the Contractor has asked the assistance of NSPA in accordance with paragraph 2 above, he shall not be relieved from his responsibility to furnish the required parts and his obligation to meet the turn around time as set forth in the purchase order.
4. If the Contractor has requested NSPA's supply assistance and NSPA has agreed to procure the required repair parts from its supplier(s):
 - a. the Contractor agrees that he shall be bound by the same obligations towards NSPA, as those by which NSPA is bound to its supplier(s) and that he shall be liable for all costs accruing to NSPA relative to the furnishing of such spare parts.

The repair parts shall be invoiced to the Contractor at cost plus NSPA charges. These costs may include but are not limited to:

- costs incurred by NSPA as a result of total or partial cancellation of the request for repair parts submitted to NSPA by the Contractor;
 - costs to be paid by NSPA as a result of a dispute or arbitration.
- b. The Contractor shall use the repair parts furnished by NSPA only for the performance of this contract, unless consent in writing has been obtained from NSPA for the transfer of such parts to third parties.
 - c. The repair parts furnished by NSPA, which are delivered under a temporary import document (T1) shall be placed by the Contractor in a bonded warehouse on his premises. Custom charges, if any shall be invoiced against the purchase order for which this/these item(s) is/are used.
 - d. NSPA's warranty to the Contractor for supplies procured on behalf of the Contractor is limited to that which NSPA has obtained from its own suppliers.
 - e. It is agreed that those repair parts purchased by the Contractor from NSPA under the provisions of this part, will be delivered to the Contractor either FCA (Free Carrier – Incoterms 2020) NSPA Capellen, Luxembourg, for items delivered through NSPA, or otherwise FCA (Free Carrier – Incoterms 2020) NSPA supplier's facility. The transfer of title will take place at the afore mentioned delivery points, as applicable.
 - f. The Contractor will be responsible for assuming the correctness of its orders to NSPA and shall provide proper identification of the supplies; it will provide to NSPA stock numbers, manufacturer part numbers and other identification data as required. The Contractor shall bear all costs resulting from incorrect identification furnished to NSPA.

Part 18 - NSPA Property upon which work is to be performed

1. The term "NSPA Property upon which work is to be performed" as used in this part refers to those end-items or equipment, subject of this purchase order, furnished by NSPA.

The NSPA property upon which work is to be performed, under this part is to be considered as distinct from NSPA-furnished property to be used in the performance of such work. NSPA property upon which work is to be performed is hereby identified as:

- the items listed in attached document entitled "List of services"
2. The Contractor's liability for NSPA property upon which work is to be performed shall be subject to the provisions of clause 12 of the General Provisions of this purchase order entitled "NSPA-Furnished Property". However, the end-items or equipment identified in paragraph 1 of this part shall not be considered as "property" or "NSPA-furnished property" within the meaning and for the purpose of any other paragraph of the clause of the General Provisions of this purchase order, entitled "NSPA-Furnished Property".

3. Title to NSPA property upon which work is to be performed shall remain in NSPA. The Contractor shall protect such property in accordance with sound industrial practice. For the purpose of this part, it shall be assumed that title to NSPA property upon which work is to be performed is vested in NSPA even though it may, in actuality, be owned by one or more NSPA customers or NATO member states. NSPA shall at all reasonable times have access to the premises where such NSPA property is located.
4. The Contractor shall maintain adequate property records of NSPA property upon which work is to be performed in accordance with the requirements of this purchase order.
5. Except as otherwise provided in this purchase order, should the NSPA property upon which work is to be performed not be delivered to the Contractor by the time or times specified in the terms and conditions, NSPA shall upon timely written request by the Contractor, make a determination of the delay occasioned by the Contractor thereby, and shall equitably adjust the delivery or performance dates, or the purchase order price, or both, and any other contractual provision affected by such delay, in accordance with the procedures provided for by the clause in the General Provisions of this purchase order entitled "Changes".

Part 19 - Warranty

Clause 9 "Warranty" of the General Provisions hereof is supplemented to include the following:

Contractor agrees to warrant the performance of the work called for in this contract on the following conditions:

- a. Contractor warrants his workmanship in the performance of repair for a period of one year after delivery of the serviceable items or 120 days after installation in an aircraft, whichever is less.
- b. Contractor warrants that the parts procured or manufactured by him and utilized in the performance of maintenance work under this contract, shall be free from any defects in materials, manufacture, and/or workmanship for the same period of time as set forth in subparagraph a. above.
- c. Contractor will inspect/test an item under "warranty" at no cost to NSPA.
- d. In case a defective item is accepted by the Contractor for return and replacement / repair under the warranty conditions of this contract, the transportation costs for the defective item from NSPA's customer to the place where replacement and correction will be made and back to NSPA's customer, will be borne by the Contractor.

The Contractor will perform warranty repairs at "no cost to NSPA" on the aforementioned components that were previously serviced under the resulting contract and covered under this warranty clause.

Part 20 - Subcontracts

1. For the purpose of this clause, sub-contracts means orders to sub-contractors for the services required in the performance of this Purchase Order. Material and supplies acquired by the contractor to perform this Purchase Order is governed by the Special Areas Clause 8 of the NSPA General Provisions.
2. The Contractor is solely responsible for the performance of the purchase order including any relevant NQAR implementation, if requested. No consent or approval by NSPA of any sub-contract or any provisions thereof shall be construed to be a determination of the acceptability of any sub-contract price or of any amount paid under any sub-contract or to relieve the Contractor of any responsibility for performing the purchase order in accordance with its terms and conditions, unless such approval or consent specifically provides otherwise.
3. The Contractor will inform NSPA of any change of sub-contractor(s) after contract award, prior to the commencement of the service to be subcontracted. In case a change of a sub-contractor is required after contract award, the Contractor shall provide all the necessary documentation and certifications of the proposed sub-contractor to NSPA for approval. Upon receipt of this information, the NSPA's technical authority (as nominated under PART (X) of this contract) will accept or reject the proposed sub-contractor and will provide the contractor with a written notification.
4. The Contractor shall not enter into any sub-contract with firms located outside NATO countries or having their legal residence outside NATO countries without the written approval of NSPA - Contracting Officer. Only in exceptional cases would NSPA consider such approval.
5. In order to ensure NSPA's rights under this purchase order the Contractor shall flow down the relevant requirements. i.e. those for which the Contractor has an obligation towards NSPA to any subcontract it he will conclude.
6. Paragraphs 2 to 4 above are critical elements in the performance under this purchase order.

Part 21 - Intellectual Property Rights, Royalties and License Rights

1. The Contractor guarantees that it is in possession of all the necessary intellectual property rights in force in the countries where the items will be manufactured and / or services will be performed, under this contract and in other countries where the intellectual property rights are in force. The contractor possesses any licenses necessary for the performance of this contract and made any other arrangements required to protect NSPA from any liability for intellectual property rights infringement in said countries. The Contractor will at its expense hold NSPA harmless and fully indemnify NSPA against all damages, costs, charges, expenses and the like arising from or incurred by any reason of any infringement or alleged infringement of intellectual property rights in consequence of the provision of the service and / or materiel.
2. The Contractor agrees to assure itself that the Original Equipment Manufacturer(s) (OEM) or any entitled third party have not retained any intellectual property rights,

before it provides services and / or manufactures items under the contract. NSPA shall not be liable for intellectual property rights infringements as may be caused by the Contractor.

3. The Contractor confirms that no payments of royalties or fees for intellectual property rights will be claimed by the OEM or any entitled third party for the services performed and / or material provided under this contract. In the event that such fees are claimed, the Contractor will bear any and all responsibility.

Part 22 - Termination for Convenience of NSPA

The provisions applicable to "Termination for Convenience of NSPA" are enclosed.

Part 23 - Reporting

1. The Contractor shall furnish to NSPA the below mentioned reports and the reports set forth in the SOW and any relevant information and data related to the performance of the contract that may be reasonably requested by NSPA.
2. **Periodic Reports:**
 - Consumption Usage Report
 - Program status reports. The Contractor shall prepare status reports summarizing performance to date, current issues, major problems or deficiencies with impact, and recommended solutions, comparisons of status achieved to planned goals (milestones, schedules). These reports shall include metrics created in support of internal management plans.
3. **Specific Reports:**
 - Receipt of Component Report: To provide freight tracking data for items shipped for service (if applicable).
 - Deviation/Waiver Request: To provide data for approval of requests for deviations or waivers to approved technical documents
 - Work Stoppage/Resume: To report anticipated and/or actual work stoppages which will cause TAT to be exceeded or to report work resume after work stoppage.
 - Request for Disposition / Beyond Economical Repair Report: To request permission to exceed contract price for specified services.
 - Material/Quality Deficiency Report: To report a material or quality deficiency on repairable item or sub-assembly which may impact other similar items and/or TAT
 - Work Completion Report: To report in advance the completion of work.

Part 24 - Notification of Changes

1. If at any time during the performance of this purchase order, the Contractor considers that it has been directed to change or deviate from, in any way, the terms and conditions and/or the scope of this purchase order, it shall notify the contracting officer immediately. This notification shall as a minimum contain a cost breakdown of the additional costs to be incurred by the Contractor if it would implement the change/deviation and the related impacts on the terms and conditions. This information must be provided to such level of detail to allow the Contracting Officer to provide a comprehensive response within 14 days after receipt of the notification from the Contractor.
2. Following the submission of this notification, the Contractor shall diligently continue performance of this purchase order to the maximum extent possible in accordance with its terms and conditions as originally agreed.
3. NSPA shall not bear any responsibility for work performed by the Contractor outside the purchase order scope and NSPA shall not compensate the Contractor in either time or money for such work not specifically authorized or requested by the Contracting Officer in writing and subsequently included in the purchase order through a Supplemental Agreement.
4. Consequently, the Contractor cannot claim additional money and/or time for work performed during the performance of the purchase order, which has not been identified as part of the scope of this purchase order.

Part 25 - Performance of the Contractor in Time of Alert or War

The Contractor warrants that, on the basis of information available to it that it is not aware of any national law or regulation, or any circumstances that might prevent him from fulfilling its obligations under this purchase order in time of alert or war.

Part 26 - Purchase Order Administration**By the Contractor:**

The names of the officials designated by the Contractor to administer this purchase order are:

Contractual matters:

Company name:

Address:

.....

Attn:

Phone:

Fax:

email:

Technical matters:

Company name:
Address:
.....
Attn:
Phone:
Fax:
email:

(Will be completed at time of award)

By NSPA:

All correspondence and communications pertaining to purchase order administration shall be sent to the following:

NATO SUPPORT AND PROCUREMENT AGENCY (NSPA)
L-8302 CAPELLEN, LUXEMBOURG
Attn: ..-MMC (.....)
Phone: (+352) 3063
Fax: (+352) 3063 4300
email:

For all technical matters, the responsible technical authority is:

NATO SUPPORT AND PROCUREMENT AGENCY (NSPA)
L-8302 CAPELLEN, LUXEMBOURG
Attn: ..-MMC (.....)
Phone: (+352) 3063
Fax: (+352)
email:

(Will be completed at time of award)

The Contractor will acknowledge receipt of this Purchase Order or any amendment of this purchase order by signing the form provided to this effect.

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| Part 27 - Publicity and Public Relations |
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1. The Contractor shall not make any press release or public statement concerning this contract without the prior written approval of NSPA.

2. The Contractor agrees that, upon request NSPA may provide copies of the signed contract to officials of NSPA's customer nation who are or were directly involved in the procurement of the goods and / or services ordered hereunder.
3. The Contractor shall not use the name, emblem or official seal of NSPA / NSPO or any abbreviation of the name of NSPA / NSPO in connection with its business or otherwise, unless prior authorized in writing by NSPA.

Part 28 - NSPA Supplier Code of Conduct

1. The Contractor, its employees, subsidiary or affiliate entities and subcontractors, shall adhere to the minimum standards set forth in the NSPA Supplier Code of Conduct.
2. If the Agency establishes that any of the provisions of the NSPA Supplier Code of Conduct are not complied with, NSPA may terminate this purchase order at no cost to NSPA and your firm may be removed from the Agency's source file after the Agency has informed the relevant national authorities.

Part 29 - Information Technology- Cyber Security

1. The Contractor shall inform the NSPA of any IT-/cyber security incident or suspicion of, occurring in its area of responsibility that may adversely impact its obligations under this Contract, or adversely effect NSPA or its Customer Country with regard to their activities, their property, the integrity of their IT-systems, the integrity of data provided by them to the Contractor or by the Contractor to them, their reputation or to any of their readily recognizable interests.
2. This Contractor notification shall occur immediately after discovery of the suspicion as a warning notification to the points of contact identified at [Part 29](#) and the NSPA Cyber Team via email at security-notifications@nspa.nato.int and shall include at a minimum: type of incident, affected data, incident timeline/summary, projected impact, mitigation measures and current status. As soon as possible after the IT-/cyber security incident is averred and under no circumstances later than 48 hours after the warning notification was issued to NSPA, the Contractor shall provide NSPA with a comprehensive update notification. The Contractor shall at any time provide further details regarding the suspected or averred incident upon NSPA request and duly take into account any advice provided by NSPA to the Contractor with a view to adequately manage the incident in all involved parties' best interest.
3. NSPA will endeavour to notify the Contractor when NATO security policy permits, if it becomes aware of any possible IT-/cyber security incident that may adversely impact the Contractor or its supply chain with regard to their activities, their property, the integrity of their IT-systems, the integrity of data provided by NSPA to the Contractor or by the Contractor to NSPA, their reputation or to any of their readily recognizable interests.