

EXHIBIT TO THE TERMS AND CONDITIONS FOR COMMERCIAL OFF THE SHELF (COTS) GOODS AT A FIRM FIXED PRICE FOR PURCHASE ORDERS UNDER \$35,000 WITH U.S. DOMESTIC COMPANIES ONLY.

**FURNISHED/ACQUIRED/FABRICATED PROPERTY EXHIBIT**

**Note: All terms defined in the Terms and Conditions have the same meaning in this Exhibit.**

- a) To the extent BAE Systems provides Seller with property, or requires Seller to acquire property, to fabricate property for the Work under this Contract (collectively BAE Systems' Property). BAE Systems authorizes Seller to use BAE Systems' Property only for the performance of this Contract, unless authorized in advance, in writing, by the BAE Systems' AR.
- b) BAE Systems' Property is provided in "as-is" condition unless otherwise set forth in this Contract. Title to BAE Systems' Property shall rest in BAE Systems or its Customer (as applicable).
- c) Seller shall clearly mark (if not already marked) BAE Systems' Property to show its ownership. Unless otherwise specified in the Contract, the Government Property clause in FAR § 52.245-1 shall apply to BAE Systems' Property owned by the U.S. Government, or BAE Systems' Property that the Government may take title to under the Contract. Seller shall receive, inspect, inventory, process, and report to BAE Systems regarding BAE Systems' Property as required by any applicable FAR and DFARs clauses incorporated into the Contract. In addition to any FAR or DFARs requirements, Seller's inventory list shall include the date and location of delivery, fabrication and inspection(s). Seller shall submit the inventory list to BAE Systems, and shall deliver or make such other disposal of BAE Systems' Property as may be directed by BAE Systems.
- d) Except for reasonable wear and tear, Seller shall be responsible for maintaining, managing, preserving, and insuring BAE Systems' Property from loss or damage while in Seller's care, custody or control, without additional charge, in accordance with good commercial practice, and FAR§ 52.245-1 as applicable. Seller shall provide an initial notification to BAE Systems within 10 working days of any loss or damage to BAE Systems' Property, and provide a report containing all information specified in FAR § 52.245-1 within 30 days.
- e) Seller shall support all BAE Systems' or Customer investigations relative to the loss, damage or destruction of BAE Systems' Property. At BAE Systems' sole option, in addition to any other remedies available to BAE Systems under the Contract, Seller shall immediately replace, repair, or reimburse BAE Systems for such loss or damage.