



**STANDARD TERMS AND CONDITIONS
FOR THE PURCHASE OF COMMERCIAL ITEMS UNDER A GOVERNMENT CONTRACT**

1.0 DEFINITIONS

- 1.1** “BUYER” means ARKA Group, L.P. or the legal entity identified as the buyer on the face of this Order.
- 1.2** “Order” means the BUYER’s purchase order or subcontract, including these terms and conditions, and attachments, exhibits, and other items specifically referenced in or attached to the purchase order or subcontract, and any subsequent changes or modifications.
- 1.3** “Party/Parties” means BUYER and SELLER individually/collectively.
- 1.4** “Prime Contract” means the contracting instrument issued to BUYER or BUYER’s higher tier customer by the U.S. States Government for the acquisition of Work.
- 1.5** “Procurement Representative” means a person authorized by the BUYER’s procurement organization to administer and/or execute the Order.
- 1.6** “SELLER” means the Party with whom BUYER is contracting with under this Order.
- 1.7** “Subcontractor” shall include SELLER’s subcontractors at any tier.
- 1.8** “Work” means all required labor, articles, materials, supplies, goods, and services constituting the subject matter of this Order.

2.0 ORDER ACCEPTANCE

This Order will be accepted upon the SELLER’s acknowledgement, acceptance of payment, or commencement of performance and shall constitute SELLER’s unqualified acceptance of this Order. Unless expressly accepted in writing by BUYER, any terms proposed by SELLER or included in SELLER’s acknowledgment or any other document are rejected. This Order supersedes any prior offers, negotiations, and agreements concerning the subject matter and constitutes the entire agreement between the parties.

3.0 ORDER OF PRECEDENCE

Any conflicts in the Order shall be resolved by giving precedence in the following order of priority: (i) the Order document; (ii) these Standard Terms and Conditions (which are incorporated by reference in the Order issued hereunder); (iii) any BUYER-issued Specifications and work statements incorporated by BUYER in any Order; (iv) the terms of any Program Specific Documents (e.g. platform specific terms) incorporated into the Order; and (v) all other attachments, exhibits, documents or terms incorporated by reference in or attached to the Order.

4.0 DELIVERY, PACKAGING AND SHIPMENT

4.1 Time is of the essence in SELLER’s performance of the Order and SELLER shall deliver Work by the delivery date(s) specified in the Order. SELLER shall deliver to the location directed by BUYER and risk of loss shall pass to BUYER upon receipt of Work at BUYER’s facility. Failure to deliver in accordance with the delivery date and terms, if unexcused, shall constitute a material breach of the Order.

4.2 If SELLER is unable to deliver Work by the delivery date, BUYER may, without liability: (i) reduce or cancel its requirements for any part of the Work that cannot be delivered by the agreed delivery date, (ii) reallocate to another Order, or reschedule, any portion of the Work that cannot be delivered by the agreed delivery date, or (iii) request expedited shipping, at no additional cost to BUYER, to avoid or minimize delay to the maximum extent possible. SELLER is responsible for all costs incurred with respect to late delivery and nonconformances. In addition, if SELLER becomes aware of any difficulty in performing the Work, SELLER shall, within three (3) business days, notify BUYER, in writing, giving pertinent details. These notifications shall not change any delivery schedule.

4.3 In the absence of specific packaging instructions provided by the BUYER, all Work is to be packaged in accordance with good commercial practice. A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the BUYER Order number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this Order number.

5.0 INSPECTION, ACCEPTANCE, AND REJECTION OF WORK

5.1 BUYER and its customer may inspect all Work at reasonable times and places. SELLER shall provide all information, facilities, and assistance necessary for safe and convenient inspection without additional charge. No inspection shall



relieve SELLER of its obligations to furnish and warrant all Work in accordance with the requirements of this Order. BUYER's final inspection and acceptance shall be at destination. BUYER shall accept Work or give notice of rejection due to a nonconformance within thirty (30) days after the date of delivery. BUYER's payment, inspection, or use does not constitute acceptance of Work.

5.2 If SELLER delivers non-conforming work, BUYER may, in addition to any other remedies available at law or at equity: (i) accept all or part of such work at an equitable price reduction; (ii) require SELLER to promptly correct or replace Work; or (iii) obtain replacement Work from another source. Return of nonconforming Work and redelivery of corrected Work shall be at SELLER's expense and risk of loss. SELLER shall not re-tender rejected Work without disclosing the corrective action taken.

6.0 ACCESS TO BUYER FACILITIES, SYSTEMS, OR INFORMATION

Where SELLER is entering or performing work at premises owned or controlled by BUYER or BUYER's customer or obtaining access electronically to BUYER systems or information, SELLER shall comply with: (i) all the rules and regulations established by BUYER or BUYER's customer for access to and activities in and around premises controlled by BUYER or BUYER's customer; and (ii) BUYER requests for information and documentation to validate citizenship or immigration status of SELLER's personnel or Subcontractor personnel. Additionally, SELLER shall only assign personnel to perform such Work: (1) to the extent it is necessary to perform the Work under the Order; and (2) who have passed a background screening investigation which ensures the personnel have met standards evidencing a degree of trustworthiness appropriate to granting the personnel access to proprietary or other forms of sensitive data. SELLER agrees that BUYER shall have sole discretion as to whether SELLER is granted access, and agrees that any access privileges granted to SELLER will be defined by BUYER. BUYER reserves the right to impose additional requirements before granting SELLER personnel access with respect to export compliance, privacy, protection of BUYER Information, security clearance, applicable training, drug screening, credit check, technology control plans, intellectual property agreements and compliance with other site-specific policies and procedures. In the event the Order includes requirements that SELLER personnel have access to information provided by or on behalf of BUYER to SELLER that is subject to additional security access requirements (e.g., classified information, special access, etc.) then SELLER agrees that its personnel shall undergo additional background screening conducted by or on behalf of BUYER, if needed. Additionally, SELLER shall furnish BUYER with all data as BUYER may reasonably require to obtain or verify clearance for the SELLER personnel to be able to access such information. SELLER shall include the substance of this Article, including but not limited to this flowdown requirement, in all subcontracts awarded by SELLER for work under this Order.

7.0 CONTRACT DIRECTION; CHANGES

7.1 Only the BUYER's Procurement Representative has authority on behalf of BUYER to make changes to this Order. All modifications must be identified as such in writing and executed by the parties. Except as otherwise provided herein, all notices to be furnished by SELLER shall be in writing and sent to the BUYER Procurement Representative. BUYER engineering and technical personnel may give assistance or technical advice or discuss or effect an exchange of information with SELLER's personnel concerning the Work hereunder. No such action shall be deemed to be a change under the "Changes" clause of this Order and shall not be the basis for an equitable adjustment.

7.2 BUYER's Procurement Representative may, without notice to sureties and in writing, direct changes within the general scope of this Order in any of the following: (i) technical requirements and descriptions, specifications, statement of work, drawings or designs; (ii) shipment or packing methods; (iii) place of delivery, inspection or acceptance; (iv) reasonable adjustments in quantities or delivery schedules or both; (v) amount of BUYER Furnished Property; (vi) terms and conditions of this Order required to meet BUYER's obligations under its Prime Contracts or subcontracts; and, if this Order includes services, (vii) description of services to be performed; (viii) time of performance (e.g., hours of the day, days of the week, etc.); and (ix) place of performance. If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of this Order, BUYER shall make an equitable adjustment in the Order price and/or delivery schedule, and modify this Order accordingly. Changes to the delivery schedule will be subject to a price adjustment only.

7.3 SELLER must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written change order from BUYER. If SELLER's proposed equitable adjustment includes the cost of property made obsolete or excess by the change, BUYER shall have the right to prescribe the manner of disposition of the property. Failure to agree to any adjustment shall be resolved in accordance with the "Disputes" clause of this Order. However,



nothing contained in this "Changes" clause shall excuse SELLER from proceeding without delay in the performance of this Order as changed.

8.0 WARRANTY

8.1 SELLER warrants that it will perform the Work under this Order with the degree of high professional skill and sound practices and judgment which is normally exercised by recognized professional firms with respect to Work of a similar nature. SELLER warrants Work is performed by appropriately licensed, trained, and supervised personnel.

8.2 SELLER warrants that all Work furnished pursuant to this Order shall strictly conform to applicable specifications, drawings, samples, descriptions, and other requirements of this Order and be free from defects in design, material and workmanship. This warranty shall begin upon final acceptance and extend for a period of one (1) year. The warranty shall not be deemed to limit any warranties of additional scope given to BUYER by SELLER, nor limit BUYER's rights or SELLER's obligations under any other provision of this Order, at law or in equity. No warranties are waived by BUYER supplying, reviewing, commenting upon, or approving plans, specifications, or Data, issuing changes to this Order, or inspecting or Acceptance of the Work.

8.3 If any nonconforming Work is identified within the warranty period, SELLER, at BUYER's option, shall promptly repair, rework to print, replace, or reperform the Work. Transportation of replacement Work, return of non-conforming Work, and reperformance of Work shall be at SELLER's expense. If repair, rework, replacement or reperformance of Work is not timely, BUYER may elect to return, reperform, repair, rework, replace, or reprocur the Work at SELLER's expense. All warranties shall run to BUYER and its customers.

9.0 PRODUCT SUPPORT

9.1 SELLER shall maintain the ability to provide, and shall provide, within the cost of this Order, product support for the Work for a period of ten (10) years or other period of time as mutually agreed by BUYER and SELLER, which shall include, assuring that subcomponents and materials are available, maintaining tooling and other production capability and re-engineering components or systems to address obsolescence required to successfully perform this Order or as mutually agreed between BUYER and SELLER.

10.0 TAXES AND DUTIES

Unless otherwise specified, SELLER prices include all applicable federal, state, and local taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice.

11.0 BUYER FURNISHED PROPERTY

11.1 BUYER may, by written authorization, provide to SELLER property owned by either BUYER or its customer ("**Furnished Property**"). Furnished Property shall be used only for the performance of this Order. Title to Furnished Property shall remain with BUYER or its customer. SELLER shall clearly mark all Furnished Property to show its ownership. Except for reasonable wear and tear, SELLER shall be responsible for, and shall promptly notify BUYER of, any loss or damage to Furnished Property. Without additional charge, SELLER shall manage, maintain, and preserve Furnished Property in accordance with applicable law, the requirements of this Order and good commercial practice.

11.2 At BUYER's request, and/or upon completion of this Order, SELLER shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by BUYER.

11.3 SELLER shall, upon discovery, provide notification to BUYER if any BUYER furnished items are lost, damaged or destroyed. For lost, damaged or destroyed items above and beyond any mutually-agreed spares requirements identified by the SELLER at the onset of any Order, SELLER shall compensate the BUYER for the fully burdened value (less profit) of any lost, damaged or destroyed item including, but not limited to, the item's base part cost, all secondary high reliability up-screening processes and BUYER's internal item processing costs incurred prior to delivery of the parts to the SELLER. BUYER will provide the fully burdened item cost to the SELLER following SELLER's notification or BUYER's discovery of any SELLER caused loss, damage, or destruction.

12.0 PROPRIETARY INFORMATION, MATERIAL AND INFORMATION ASSURANCE

12.1 BUYER and SELLER shall each keep confidential and protect from unauthorized use and disclosure all (i) confidential, proprietary and/or trade secret information of a Party or third party disclosed by a Party; (ii) software provided under this Order; and (iii) tooling identified as subject to this term: in each case that is obtained, directly or indirectly, from the other in connection with this Order or BUYER's contract with its customer, if any, (collectively referred to as "**Proprietary Information and Materials**"). Proprietary Information and Materials excludes information that is, as



evidenced by competent records provided by the receiving Party, known to the receiving party or lawfully in the public domain, in the same form as disclosed hereunder, disclosed to the receiving Party without restriction by a third party having the right to disclose it, or developed by the receiving Party independently without use of or reference to the disclosing Party's Proprietary Information and Materials.

12.2 BUYER and SELLER shall use Proprietary Information and Materials disclosed by the other Party only to perform this Order, other contracts between the Parties, and BUYER's contract with its customer, if any and shall not disclose such Proprietary Information and Materials to any third party except as expressly set forth herein. BUYER may also, at any time use, reformat, copy or disclose SELLER's Proprietary Information and Materials to: (i) fulfill BUYER's obligations under this Order, other contracts with SELLER, and BUYER's contract with its customer, if any; (ii) test, certify, use, sell or support Work delivered under this Order or BUYER's product containing such Work; (iii) evaluate SELLER products and proposals, develop solicitations for SELLER products and develop interfaces or parameters for BUYER products; (iv) perform or obtain data analysis or risk mitigation; (v) obtain data storage, hosting and other outsourced services and (vi) ensure regulatory or legal compliance. Any such disclosure by BUYER shall, when appropriate, include a suitable restrictive legend.

12.3 SELLER may disclose Proprietary Information and Materials of BUYER to its Subcontractors as required to perform this Order, if SELLER includes the following restrictive legend on such disclosures, and if each such Subcontractor has agreed in writing to obligations no less restrictive than those imposed upon SELLER under this term. SELLER shall be liable to BUYER for any breach of such obligation by such Subcontractor.

This document contains the property of ARKA Group, L.P. or its direct or indirect subsidiaries. You may not possess, use, copy or disclose this document or any information in it for any purpose, without express written permission. Neither receipt, from any source, nor possession of this document, constitutes such permission. Possession, use, copying or disclosure by anyone without express written permission of ARKA Group, L.P. or the applicable direct or indirect subsidiaries is not authorized and may result in criminal and/or civil liability.

12.4 A Party may disclose received Proprietary Information and Materials in response to a subpoena or court order, if the receiving Party has used reasonable efforts to give the disclosing Party advance written notice of such requirement to allow the disclosing Party to: (i) seek a protective order or other remedy; (ii) consult with respect to resisting or narrowing the scope of such requirement; or (iii) modify or waive compliance with this term. If such protective order or remedy is not timely obtained, the receiving Party shall use commercially reasonable efforts to disclose only Proprietary Information and Materials legally required to be disclosed and to require confidential treatment of such disclosure.

12.5 Upon BUYER's request, and in any event upon the completion, termination or cancellation of this Order, SELLER shall return to BUYER all of BUYER's Proprietary Information and Materials and all materials derived therefrom, unless BUYER specifically directs otherwise in writing. SELLER shall not dispose of (as scrap or otherwise) any work, parts or other materials containing, conveying, embodying or made in accordance with or by reference to any BUYER Proprietary Information and Materials or (ii) without a separate license agreement or written approval from BUYER, make, use, or sell any Work, parts or materials containing, conveying, embodying or made in accordance with or by reference to Proprietary Information and Materials of BUYER except as required to perform this Order. Prior to disposing of such Work, parts or other materials as scrap, SELLER shall render them unusable.

12.6 The provisions of this Section 12 are effective notwithstanding of any restrictive legends or notices on Proprietary Information and Materials and shall survive the completion, termination or cancellation of this Order. BUYER shall have the right to audit SELLER's compliance with this Section 12.

12.7 If SELLER becomes aware of any compromise of information used in the performance of this Order or provided by BUYER to SELLER, its officers, employees, agents, suppliers, or Subcontractors (an "**Incident**"), SELLER shall take appropriate immediate actions to investigate and contain the Incident and associated risks, including notification within 48 hours to BUYER after learning of the Incident. As used in this clause, "**compromise**" means that information has been exposed to unauthorized access, inadvertent disclosure, known misuse, loss, destruction, or alteration other than as required to perform Work. SELLER shall reasonably cooperate with BUYER in conducting any investigation regarding the nature and scope of any Incident. Any costs incurred to investigate or remedy the Incident are borne by SELLER.

13.0 INTELLECTUAL PROPERTY RIGHTS

13.1 Technical Data and Computer Software Ownership and License Rights



13.1.1 SELLER agrees that the rights in Technical Data and Computer Software to be granted to the Government will be determined in accordance with the applicable regulations set forth in FAR Parts 27 and 52 and DFARS Parts 227 and 252 based upon the specific Technical Data, Computer Software and Work to be performed under the Order and the assertions of restrictions on use, release or disclosure of SELLER's Intellectual Property that are provided to BUYER for delivery to the U.S. Government. SELLER grants licenses to the Government as required to be granted in DFARS 252.227-7013, 7014, 7015, 7016 and 7018, for Technical Data and Computer Software acquired, created or delivered to BUYER in the performance of the Order.

13.1.2 SELLER hereby grants to BUYER an irrevocable, nonexclusive, paid-up, worldwide, license to sell and use SELLER's Technical Data and Computer Software acquired, created or delivered in the performance of the Order (i) to fulfill BUYER's obligations under the Prime Contract; (ii) to disclose to third parties for obtaining government approvals, including airworthiness; and (iii) to satisfy other contract requirements for the same or similar Work. SELLER shall deliver to BUYER all Technical Data and Computer Software needed to fulfill SELLER's obligations in the performance of the Order by the Delivery Date. At BUYER's request, SELLER shall deliver to BUYER all Technical Data and Computer Software acquired or created by SELLER in the performance of the Order, whether or not delivery was required and without additional cost to BUYER.

13.1.3 SELLER shall properly identify, assert, and mark SELLER's rights in Technical Data and Computer Software in conformance with the applicable regulations. For assertions made subsequent to the effective date of the Order, the SELLER shall describe why the assertion is an inadvertent omission or new information before the BUYER will submit such assertions to the Government. If the SELLER's assertions do not comply with the applicable regulations, the Government rejects the SELLER's assertions, or the SELLER does not correctly mark Technical Data or Computer Software, the BUYER assumes no responsibility or liability for any loss of rights by the SELLER.

13.2 Patent Ownership and License Rights

13.2.1 For any Subject Invention, SELLER hereby grants the U.S. Government a nonexclusive, nontransferable, irrevocable, paid-up, worldwide license to Practice or have Practiced the Subject Invention for or on behalf of the U.S. Government. If required by the Prime Contract, SELLER agrees to assign the Subject Invention to the Government. For any Subject Invention in which the SELLER retains ownership, SELLER hereby grants BUYER a non-exclusive, nontransferable, irrevocable, paid-up, worldwide license to Practice and have Practiced the Subject Invention to the extent necessary to fulfill BUYER's obligations under the Prime Contract, as well as for any other purpose.

13.2.2 If the Government has assumed liability for U.S. patent infringement under the Prime Contract (e.g. FAR 52.227-1), SELLER is relieved of its obligations for such U.S. patent infringement under the Section of the Terms and Conditions of the Order entitled "Intellectual Property Indemnification", but only to the extent such liability is indemnified by the Government. If the Prime Contract includes the Patent Indemnification provision under FAR 52.227-3, and if the BUYER's liability to the Government is for the infringement of a United States patent related to the Work, the SELLER shall indemnify the BUYER under the same provision provided for in FAR 52.227-3 which is incorporated herein by reference, except that the terms "Contractor", "Government", "contract" and "Contracting Officer" shall be replaced by "SELLER", "BUYER", "Order" and "BUYER's Procurement Representative" respectively.

14.0 THIRD PARTY AND OPEN SOURCE SOFTWARE

14.1 This clause only applies to Work that includes the delivery of software. "Open Source Software" means any software, programming, or other intellectual property that is subject to (i) the General Public License ("GPL"), Lesser/Library GPL, ("LGPL"), the Affero GPL ("AGL"), the Apache license, the Berkeley Software Distribution ("BSD") license, the MIT license, the Artistic License (e.g., PERL), the Mozilla Public License ("MPL"), or any similar license, including, but not limited to, those licenses listed at <http://www.opensource.org/licenses> or (ii) any agreement with terms requiring any intellectual property owned or licensed by BUYER to be (1) disclosed or distributed in source code or object code form, (2) licensed for the purpose of marking derivative works, or (3) redistributable.

14.2 SELLER shall disclose to and obtain the BUYER's Procurement Representative's prior written consent, which may be withheld in BUYER's sole discretion, before using or delivering any Open Source Software in connection with the Order. SELLER warrants that (1) it has the right to license any Third Party Software licensed to BUYER under the Order, (2) to the best of SELLER's knowledge, the Third Party Software does not, and the use of the Third Party Software by BUYER as contemplated by the Order will not, infringe any intellectual property rights of any third party, (3) unless specifically provided otherwise herein, BUYER shall have no obligation to pay any third party any fees, royalties, or other payments



for BUYER's use of any Third Party Software, and (4) does not obligate BUYER to sell, loan, distribute, disclose or otherwise make available or accessible to any third party (i) the delivered software, or any portion thereof, in object code and/or source code formats, or (ii) any products incorporating the delivered software, or any portion thereof, in object code and/or source code formats. SELLER shall defend, indemnify, and hold harmless BUYER, its customers and SELLERS from and against any claims, damages, losses, costs, and expenses, including reasonable attorney's fees, relating to use in connection with this Order or the delivery of open source software.

15.0 STOP WORK ORDER

BUYER may, by written notice, suspend all or part of the work to be performed under this Order for a period not to exceed 120 days. Within such period of any suspension of work, BUYER shall: (i) cancel the suspension of work order; (ii) terminate this Order in accordance with the "Termination for Convenience" provision of this Order; (iii) cancel this Order in accordance with the "Termination for Default" provision of this Order if grounds for default exist; or (iv) extend the stop work period. SELLER shall resume work whenever a suspension is canceled. BUYER and SELLER shall negotiate an equitable adjustment in the price or schedule or both if: (i) this Order is not canceled or terminated; (ii) the suspension results in a change in SELLER's cost of performance or ability to meet the delivery schedule; and (iii) SELLER submits a claim for adjustment within 20 days after the suspension is canceled.

16.0 TERMINATION FOR CONVENIENCE

16.1 BUYER may terminate all or any part of this Order for its convenience. BUYER shall terminate by delivering to SELLER a Notice of Termination specifying the extent of termination and the effective date. In the event of such termination, SELLER shall immediately stop all work hereunder and shall immediately cause any and all of its Subcontractors to cease work. SELLER shall continue all Work not terminated.

16.2 SELLER's termination claim, if any, shall be submitted within ninety (90) days from the effective date of the termination. Subject to the terms of this Order, SELLER may be paid a percentage of the Order price reflecting the percentage of the Work performed prior to the notice of termination, plus reasonable charges SELLER can demonstrate to the satisfaction of BUYER using its standard record keeping system have resulted from the termination. SELLER shall not be paid for any Work performed or costs incurred which reasonably could have been avoided. In no event shall BUYER be liable for lost or anticipated profits, or unabsorbed indirect costs, or any sum in excess of the total Order price.

17.0 TERMINATION FOR DEFAULT

17.1 BUYER may, by written notice, terminate this Order for default, in whole or in part, if SELLER (i) fails to comply with the terms of this Order; (ii) fails to provide adequate assurances of future performance, (iii) (a) becomes insolvent, (b) becomes unable to pay its debts as they mature, (c) makes a general assignment for the benefit of creditors, (d) have a receiver appointed for the whole or any substantial part of its assets, or (e) become in any way the subject of a bankruptcy petition (each in Subsection (iii)).

17.2 BUYER will pay the Order price for Work accepted prior to the notice of termination. BUYER shall have no liability for Work terminated for SELLER's default. SELLER shall be liable to BUYER for any and all expenses, costs, and damages including increased re-procurement costs, requalification costs, and other nonrecurring costs. BUYER may require SELLER to deliver to BUYER any supplies and materials, manufacturing materials, and manufacturing drawings that SELLER has specifically produced or acquired for the terminated portion of this Order.

17.3 If after termination for default, it is determined that SELLER was not in default, the rights and obligations shall be the same as if the SELLER was terminated for convenience.

18.0 FORCE MAJEURE

Neither BUYER nor SELLER shall be liable for any failure to perform due to any cause beyond its reasonable control and without its fault or negligence. Such causes include, but are not limited to: (1) acts of God or of the public enemy; (2) acts or failure of any government in either its sovereign or contractual capacity; (3) fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, nuclear incident or any other act or event beyond reasonable control and without the fault of either Party. In the event that performance of this Order is hindered, delayed, threatened to be delayed, or adversely affected by causes of the type described above, then the Party whose performance is so affected shall immediately notify the other Party's Procurement Representative in writing, including all relevant information with respect thereof, and shall likewise notify promptly of any subsequent change in the circumstances, and at BUYER's sole option, this Order shall be completed with such adjustments to delivery schedule as are reasonably required by the existence of such cause or this Order may be terminated for convenience.

19.0 INTERNATIONAL OFFSET

To the exclusion of all others, BUYER or its assignees shall be entitled to all industrial benefits or offset credits that might result from this Order. SELLER grants to BUYER exclusive rights to all offset and industrial participation credits and benefits generated by SELLER, its SELLERS, and Subcontractors arising out of the Order. SELLER shall support BUYER in meeting BUYER's offset requirements in proportion to the value of the Work supplied by SELLER to the value of the end item sold by BUYER into the particular country. Upon BUYER's request, SELLER shall (i) report all subcontract sources outside the United States utilized in the fulfillment of the Order, including the name and location of each such source, amounts paid and committed thereto, and identification of the Work procured; (ii) provide copies of all purchase orders; and (iii) execute all necessary documents to evidence BUYER's right to use, claim, or assign any offset credits or industrial participation. SELLER shall include the substance of this sub-Section, in favor of BUYER, in its subcontracts issued at all tiers pursuant to the Order.

20.0 INTERNATIONAL TRADE COMPLIANCE

20.1 International Trade Compliance ("ITC") Laws. SELLER hereby certifies that, in connection with the performance of the Agreement and/or Order, it will comply with all applicable ITC Laws including but not limited to the Export Administration Regulations ("EAR") and International Traffic in Arms Regulations ("ITAR"). SELLER agrees that no hardware, software, Technical Data, and/or services (collectively referred to as "Items") controlled under U.S. export and import laws and regulations and provided by BUYER in connection with the Order shall be provided to any non-U.S. person or entity unless the transfer is expressly permitted by a U.S. Government license or other authorization, or is otherwise in accordance with applicable laws and regulations. If BUYER authorizes SELLER to engage in subcontracting for procurements related to the Order, SELLER shall incorporate into its subcontracts the provisions of this Section requiring compliance with U.S. and other applicable export and import control laws and regulations.

20.2 Denied Party Screening. SELLER shall not engage with any person or entity ineligible to perform hereunder because of any embargo, sanction, debarment, or designation as a Specially Designated National ("SDN") or a denied party, as maintained by the U.S. government or any applicable non-U.S. government or union of states (e.g. European Union).

20.3 Export Licensing. If any Order requires either Party to obtain government-approved export authorization to facilitate activities and obligations set forth under such Order, the Parties shall mutually exercise reasonable efforts to support the preparation and management of the authorization in full compliance with applicable ITC Laws. Upon request, the Parties shall exchange copies of all government export authorizations related to the Items, and all provisions, conditions, limitations, or information relating to the authorization.

20.4 Export and Import Classification; Registration. Where known, or where SELLER is the design authority for the Items that are subject to the Agreement and/or Order, SELLER shall provide BUYER with (i) the applicable Harmonized Tariff Schedule Number, (ii) the jurisdiction and classification of the Items under the ITAR or EAR; and (iii) any analogous classification under any other applicable law. SELLER shall timely notify BUYER in writing of any changes to the export or import classification on Items subject to the Order. If, under any Order, SELLER will engage in any manufacturing or exporting of USML items, or engage in the provision of defense services (as defined in 22 C.F.R. § 120.9), SELLER shall maintain registration with the Directorate of Defense Trade Controls ("DDTC") as may be required by 22 C.F.R. Part 122 of the ITAR. Upon request, SELLER shall provide BUYER annually with its DDTC registration expiration date.

20.5 Certifications. If the Order forms the whole or a part of a sale by BUYER of defense articles or defense services being sold in support of a Foreign Military Sale or commercially to or for the use of the armed forces of a foreign country or international organization, SELLER shall upon acceptance of the Order, complete and submit to BUYER Form IN009 "International Traffic in Arms Regulations Certificate and Reporting of Political Contributions, Fees or Commissions," in furtherance of the requirements stipulated in Part 130 of the ITAR, 22 CFR §§130.9 and 130.10.

20.6 Destruction of Technical Data, Controlled Work & Controlled BUYER Items. Upon completion of performance under an Order, and expiration of recordkeeping obligations under the Agreement and/or Order, SELLER and Subcontractors shall destroy or return to BUYER all Technical Data, all controlled Work, and controlled BUYER Items, as instructed by BUYER. With respect to Technical Data, destruction applies to both physical copies and electronic copies. Destruction of the foregoing must render such items useless beyond repair, rehabilitation and restoration, destroying any capabilities, recognition characteristics and unique identifiers.

20.7 Required Notices. SELLER shall promptly notify BUYER if it becomes aware of any failure by SELLER or its Subcontractors to comply with this Section and shall cooperate fully with BUYER in any investigation of such failure to



comply. SELLER shall also promptly notify BUYER of any name change, address change or change in ownership or control of SELLER. If the change in ownership or control of SELLER involves a country designated under ITAR Section 126.1 or EAR Part 740, Supp. No. 1, Country Group D:5, E:1, E:2, SELLER shall notify BUYER at least 60 days prior to the change.

20.8 “Country of Origin” shall mean either the country where Work is wholly obtained or, when two or more countries are involved in the production of Work, the country where the last substantial transformation was carried out. SELLER shall identify the Country of Origin of all Work on the goods and the commercial invoice or pro forma invoice accompanying the shipment, and in any other format as BUYER may direct. Where SELLER is not the manufacturer of the Work, it shall obtain the Country of Origin from the manufacturer of such Work. Upon BUYER’s request, SELLER shall provide, or assist in obtaining from its Subcontractors, certificates of origin, declarations, and/or affidavits necessary to support BUYER’s claims for duty-free or preferential duty treatment under international trade agreements and tariff programs.

20.9 SELLER shall provide complete and accurate customs documentation, including without limitation, documentation required for customs clearance, HS classification, valuation, origin, preferential treatment, duty drawback and other terms, as required. For any Order that includes customs clearance services, such services shall be quoted and charged at a fixed sum and performed by SELLER as the importer of record in accordance with Program Specific Terms incorporated into the Order. In no event shall an Order that includes customs clearance services allow or provide for contingent or success fees.

20.10 SELLER shall inform BUYER of any applicable antidumping or countervailing duty, investigation and/or orders, and shall provide BUYER any documentation necessary to establish, where applicable, that imported Work are outside the scope of the Orders. SELLER warrants that all sales made hereunder are or will be made at not less than fair value under the United States anti-dumping laws, and SELLER will indemnify, defend and hold BUYER harmless from and against any costs or expenses (including but not limited to any antidumping duties which may be imposed), arising out of or in connection with any breach of this warranty.

21.0 GENERAL COMPLIANCE WITH LAWS

21.1 SELLER and the Work shall comply with all applicable statutes and government rules, regulations and orders, including without limitation all applicable country laws relating to anti-corruption or anti-bribery, including but not limited to the Foreign Corrupt Practices Act, as amended, (“FCPA”) (15 U.S.C. §§78dd-1, *et. seq.*). In the performance of this Order, SELLER shall not directly or indirectly pay, offer, give, or promise to pay or give anything of value to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery. SELLER, at its expense, shall provide reasonable cooperation to BUYER in conducting any investigation regarding the nature and scope of any failure by SELLER or its personnel to comply with applicable local, state, and federal laws, orders, rules, regulations, and ordinances that may affect the performance of SELLER’s obligations under this Order.

21.2 SELLER shall maintain environmental, health and safety management systems as appropriate to ensure compliance with applicable federal, state, and local requirements.

21.3 To the extent applicable, SELLER commits to comply with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) and its implementing regulations and commits to have in place a supply chain policy and processes to comply with the Act and perform appropriate due diligence on its supply chain.

21.4 SELLER certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (41 U.S.C. §§51-58).

21.5 If this Order contains a DPAS rating, this Order is a "rated order" certified for national defense, emergency preparedness, and energy program use, and SELLER shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).

21.6 SELLER represents that it shall not furnish to BUYER Work or separately-identifiable items or components of Work that (i) are an unauthorized copy or substitute of an original equipment manufacturer or original component manufacturer (collectively, “OEM”) item; (ii) are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture; (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design; (iv) have been re-worked, re-marked, re-labeled, repaired, refurbished, or otherwise modified from OEM design but are represented as OEM authentic or as new; (v) have not passed successfully all OEM required testing, verification, screening, and quality control processes, (vi) fail to meet the requirement of an



“Approved Part” as defined in FAA Advisory Circular 21-29C and any updated version thereof, or (vi) are otherwise counterfeit or suspected counterfeit. Such counterfeit or suspect counterfeit goods shall be deemed non-conforming, and SELLER shall disclose the source of the counterfeit or suspect counterfeit good to BUYER and cooperate with BUYER with respect to any investigations or remedial actions undertaken by BUYER.

21.7 The FAR, DFARS and other required clauses and provisions listed in Attachment B are incorporated herein as if set forth in full text. The FAR, DFARS and other required clauses and provisions shall be the version in effect on the date of the Order, unless a different version appears in the BUYER’s Prime Contract, in which case the version in the BUYER’s prime contract version applies.

21.8 If: (i) BUYER's contract price or fee is reduced; (ii) BUYER's costs are determined to be unallowable; (iii) any fines, penalties, or interest are assessed on BUYER; or (iv) BUYER incurs any other costs or damages; as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by SELLER, its officers, employees, agents, or Subcontractors at any tier, BUYER may make a reduction of corresponding amounts (in whole or in part) in the price of this Order or any other contract with SELLER, and/or may demand payment (in whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded. In the case of withholding(s), BUYER may withhold the same amount from SELLER under this Order.

22.0 INDEMNIFICATION

22.1 SELLER warrants that the Work performed or delivered under this Order will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. SELLER shall indemnify, defend and hold harmless BUYER and its customer from all claims, suits, actions, awards (including but not limited to awards based on intentional infringement of patents), liabilities, damages, costs and attorneys' fees related to the actual or alleged infringement of any intellectual property right or misappropriation or wrongful use of information or documents, and arising out of or related to the use, manufacture, reproduction, sale or other distribution of Work by BUYER or its customer. BUYER and/or its customer shall timely notify SELLER of any such claim, suit or action. SELLER shall, at its own expense, defend such claim, suit or action and BUYER shall have the right to participate in the defense at its own expense. SELLER shall have no obligation to indemnify BUYER for infringement arising from (i) the compliance of SELLER's new product design with formal specifications issued by BUYER where infringement could not be avoided in complying with such specifications or (ii) use or sale of Work for other than their intended application when such infringement would not have occurred from the use or sale of that Work solely for the purpose for which they were designed or sold by SELLER. The exception in (i) above shall not apply if the infringement arises out of adherence to one or more industry standards or regulatory requirements.

22.2 SELLER shall indemnify and hold harmless BUYER, BUYER's Customers, insurers, and their employees, agents, officers and directors from and against all suits, claims, judgments, awards, losses, damages, costs or expenses (including attorneys’ fees) relating to, arising out of, or caused by (i) the performance hereunder, (ii) any act or omission of SELLER or (iii) any Work. SELLER’s indemnification obligation hereunder covers, without limitation, injuries, sickness, diseases (including occupational disease whenever occurring), or death of SELLER’s employees.

23.0 INSURANCE

23.1 SELLER and its Subcontractors shall maintain for the performance of this Order the following insurances: (i) Workers’ compensation insurance meeting the statutory requirements where Work will be performed; (ii) Employer’s liability in the amount of \$1 million per each accident or per each employee for disease; (iii) Commercial General Liability (“**CGL**”) Insurance and Umbrella Liability Insurance, including Premises Liability and Contractual Liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of \$5,000,000 for any one occurrence; (iv) Automobile liability (“**AL**”) insurance covering third party bodily injury and property damage with a minimum of \$1 million per occurrence limit, or in such higher amounts as BUYER may require; and (v) such other insurance as BUYER may require.

23.2 SELLER shall provide BUYER thirty (30) days advance written notice prior to the effective date of any cancellation or reduction in the term or coverage of any of SELLER's required insurance, provided however such notice shall not relieve SELLER of its obligations to maintain the required insurance. SELLER shall have its’ insurers name BUYER as an additional insured on the CGL and AL policies for the duration of this Order. If requested, SELLER shall provide a "Certificate of Insurance" evidencing SELLER's compliance with these requirements. Insurance maintained pursuant to this clause shall be considered primary as respects the interest of BUYER and is not contributory with any insurance which BUYER may



carry. SELLER's obligations herein for procuring and maintaining insurance coverage are freestanding and are not affected by any other language in this Order. In addition to the minimum insurance requirements set forth above, SELLER also agrees to secure, maintain and require its Subcontractors to maintain, the additional insurance coverages and limits relevant to Supplier's performance of the Order, as required by BUYER.

24.0 CHANGE IN CONTROL

24.1 Prior to a potential change in control of SELLER (including (i) a change in the beneficial ownership of SELLER, either directly or indirectly, of 50% or more; (ii) any change, of any amount, in the beneficial ownership of SELLER, either directly or indirectly, which involves a direct or indirect competitor of BUYER; (iii) a sale, lease, exchange, transfer, or other disposition, directly or indirectly, of substantially all of either (a) the assets of SELLER or (b) the assets SELLER uses to perform its obligations under an Agreement or Order; or (iv) the entry by SELLER or its Affiliate into any agreement contemplating any of the foregoing transactions) and at least 90 days prior to the proposed effectiveness of such change in control, SELLER will promptly notify BUYER in writing thereof (including the identity of and reasonable information regarding the potential third party or parties) and obtain BUYER's written consent prior to the effectiveness of such change in control, consistent with applicable law and confidentiality restrictions. As a condition of granting such consent, BUYER shall have the right to require SELLER to obtain a guarantee from the new controlling party or other adequate assurances of performance, as applicable, by providing written notice thereof to SELLER. In the event such consent is not sought or obtained in accordance with the terms hereof, BUYER shall have, in addition to the rights described above, the right to terminate the Agreement and/or Order, or any portion thereof, for default without a right to cure and without any liability or obligation whatsoever to SELLER for the portion terminated and BUYER's rights and remedies as set forth in the Section herein entitled "Termination for Default" shall apply.

24.2 In addition, in the event BUYER grants its consent to a change in control, BUYER shall have 180 days following its receipt of notice, to inform SELLER, upon 30 days advance written notice, of BUYER's intention to terminate the Agreement and/or Order, or any portion thereof, with BUYER's only obligation to pay for the conforming Work actually received prior to the expiration of such 30 day period. If BUYER chooses to terminate the Agreement and/or Order under this Section and the remaining term of the this Order is in excess of 6 months, SELLER shall, at no additional charge to BUYER, (i) provide BUYER with unrestricted access to all information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, utilized by SELLER and necessary for the production of the Work, (ii) deliver or have unrestricted access to that tooling and test equipment necessary to make or have made the Work, and (iii) provide to BUYER a worldwide, perpetual, non-exclusive, fully paid, irrevocable, license, with a right to grant sublicenses, to SELLER's information, data, know-how, and other Intellectual Property, including proprietary and manufacturing information, to the extent necessary, to enable BUYER to make, have made, use, sell and license the Work; and assist and compensate BUYER for the costs associated with transitioning to another SELLER or BUYER assuming the production of the Work itself, protecting the tooling and other equipment necessary for production of the Work, and taking other reasonable steps to ensure the Work are produced without interruption according to BUYER's Specifications.

25.0 ASSIGNMENT; SUBCONTRACTING

Any assignment by SELLER of an Order, in whole or in part, without BUYER's prior written consent shall be null and void and shall constitute a material breach of such Order. SELLER may not assign, delegate, or subcontract all or substantially all of its rights, responsibilities or obligations due or to become due under the Order without the prior written consent of the BUYER. In the case of any approved assignment, delegation, or subcontracting of any of its rights, responsibilities, or obligations hereunder, SELLER shall perform all supply management activities that are necessary for the on-time delivery of Work conforming to this Order. SELLER shall be solely and fully responsible for monitoring said suppliers under all provisions of the applicable subcontracts, and for ensuring that each of its suppliers complies with the requirements set forth herein and the SELLER shall remain fully liable to BUYER for, and shall be BUYER's sole point of contact for, all aspects of proper performance of the Order, regardless of (i) any assignment, delegation, or subcontracting; (ii) BUYER approval of the Subcontractors; or (iii) SELLER's failure to ensure the relevant subcontracts contain provisions that comply in substance with the requirements set forth herein.

26.0 DISPUTES

Any dispute arising under or in connection with this Order shall be submitted in writing for resolution to ascending levels of management of the respective Parties. If a dispute cannot be settled by mutual agreement of the Parties, it may be decided by a court of competent jurisdiction. Until final resolution of any dispute hereunder, SELLER shall diligently



proceed with the performance of this Order as directed by BUYER. The dispute resolution procedures do not supersede, delay or otherwise affect any rights of termination that are expressly set forth herein.

27.0 GOVERNING LAW

This Order and any matter arising out of or related to this Order shall be governed by the laws of New York, USA, without regard to conflicts of law principles, except that (i) Sections 5-1401 and 5-1402 of the New York General Obligations law will apply, (ii) the United Nations Convention on Contracts for the International Sale of Goods dated April 11, 1980, as amended to date, will not apply, and (iii) that any provision of this Order incorporated from the Federal Acquisition Regulation (“**FAR**”) or any other United States government agency regulation shall be governed by the federal common law of government contracts. A Party shall give the other Party 30 days written notice prior to commencing any legal action at a court of competent jurisdiction. Either Party may bring legal action only in the state of Connecticut, unless BUYER waives and consents to personal jurisdiction and venue in another state before the 30 day notice period expires. If BUYER and SELLER mutually agree to participate in alternative dispute resolution, SELLER agrees that all alternative dispute resolution proceedings shall take place in New York, USA.

28.0 RELATIONSHIP OF THE PARTIES

The relationship between SELLER and BUYER will be that of independent contractors and not that of principal and agent, nor that of legal partners. Neither Party will represent itself as the agent or legal partner of the other Party nor perform any action that might result in other persons believing that it has any authority to bind or enter into commitments on behalf of the other.

29.0 RELEASE OF INFORMATION

Except as required by law, SELLER or its Subcontractors, shall not make or authorize any news release, advertisement, or other disclosure that relates to the Order or the relationship between BUYER and SELLER, deny or confirm the existence of the Order or make use of BUYER's name or logo without the prior written consent of BUYER.

30.0 RECORD RETENTION

Unless a longer period is specified in this Order or by law or regulation, SELLER shall retain all records related to this Order for seven (7) years from the date of final payment received by SELLER. Records related to this Order include, but are not limited to, financial, proposal, procurement, specifications, production, inspection, test, quality, shipping and export, and certification records. At no additional cost, SELLER shall timely provide access to such records to the US Government and/or BUYER upon request.

31.0 INTERPRETATION; WAIVER

These Terms and Conditions and any Order shall be construed as if drafted jointly by the Parties and no provision in these Terms and Conditions and/or the Order shall be interpreted for or against any Party because that Party or that Party's legal representative drafted the provision. Failure by either party to enforce any of the provisions of this Order or applicable law shall not constitute a waiver of the requirements of such provisions or law, or as a waiver of the right of a party thereafter to enforce such provision or law. SELLER agrees that BUYER approvals of SELLER's documents, specifications, or other submissions shall not relieve SELLER from its obligations to perform all requirements of this Order. The rights and remedies of either party in this Order are cumulative and in addition to any other rights and remedies provided by law or in equity.

32.0 SURVIVABILITY

All rights, obligations, and duties hereunder, which by their nature or by their express terms extend beyond the expiration of the Order, including but not limited to warranties, indemnifications, intellectual property (including rights to and protection of Intellectual Property and Proprietary Information), and product support obligations shall survive the expiration or termination of the Order.

33.0 SEVERABILITY

Each clause, paragraph and subparagraph of this Order is severable, and if one or more of them are declared invalid, the remaining provisions of this Order will remain in full force and effect.