



TERMS AND CONDITIONS OF PURCHASE

1. FORMATION OF CONTRACT

- a. This proposed purchase contract, which incorporates by reference these Terms and Conditions of Purchase and all other terms and conditions set forth in this proposed purchase contract (collectively, "Contract"), is Buyer's offer to purchase goods and any related services or other deliverables (collectively "Goods") described in this offer. Seller's acceptance is strictly limited to the terms and conditions in this offer. Unless specifically agreed to in writing by an authorized representative of Buyer, Buyer objects to, and is not bound by, any term or conditions that differs from or adds to this offer. Seller's commencement of performance or acceptance of this Contract in any manner shall conclusively evidence acceptance of this Contract as written. Buyer and Seller are referred to herein as a "Party" or collectively as the "Parties".
- b. Except as authorized herein, no amendment or modification of this Contract shall bind either Party unless it is in writing and signed by the authorized representatives of the Parties.
- c. The Parties drafted this Contract without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted. Any exhibits, schedules, attachment, and appendices referred to herein are an integral part of this Contract to the same extent as if they were set forth herein.

2. DELIVERY SCHEDULE

- a. Time is and shall remain of the essence in performance of this Contract, and Seller shall strictly adhere to the shipment or delivery schedules specified in this Contract. Failure to deliver in accordance with such schedules, if unexcused, shall constitute a material breach of this Contract. In the event of any anticipated or actual delay, including delays attributed to labor disputes, Seller shall: (i) promptly notify Buyer in writing of reasons for the delay and the actions being taken to overcome or minimize the delay; (ii) provide Buyer with a written discovery schedule; and (iii) if requested by Buyer, ship via air or other expedited routing, to avoid or minimize delay to the maximum extent possible.
- b. Where Seller fails to deliver Goods in accordance with the delivery schedule, such Goods shall be deemed delivered late and liquidated damages will apply in the amount of one percent (1%) the price of the Goods per day of delay, capped at twenty percent (20%) the price of the delayed Goods. Seller shall reimburse Buyer for any costs, expense or damages asserted against Buyer by Buyer's end-customer due to such delay in delivery.
- c. Seller shall not deliver Goods prior to the scheduled delivery date unless authorized in writing by Buyer. Buyer reserves the right to reject all or any part of any delivery that varies from the quantity

authorized by Buyer for shipment and Seller shall be responsible to pay: (i) in case of excess quantities or incorrect Goods, all shipping costs associated with the return of such additional or incorrect Goods, and (ii) in case of shortages, expedited shipping costs for the remainder of the Goods.

3. PACKING AND SHIPPING

- a. Seller shall pack Goods to prevent damage and deterioration. Packing lists must be included with every shipment and marked clearly with Buyer's purchase order number issued and packing lists must contain any item numbers in the order issued on Buyer's purchase order. All subcontractors who directly receive raw material, components or parts from third parties on behalf of Buyer, such as a drop shipment, must forward a copy of the packing list and bill of lading to Buyer upon receipt. No charges for extras or for cartage or boxing or storage will be allowed unless the same has been agreed upon in writing by Buyer. All Goods must be forwarded in accordance with the Buyer's shipping instructions.
- b. If this Contract specifies FOB Destination or DDP (Incoterms 2020) Buyer's named place of delivery, Seller shall forward Goods freight prepaid. Seller shall make the transportation arrangements, pay the shipping costs, and remain responsible for the Goods until Goods are delivered at the destination.
- c. If this Contract specifies FOB Origin or EXW (Incoterms 2020) Seller's facility, Seller shall forward Goods collect. For Goods shipped within the United States, Seller shall make no declaration concerning the value of Goods shipped except on Goods where the tariff rating is dependent upon released or declared value. In such event, Seller shall release or declare such value at the maximum value within the lowest rating. Seller shall ship Goods in accordance with Buyer's instructions.
- d. Title to the Goods shall pass upon Buyer's customer's acceptance of Goods.

4. CHANGES

- a. Buyer may, without notice to sureties and in writing, direct changes within the general scope of this Contract 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) adjustments in quantities or delivery schedules or both; (v) amount of Buyer-furnished property; (vi) terms and conditions of this Contract required to meet Buyer's obligations under Government prime contracts or subcontracts; and, if this Contract includes services, (vii) description of services to be performed; (viii) time of performance; and (ix) place of performance. Seller shall comply promptly with such direction. Except for the rights granted to Buyer under this Article, a change pursuant to this Article shall not give rise to nor authorize any other modification of or amendment to the terms and conditions of this Contract.
- b. If such change increases or decreases the cost or time required to perform this Contract, the Parties shall negotiate an equitable adjustment in the price or schedule, or both, to reflect the increase or decrease. Buyer shall modify this Contract in writing accordingly. Unless otherwise agreed in writing, Seller must assert any claim for adjustment to Buyer's authorized representative in writing within twenty (20) days and deliver a fully supported proposal to Buyer's authorized representative within forty-five (45) days after Seller's receipt of such direction. Buyer may, at its sole discretion, consider any claim

regardless of when asserted. Seller has the burden to support the amount of Seller's claim for equitable adjustment. Further, Buyer shall have the right to verify the amount of Seller's claim. Failure of the Parties to agree upon any adjustment shall not excuse Seller from performing in accordance with Buyer's direction.

c. If Seller considers that Buyer's conduct constitutes a change, Seller shall notify Buyer's authorized representative promptly in writing as to the nature of such conduct and its effect upon Seller's performance. Pending direction from Buyer's authorized representative, Seller shall take no action to implement any such change.

d. Seller shall promptly notify Buyer and obtain Buyer's consent prior to any change in Goods, sourcing, or service, either planned or unplanned, that may affect form, fit or function of the Goods.

5. INSPECTION

a. Goods shall be subject to inspection and test at reasonable times and places, including Seller's and Seller's subcontractors' locations. Buyer has the right to visit Seller and Seller's subcontractors' locations during operating hours to inspect, review, and assess progress and performance under this Contract, including production, schedule, quality, and inventory. Any Buyer representative shall be allowed to access all areas used for performance of this Contract. Buyer shall perform inspections, reviews, and tests so as not to unduly delay the work.

b. Seller shall maintain an inspection system acceptable to Buyer for Goods.

c. If Buyer performs an inspection, review, or test on the premises of Seller or its subcontractors, Seller shall furnish, and require its subcontractors to furnish, reasonable facilities, and assistance for the safe and convenient performance of these duties.

d. Buyer's rights to perform inspections and tests and to review procedures, practices, processes, and related documents shall extend to Buyer's customers that are departments, agencies, or instrumentalities of the United States Government and any successor agency or instrumentality of the United States Government. Buyer may also, at Buyer's option, by prior written notice from Buyer's authorized representative, extend such rights to other customers of Buyer. Seller shall cooperate with any such United States Government-directed or Buyer-directed inspection, test, or review. Nothing in this Contract shall be interpreted to limit the United States Government access to Seller's facilities pursuant to law or regulation.

e. Reviews, including program reviews, requirements consumption reviews, and product readiness assessments, shall be held at Seller's, Buyer's, or Buyer's customers' facilities, as requested by Buyer. The topics of these reviews shall be specified by Buyer and may include Seller's or Seller's sub-tier suppliers' current and future capacity and capabilities, raw material and component part status, production status, Buyer's supplied components, inventory, Buyer's requirements, Seller's current compliance to and process for: (i) review; (ii) incorporation; and (iii) flowdown of Buyer or Buyer's customer requirements, manufacturing plans, first article plans, changes, forecasts, disaster preparedness, and other issues pertinent to Seller's performance under this Contract.

6. ACCEPTANCE AND REJECTION.

- a. Buyer shall accept Goods or give Seller notice of rejection due to any defect or nonconformance within a reasonable time after the date of delivery. No payment, prior test, inspection, passage of title, failure, or delay in performing any of the foregoing, nor failure to discover any defect or other nonconformance shall relieve Seller of any obligations under this Contract or impair any rights or remedies of Buyer, including revocation of acceptance.
- b. If Seller delivers defective or non-conforming Goods, Buyer may at its option and at Seller's expense: (i) require Seller to promptly correct or replace Goods; (ii) return Goods for credit or refund; (iii) correct Goods; or (iv) obtain replacement Goods from another source. Return to Seller of defective or non-conforming Goods and redelivery to Buyer of corrected or replaced Goods shall be at Seller's expense and risk of loss.
- c. Seller shall not redeliver corrected or rejected Goods without disclosing the former rejection or requirement for correction. The seller shall disclose any corrective action taken. Repair, replacement and other corrections and redelivery shall be completed as Buyer's authorized representative may reasonably direct.

7. NOTIFICATION OF SELLER DISCREPANCIES

- a. Seller shall promptly notify Buyer in writing when discrepancies in Seller's process, including violation of or deviation from Seller's approved inspection/quality control system, or Goods are discovered or suspected regarding Goods delivered or to be delivered under this Contract. Seller's notification shall include the quantity and specific identity of any impacted Goods.
- b. [Reserved]

8. INVOICES AND PAYMENT

- a. Unless otherwise authorized by Buyer, Seller shall issue a separate original invoice for each delivery of Goods that shall include (i) name and address of Seller; (ii) invoice date and number; a corresponding invoice line for each line item (e.g., contract number, line item number, and, if applicable, the order number); (iii) description, quantity, unit of measure, unit price and extended price of the Goods delivered; (iv) shipping number and date of shipment, including bill of lading number and weight of shipment if shipped on a Government bill of lading; (v) terms of any discount for prompt payment offered; (vi) name and address of official to whom payment is sent; (vii) name, title, and phone number of person to notify in the event of defective invoice; (viii) taxpayer identification number (if required); and (ix) electronic funds transfer (EFT) banking information (if required). Invoices shall be dated no earlier than the date of shipment of Goods or delivery of services. Any payment discount period begins upon receipt of invoice, required delivery date, or date any applicable discrepancy is resolved, whichever date is later. Buyer will pay invoices no earlier than sixty (60) days from the later of the scheduled delivery date of Goods, the actual delivery date of Goods, acceptance of Goods by Buyer's customer, or the date of receipt of a correct invoice. Seller shall promptly repay Buyer any amounts paid in excess of amounts due to Seller.

b. Except for amounts invoiced under the "Termination" Article, Seller shall be deemed to have waived all charges and fees that are not invoiced within ninety (90) calendar days after the end of the calendar year in which the charges were incurred.

c. Prepayments. Unless otherwise agreed by the Parties in a separate written agreement, any prepayment made by Buyer under this Contract shall be used as a credit, and Seller will apply a credit equal to Buyer's prepayment against any payment owed by Buyer to Seller until such prepayment amount is credited in full. Notwithstanding the foregoing, Seller acknowledges and shall reimburse to Buyer, within ten (10) days of Buyer's request, any prepayment paid by Buyer to Seller in the event of: (i) a termination of this Contract under Section II; (ii) Seller fails to meet its delivery, quality, and warranty obligations under this Contract; or (iii) in the event there are insufficient sales or delivery orders such that Buyer has not fully recovered any prepayments to Seller.

9. SUSPENSION OF WORK

a. Buyer may, by written order, suspend all or part of the work to be performed under this Contract for a period not to exceed one hundred (100) days. Within such period any suspension of work, Buyer shall either (i) cancel the suspension of work order; (ii) terminate this Contract in accordance with the "Termination for Convenience" provision of this Contract; (iii) terminate this Contract in accordance with the "Termination for Default" provision of this Contract if ground for default exist; or (iv) extend the stop work period.

b. Seller shall resume work whenever a suspension is canceled. Buyer and Seller shall negotiate and equitable adjustment in the price or schedule or both if: (i) this Contract is not terminated; (ii) the suspension results in a change in Seller's cost of performance or ability to meet the delivery schedule; and (iii) Seller submit a claim for adjustment within twenty (20) days after the suspension is canceled.

10. WARRANTY

a. Seller warrants that:

- i. Goods shall conform to all specifications and requirements of this Contract and shall be free from defects in materials and workmanship;
- ii. To the extent Goods are not manufactured pursuant to detailed designs and specifications furnished by Buyer, Goods shall be free from design and specification defects;
- iii. Goods shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party;
- iv. Goods shall be free from liens and encumbrances;
- v. Goods shall not contain any viruses, malicious code, trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (a) damage, destroy, or alter any software or hardware; (b) reveal, damage, destroy, or alter any data; (c) disable any computer program automatically; or (d) permit unauthorized access to any software or hardware; and

- vi. Goods shall not contain any third-party software (including software that may be considered free software or open source software) that: (a) may require any software to be published, accessed, or otherwise made available without the consent of Buyer; (b) may require distribution, copying, or modification of any software free of charge; (c) may require disclosure, license, or redistribution of source code; (d) may require the grant of rights in excess of those granted by Buyer's or Buyer's customer's standard end user license agreements; (e) may require that others have the right to modify the code; or (f) may impose additional requirements on redistribution such as inclusion of additional license agreement for specific code modules.

b. The warranty offered by the manufacturer of the Goods will apply and pass-through the Buyer and the Customer.

11. TERMINATION

a. Termination for Convenience. Buyer may terminate all or part of this Contract or any order for its convenience upon written notice to the Seller. Upon termination, in accordance with Buyer's written direction, Seller will immediately: (i) cease work and place no further subcontracts or orders for materials, services, or facilities, except as necessary to complete the continued portion of the order; (ii) prepare and submit to Buyer an itemization of all completed and partially completed Goods and services; (iii) if requested by Buyer, deliver to Buyer any and all Goods and services completed up to the date of termination at the pre-termination order price; and (iv) if requested by Buyer, deliver any work-in-process. Buyer shall not be liable to Seller for an order terminated prior to the commencement of lead time or manufacture of the Goods.

In the event Buyer terminates a Contract or order for its convenience after performance has started, Buyer will compensate Seller only for the actual and reasonable work-in-process costs incurred by Seller on any Goods and services required to be delivered within the lead time period, calculated from Buyer's issuance of the notice of termination. If the order does not specify lead time, lead time shall be the reasonable average time required to manufacture and deliver the Goods and/or perform the services. Seller shall use reasonable efforts to mitigate its own and Buyer's liability under this Section. To receive compensation, Seller must submit its termination claim, as directed by Buyer, within ninety (90) days from the effective date of the termination, unless some other time period is directed by Buyer.

Buyer shall not be liable to Seller for costs or damages other than as described above, and in no event for lost or anticipated profits, or unabsorbed indirect costs or overhead, or for any sum in excess of the total contract price.

b. Termination for Default.

- i. Buyer may, by written notice to Seller, terminate all or part of this Contract if: (a) Seller refuses to delivery Goods; (b) Seller fails to deliver Goods within the time specified by this Contract or any written extension; (c) Seller fails to perform any other provision of this Contract or so fails to make progress, so as to endanger performance of this Contract, and, in either of these two circumstances, within ten (10) days after receipt

of notice from Buyer specifying the failure, does not cure the failure or provide Buyer with a written detailed plan adequate to cure the failure if such failure reasonably cannot be cured within such ten (10) days and such plan is acceptable to Buyer; (c) Seller fails to provide written adequate assurance of its ability to perform in accordance with the terms of this Contract within ten (10) days of written request for adequate written assurance from Buyer specifying the matters that are or could affect such ability to perform; or (d) in the event of Seller's bankruptcy, suspension of business, insolvency, appointment of receiver for Seller's property or business, or any assignment, reorganization, or arrangement by Seller for the benefit of its creditors.

- ii. Seller shall continue all work that is not terminated.
 - iii. Buyer may require Seller to transfer title and deliver to Buyer, as directed by Buyer, (i) any completed Goods and (ii) any partially completed Goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, or contract rights (collectively, "Manufacturing Materials") that Seller has specifically produced or acquired for the terminated portion of this Contract. Upon written direction from Buyer, Seller shall also protect and preserve property in its possession in which Buyer or its customer has an interest.
 - iv. Buyer shall pay the price for completed Goods accepted. In addition, any payment for Manufacturing Materials accepted by Buyer and for the protection and preservation of property shall be at a price determined in accordance with the "Termination for Convenience" provision of this Contract, except that Seller shall not be entitled to profit. Buyer may withhold from any amount due under this Contract any sum Buyer determines to be necessary to protect Buyer or Buyer's customer against loss because of outstanding liens or claims of former lien holders.
 - v. Seller shall reimburse Buyer for any advance or progress payments received from Buyer related to the work performed up to the date of termination.
 - vi. If, after termination in whole or in part, it is determined that Seller was not in default, the rights and remedies of the Parties shall be as if this Contract had been terminated according to the "Termination for Convenience" provision of this Contract.
- c. Continuity of Supply. To ensure the continuity of supply of Goods, Seller hereby grants to Buyer an irrevocable, non-exclusive, worldwide, royalty-free, with right to grant sublicenses, to exercise all IP Rights in Seller-Owned IP (as such terms are defined in this Contract) and Seller's Confidential Information and Materials (as such terms are defined in this Contract) to produce, have produced by third parties, use, sell, and to obtain from alternate sources, products and services similar to Goods (including related systems and components) and Manufacturing Materials in the event of a Seller's default as described in subparagraph 11 b. i. of this Contract, regardless of whether Buyer terminates this Contract in whole or in part for default.

12. FORCE MAJEURE

Seller shall not be liable for excess re-procurement costs pursuant to the "Termination for Default" provision of this Contract incurred by Buyer because of any failure to perform this Contract under its terms if the failure arises from causes beyond the control and without the fault or negligence of Seller. Examples of these causes are: (a) acts of God or of the public enemy; (b) acts of the Government in either its sovereign or contractual capacity; (c) fires; (d) floods; (e) epidemics; (f) quarantine restrictions; (g) strikes; (h) freight embargoes; and (i) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of Seller. If Seller's failure is caused by the failure of a subcontractor of Seller and if such failure arises out of causes beyond the reasonable control of both, and if such failure is without the fault or negligence of either, Seller shall not be liable for excess re-procurement costs unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedules. Seller shall notify Buyer in writing within ten (10) days after the beginning of any such cause(s). In all cases, Seller shall use reasonable efforts to avoid or minimize all such failures, including exercising work-around plans or obtaining Goods from other sources. Buyer reserves the right to cancel this Contract, in whole or in part, in the event of a force majeure event. Economic hardship shall not be considered a force majeure event.

13. ASSIGNMENT AND CHANGE OF CONTROL

a. Seller shall not and shall cause its affiliates not to, directly or indirectly, voluntarily or involuntarily, in each case, whether by transfer, operation of law, or otherwise undergo a Change of Control (as defined in this Contract) or otherwise assign this Contract, assign any of its rights or interest in this Contract, delegate any of its obligations under this Contract, or subcontract for all or substantially all of its performance of this Contract (each, a "Transaction"), without Buyer's prior written consent after advance written notice by Seller to Buyer at least one hundred and twenty (120) days prior to the date when such proposed assignment or Change of Control would take effect. No purported Transaction, with or without Buyer's consent, shall relieve Seller of any of its obligations under this Contract or prejudice any rights or claims that Buyer may have against Seller, whether such obligations, rights or claims, as the case may be, arise before or after the date of any purported Transaction; provided however, that Seller may assign its right to monies due or to become due under this Contract, and this Article does not limit Seller's ability to purchase standard commercial supplies or raw material in connection with its performance of this Contract.

b. For purposes of this Contract, the term "Change of Control" shall mean any of the following, whether in a single transaction or a series of related transactions and whether or not Seller is a party thereto:

- i. A sale, conveyance, transfer, distribution, lease, assignment, license, or other disposition of (a) all or substantially all of the assets directly or indirectly owned by, used by, or held for use by Seller or (b) all or substantially all of the assets used by Seller to produce Goods;

- ii. Any consolidation or merger of Seller or its controlling affiliates, any dissolution of Seller or its controlling affiliates, or any reorganization of one or more of Seller or its controlling affiliates; or
- iii. The acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group (within the meaning of the Securities and Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date of this Contract), of equity securities representing more than 50% of the voting power represented by the issued and outstanding equity interests of Seller or its controlling affiliates.

14. BUSINESS CONDUCT

- a. Compliance with Laws. Seller and Goods shall comply with all applicable statutes and government rules, regulations, and orders (“Laws”). Upon Buyer’s request, Seller shall: (i) provide evidence of compliance with Laws; (ii) cooperate with any Buyer request relating to verification of Seller’s suspected or potential non-compliance with Laws; and (iii) provide reasonable support to Buyer in relation to Buyer’s compliance with Laws under this Contract or Buyer’s contract with its customer.
- b. Anti-Corruption and Anti-Bribery. Seller shall comply with all applicable country laws relating to anti-corruption or anti-bribery, including legislation implementing the Organization for Economic Co-operation and Development “Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” or other anti-corruption/anti-bribery convention and (ii) the requirements of the Foreign Corrupt Practices Act, as amended, (“FCPA”) (15 USC §§78dd-1, et. seq.), regardless of whether Seller is within the jurisdiction of the United States, and Seller shall not (whether directly or indirectly) pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Buyer to a non-U.S. public official or any person in violation of the FCPA or in violation of any applicable laws relating to anti-corruption or anti-bribery.
- c. Gratuities. Seller warrants that neither it nor any of its employees, agents, or representatives have offered or given, or shall offer or give, any gratuities to Buyer’s employees, agents, or representatives for the purpose of securing this Contract or securing favorable treatment under this Contract.
- d. Supplier Code of Conduct. Buyer is committed to a set of core values that includes transparency, integrity, accountability, and respect. In furtherance of this commitment, Buyer has adopted as a Code of Conduct FAR 52.203-13, which outlines expected values and behaviors for all suppliers, including their employees, agents, and subcontractors (“Code of Conduct”). Seller shall: (i) adopt and enforce concepts, values, and behaviors consistent with those embodied in the Code of Conduct; and (ii) include the substance of this provision, including this flowdown requirement, in all subcontracts awarded by Seller for work under this Contract. If, in relation to this Contract, Seller becomes aware of any actual or potential breach of the Code of Conduct in Seller’s business, operations or supply chain, Seller shall: (i) inform Buyer immediately and (ii) cooperate fully with Buyer to investigate such breach.
- e. Work Transfer. Seller shall not and shall ensure its supply chain shall not, initiate a movement or transfer of the location for the work to be performed under this Contract to another facility without

Buyer's prior written approval. Seller shall notify Buyer of any potential work movement or placement at least sixty (60) days in advance of Seller committing to any such movement or placement.

- f. Conflict Minerals. If Goods delivered to Buyer contain conflict minerals, then Seller shall provide any evidence of compliance to any reporting requirements that are requested from Assent Inc. ("Assent") using all industry standardized formats that are specified. These declarations will be provided on a timely basis, within fifteen (15) days from the date of request and Seller agrees to respond to and support the fulfillment of the declaration and to respond to any requests for feedback or notifications of errors provided by Assent.
- g. Ethics and Compliance Program. Seller acknowledges and accepts full and sole responsibility to maintain an ethics and compliance program appropriate for its business throughout the performance of this Contract.
- h. Seller and Sub-Tier Supplier Information. In addition to the requirements set forth elsewhere in this Contract, Seller shall, when reasonably requested by Buyer, provide sub-tier supplier information related to the performance under this Contract. Such information may include Seller's subcontract management plans, Buyer programs supported, and Seller assessment of sub-tier supplier's capability, including financial health and performance issues.
- i. Duty to Proceed. Seller shall proceed diligently with the performance of the order. Except as expressly authorized in writing by Buyer, no failure of Seller and Buyer to reach any agreement regarding a dispute related to any order shall excuse Seller from proceeding with performance and delivery obligations during the pendency of such dispute.
- j. Setoff. Buyer may withhold, deduct and/or set off all money due, or which may become due to Seller, arising out of Seller's performance under any order or any other transaction with Buyer.

15. ACCESS TO PLANTS AND PROPERTIES.

- a. Where Seller is either entering or performing work at premises owned or controlled by Buyer or Buyer's customer or obtaining access electronically to Buyer's 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. In addition, Seller acknowledges that Buyer may perform routine background checks on Seller personnel. Seller shall include the substance of this Article, including this flowdown requirement, in all subcontracts awarded by Seller for work under this Contract.
- b. Electronic Access. In addition to any other rights and obligations set forth in any relevant agreement, Seller acknowledges that any information accessed through the electronic information systems operated by or on behalf of Buyer, whether or not marked as "proprietary", "confidential", or equivalent, shall be considered as proprietary to Buyer and shall be protected in accordance with the "Confidential Information" Article.

16. ANNUAL REPRESENTATIONS AND CERTIFICATIONS

Seller certifies that it has submitted current, accurate and complete Annual Representations and Certifications as of the date of the offer for this Contract which cover, among other things, size and socioeconomic status, debarment status and payments to influence certain federal transactions. Seller shall maintain its representations and certifications on at least an annual basis and for the duration of the period of performance of this Contract; and Seller shall provide prompt written notice to Buyer upon Seller discovery of any error, inaccuracy or change in circumstances in its Annual Representations and Certifications.

17. TRADE CONTROL COMPLIANCE

- a. The Parties shall comply with all export and imports laws, regulations, decrees, orders, and policies of the US Government and the Government of any country in which the Parties conduct business pursuant to this Contract, including the Export Administration Regulations (“EAR”) of the US Department of Commerce, the International Traffic in Arms Regulations (“ITAR”) of the US Department of State, the US Customs & Border Protection Regulations, the Harmonized Tariff Schedule, and the antiboycott and embargo regulations and guidelines as set forth in the EAR and in the US Department of the Treasury, Office of Foreign Assets Control (collectively, “Trade Control Laws”).
- b. Seller shall control the disclosure of, and access to, controlled items or technical data provided by Buyer related to performance of this Contract in compliance with all applicable Trade Control Laws. Seller shall not transfer (to include transfer to foreign persons employed by or associated with, or under contract to Seller, or Seller’s sub-tier suppliers or Seller’s non-US subsidiaries) any export-controlled item, data, or services, without providing advance notice to Buyer and obtaining the requisite export or import authority.
- c. Subject to applicable Trade Control Laws, Seller shall provide Buyer with the export control classification of any commodity or technology including software.
- d. Seller shall provide Buyer with a copy of process control documents and other documents reasonably requested by Buyer related to Seller’s compliance with applicable Trade Control Laws.
- e. Seller shall promptly notify Buyer if Seller is, or becomes, listed in any Denied Parties List or if Seller’s export privileges are otherwise denied, suspended, or revoked in whole or in part by any Governmental entity.
- f. Seller shall timely inform Buyer or an actual or alleged violations of any applicable Trade Control Laws, including any suits, action, proceedings, notices, citations, inquiries, or other communications from any government agency concerning any actual or alleged violations, in Seller’s performance under this Contract and shall comply with all reasonable requests from Buyer for information regarding any such violations.
- g. Seller shall incorporate into any contracts with its sub-tier suppliers, obligations no less restrictive than those set forth in this Article requiring compliance with all applicable Trade Control Laws.

18. QUALITY CONTROL

Seller shall establish and maintain a quality control system acceptable to Buyer for Goods. Seller shall permit Buyer to review procedures, practices, processes, and related documents to determine such acceptability.

19. CONFIDENTIAL INFORMATION

- a. Buyer and Seller shall each keep confidential and protect from unauthorized use and disclosure all (i) confidential, proprietary or trade secret information of a Party or third party disclosed by a Party; (ii) software provided under this Contract in source code form or identified as subject to this Article; and (iii) tooling identified as subject to this Article, in each case that is obtained, directly or indirectly, from the other in connection with this Contract or Buyer's contract with its customer, if any, (collectively referred to as "Confidential Information"). Confidential Information excludes information that is, as evidence by competent written 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 Confidential Information.
- b. Buyer and Seller shall use Confidential Information disclosed by the other Party only to perform and for the purpose of this Contract, other contracts between the Parties, and Buyer's contract with its customer, if any, and shall not disclose such Confidential Information to any third party except as expressly set forth herein. Seller shall not, without Buyer's prior written consent, use the Confidential Information disclosed by Buyer in any manner not authorized under this Contract, including using such Confidential Information to train, develop or improve any machine learning or artificial intelligence system. Buyer may also, at any time use, reformat, copy or disclose Seller's Confidential Information to: (i) fulfill Buyer's obligations under this Contract, other contracts with Seller, and Buyer's contract with its customer, if any; (ii) test, certify, use, sell, or support Goods delivered under this Contract; (iii) evaluate Seller products and proposals; (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.
- c. Seller may disclose Confidential Information of Buyer to its subcontractors only as required to perform this Contract if Seller includes a suitable restrictive legend on such disclosures and if each such subcontractor has agreed in writing to obligations no less restrictive than those imposed on Seller under this Article. Seller shall be liable to Buyer for any breach of such obligations by such subcontractor.
- d. A Party may disclosed received Confidential Information 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 Article. If such protective order or remedy is not timely obtained, the receiving Party shall use commercially reasonable efforts to disclose only Confidential Information legally required to be disclosed and to require confidential treatment of such disclosure.

- e. Upon Buyer's request, and in any event upon the completion or termination of this Contract, Seller shall return to Buyer all of Buyer's Confidential Information and all materials derived therefrom, unless Buyer specifically directs otherwise in writing.
- f. The provisions of this Article are effective notwithstanding any restrictive legends or notices on Confidential Information and shall survive the completion or termination of this Contract. Buyer shall have the right to audit Seller's compliance with this Article.
- g. Seller agrees that any technical data and computer software furnished to Buyer as a required deliverable under this Contract shall be free from confidential, proprietary, or restrictive-use markings that are not expressly permitted by applicable FAR or other US Government agency FAR supplement clauses incorporated into this Contract. Buyer may notify Seller of a nonconforming marking, and if Seller fails to remove or correct such marking within forty-five (45) days after such notification, Buyer may, at Seller's expense, correct any such nonconforming marking.

20. INTELLECTUAL PROPERTY INDEMNITY

Seller shall indemnify, defend, and hold harmless Buyer and its customer from all claims, suits, actions, awards (including award 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 Goods by Buyer or its customer. Buyer 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 if and to the extent such infringement arises from (i) the compliance of Seller's Goods with formal specifications issued by Buyer where infringement could not be avoided in complying with such specifications or (ii) use or sale of Goods for other than their intended application when such infringement would not have occurred from the use or sale of those Goods 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.

21. INTELLECTUAL PROPERTY

a. Definitions:

"Intellectual Property" or "IP" means inventions, discoveries, and improvements; know-how, works of authorship, technical data, specifications, process information, reports, and documented information; and computer software.

"IP Rights" means all worldwide common law and statutory rights to the IP, including rights under patents, industrial designs, trade secrets, copyrights and mask work registrations.

"Background IP" means all IP and IP Rights owned or controlled by Seller prior to the effective date or outside the scope of this Contract.

“Foreground IP” means IP and IP Rights conceived, developed, or created by, for, or with Seller, either alone or with third parties, in the performance of this Contract, including modifications to any Buyer specification suggested or made by Seller.

b. Seller-Owned IP. Seller shall retain ownership of its Background IP and of any Foreground IP not assigned by Buyer pursuant to subparagraph d. below (collectively, “Seller-Owned IP”). Seller grants to Buyer an irrevocable, nonexclusive, sublicensable, perpetual, paid-up, royalty-free, worldwide license to exercise all IP Rights in Seller-Owned IP solely to the extent that such Seller-Owned IP would otherwise interfere with Buyer’s, or its suppliers’, or its customers’ use or enjoyment of Goods, Buyer specifications, or Buyer-Owned IP.

c. Third-Party IP. If Seller incorporates third-party IP into any contract deliverable, Seller shall obtain for Buyer at least the license rights granted in subparagraph b. of this Article in such third-party IP and hereby grants such rights to Buyer.

d. Foreground IP. This subparagraph d. shall not apply to unmodified commercial off-the-shelf Goods. If Goods are developed, modified, or redesigned pursuant to this Contract, then the subparagraphs below apply.

- i. All Foreground IP shall be the exclusive property of Buyer except as set forth in subparagraph iv below.
- ii. Seller hereby irrevocably assigns to Buyer all right, title, and interest in the Foreground IP. Seller shall protect Foreground IP as Buyer’s Confidential Information under this Contract and shall mark documents or portions of documents containing Foreground IP as “Snowbird Proprietary and Confidential” information or as otherwise directed by Buyer in writing.
- iii. Seller shall promptly execute all written instruments and assist as Buyer directs in order to file, acquire, prosecute, maintain, enforce, and assign Buyer’s Foreground IP rights. If Seller does not or cannot execute instruments or assist Buyer as described above, Seller hereby irrevocably appoints Buyer and any of Buyer’s officers and agents as Seller’s attorney in fact to act on Seller’s behalf and instead of Seller, with the same legal force and effect as if executed by Seller, with respect to executing any such written instruments.
- iv. Subparagraphs ii. and iii. above shall not apply to Foreground IP to the extent that the development of such Foreground IP as performed with funding received by Buyer under a US Government procurement contract, except that any such Foreground IP that modifies, or is a derivative work of, Buyer Background IP, including any suggestions regarding or modifications made to Buyer specifications, shall be the exclusive property of Buyer, and subparagraphs ii. and iii. shall apply to such Seller-developed Foreground IP.

e. Buyer-Owned IP. Buyer shall retain ownership of all Buyer IP provided hereunder, including the Buyer specifications, and of any Foreground IP assigned to Buyer pursuant to subparagraph d. above (collectively, the “Buyer-Owned IP”). Buyer grants to Seller a non-exclusive, royalty-free right during the

term of this Contract to exercise all IP Rights in the Buyer-Owned IP solely as necessary for Seller to perform its obligations under this Contract. Seller shall not, without Buyer's prior written consent, use Buyer-Owned IP or any derivative works of any Buyer-Owned IP in any manner not authorized under this Contract, including developing, manufacturing, obtaining certification to manufacture, offering for sale or selling any product, equipment, or service which utilizes or is enabled by Buyer-Owned IP, or using such Buyer-Owned IP or any derivative works of any of the Buyer-Owned IP to train, develop or improve any machine learning or artificial intelligence system.

22. PRICES AND TAXES

- a. Prices. The price of this Contract includes Seller's, and any Seller's subcontractor' (if any), performance of all requirements and obligations under this Contract. Any change in price by Seller is subject to the prior written approval of Buyer. Seller warrants that the pricing for Goods herein is competitively quoted, and that such prices are not less favorable than those offered to any other customer of Seller on similar commercial terms. In the event Seller reduces its prices to its other customers for the Goods on the same commercial terms during the Term, then Seller will adjust the pricing immediately so that Buyer is not required to pay more than any other customer of Seller for such Goods.
- b. Taxes. The price of this Contract includes, and Seller is liable for and shall pay, all taxes, impositions, charges, duties, fees, tariffs, and exactions imposed on or measured by this Contract except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges, or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption.

23. FINANCIAL RECORDS AND AUDIT

- a. Record Retention. Seller shall retain all financial records and documents pertaining to Goods for a period of no less than three (3) years after the later of final payment or contract closeout. Such records and documents shall date back to the time this Contract was issued and shall include catalogs, price lists, invoices, underlying data, and basis for cost estimates and inventory records.
- b. Audit of Proposals and Pricing.
 - i. Certified Cost or Pricing Data. If this Contract, or any modification thereof, exceeds the threshold for submission of certified cost or pricing data in FAR 15.403-4 and is not otherwise exempt from the certified cost or pricing data requirements in accordance with FAR 15.403-1(b), Seller shall provide Buyer for this Contract, or modification to this Contract, as applicable, the certified cost or pricing data required by Table 2 of FAR 15.408. Buyer shall have the right to examine, reproduce, and audit such Seller records.
 - ii. Other than Cost or Pricing Data. If this Contract, or any modification thereof, does not exceed the threshold for submission of certified cost or pricing data in FAR 15.403-4 or is otherwise exempt from the certified cost or pricing data requirements in accordance with FAR 15.403-1(b), Seller shall support and demonstrate to Buyer the

reasonableness of any Seller proposals or pricing for this Contract or modification to this Contract, as applicable, in accordance with FAR 15.402 and FAR 15.404-3(c)(2). Seller shall provide to Buyer such information other than cost or pricing data and any other information necessary to satisfy obligations Buyer may have to its customer demonstrating price reasonableness for proposals and pricing. Buyer shall have the right to examine, reproduce, and audit such Seller records.

- c. Audit of Claims and Invoices. Seller shall provide to Buyer all information supporting Seller's claims pertaining to incurred costs, including Seller's invoices for cost reimbursement, claims arising out of a termination or partial termination of this Contract or out of some other dispute, and Seller's proposals under this Contract that involve unique claims (e.g., obsolescence costs), which must be verified by audit. Buyer shall have the right to examine, reproduce, and audit all such Seller records.
- d. Defective Cost or Pricing Data.
- i. If Seller, its subcontractor, or prospective subcontractor fails to submit accurate, complete, and current cost or pricing data, and, as a result of that failure, the Government reduces the price of Buyer's prime contract, Buyer may recover from Seller an amount equal to the price reduction of the prime contract.
 - ii. If, as a result of Seller's or its subcontractor's foregoing conduct, the Government imposes a penalty on or charges Buyer interest, Buyer may recover from Seller the amount of that interest or penalty.
 - iii. Seller shall not raise as defenses matters listed in FAR 52.215-10(c)(1) or FAR 52.215-11(d)(1).
- e. Contract Closeout. Seller shall provide Buyer with all information and assistance needed so that Buyer may comply with Buyer's obligations under FAR 4.804.

24. SELLER FINANCIAL REVIEW

Seller shall provide financial data as specified below, on a quarterly basis, or as requested, to Buyer for credit and financial condition reviews. If Seller itself is publicly traded (not a subsidiary of a publicly-traded company) and is required to file reports with the Securities and Exchange Commission ("SEC"), Buyer shall obtain Seller financial data from information made available to the general public via 10-K and 10-Q reporting requirements. In the event that Seller does not submit financial statements to the SEC or is no longer required to do so during the term of this Contract, Seller shall provide financial data on a quarterly basis to Buyer. Such financial data shall include balance sheets, schedule of accounts payable and receivable, major lines of credit, creditors, income statements (profit and loss), cash flow statements, firm backlog, and headcount. Copies of such data are to be made available within three (3) days of any written request by Buyer. All such information will be treated as confidential.

25. GOVERNMENT OR OTHER CUSTOMER CLAUSES

Clauses applicable to this Contract from Buyer's contract with its customer, including applicable FAR/DFARS or other agency acquisition regulations, if any, are incorporated into this Contract either by

attachment or by some other means of reference, and shall prevail as provided for in the Order of Precedence Article. Applicable US Government or other customer clauses are available at www.snowbirdtech.com.

26. PUBLICITY AND COMMUNICATION

Seller shall not and shall require that its subcontractors at any tier shall not, without Buyer's prior written approval, release any publicity, advertisement, news release or denial or confirmation of same regarding Goods of this Contract or the program to which it pertains. Seller shall be responsible to Buyer for any breach of such obligation by any subcontractor.

Seller shall not communicate with Buyer's customer or higher tier customer in connection with this Contract, except as expressly permitted by Buyer. This clause does not prohibit Seller from communicating with the US Government with respect to (i) matters Seller is required by law or regulation to communicate to the Government; (ii) fraud, waste, or abuse communicated to a designated investigative or law enforcement representative of a federal department or agency authorized to receive such information; or (iii) any matter for which this Contract includes a FAR or FAR supplement clause that provides for direct communication by Seller to the Government.

27. PROPERTY MANAGEMENT

a. Buyer's Property. Seller shall clearly mark, maintain and inventory of, and keep segregated or identifiable all of Buyer's property and all property to which Buyer acquires an interest by virtue of this Contract. Seller assumes all risk of loss, destruction, or damage of such property while in Seller's possession, custody, or control, including any transfer to Seller's subcontractors. Upon request, Seller shall provide Buyer with adequate proof of insurance against such risk of loss. Seller shall not use such property other than in performance of this Contract without Buyer's prior written consent. Seller shall notify Buyer if Buyer's property is lost, damaged, or destroyed. As directed by Buyer, upon completion or termination of this Contract, Seller shall deliver such property, to the extent not incorporated in delivered Goods, to Buyer in good condition subject to ordinary wear and tear and normal manufacturing losses. Nothing in this Article limits Seller's use, in its direct contracts with the Government, of property in which the Government has an interest.

b. Government-Owned Property. To the extent that Seller, including any subcontractor thereof, uses US Government property, either furnished to or acquired by Seller under this Contract, in the performance of this Contract, Seller shall manage such property in accordance with FAR 52.245-1.

28. INDEMNIFICATION, INSURANCE, AND PROTECTION OF PROPERTY

a. Indemnification. Seller shall defend, indemnify, and hold harmless Buyer and its directors, officers, employees, and agents from and against all actions, causes of action, liabilities, claims, suits, judgments, liens, awards, and damages of any kind and nature whatsoever for property damage, personal injury, or death (including injury to or death of employees of Seller or any subcontractor

thereof) and all expenses, costs of litigation, and attorneys' fees related thereto or incident to establishing the right to indemnification, arising out of or in any way connected to this Contract, the performance thereof by Seller, or by any of their respective employees (collectively for this paragraph "Seller Representatives"), including the provision of products, services, personnel, facilities, equipment, support, supervision, or review. The foregoing indemnity shall apply only to the extent of the negligence of willful misconduct of Seller Representatives. In no event shall Seller's obligations hereunder be limited to the extent of any insurance available to or provided by any Seller Representative. Seller expressly waives any immunity under industrial insurance, whether arising out of statute or other source, to the extent of the indemnity set forth in this paragraph.

b. Tariff-Related Indemnification. Seller shall defend, indemnify, and hold harmless Buyer and its directors, officers, employees, and agents from and against any and all losses, damages, liabilities, deficiencies, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses (including reasonable attorneys' fees) arising out of or related to tariff classification errors or disputes, country of origin misrepresentations or disputes, or tariff impositions associated with Goods or services provided under this Contract.

c. Commercial General Liability. Seller shall carry and maintain, and ensure that all subcontractors carry and maintain, throughout the period of this Contract, commercial general liability insurance with available limits of not less than \$2,000,000 per occurrence for bodily injury and property damage combined. Such insurance shall contain coverage for all premises and operations, broad form property damage, contractual liability (including that specifically assumed under paragraph a. herein), and goods and completed-operations insurance with limits of not less than \$1,000,000 per occurrence for a minimum of two (2) years after final acceptance of the work by Buyer.

d. Automobile Liability. If licensed vehicles are used in connection with the performance of the work, Seller shall carry and maintain, and ensure that any subcontractor thereof who uses a licensed vehicle in connection with the performance of the work carries and maintains, throughout the period when work is performed and until final acceptance by Buyer, business automobile liability insurance covering all vehicles, whether owned, hired, rented, borrowed, or otherwise, with available limits of not less than \$1,000,000 per occurrence combined single limit for bodily injury and property damage.

e. Workers' Compensation and Employers' Liability. Throughout this Contract and until final acceptance by Buyer, Seller shall, and ensure that any subcontractor thereof shall, cover or maintain insurance in accordance with the applicable laws relating to workers' compensation (and employers' liability with limits not less than \$1,000,000 per incident) with respect to all their respective employees working on or about Buyer's premises. If Buyer is required by any applicable law to pay any workers' compensation premiums with respect to a Seller employee or subcontractor, Seller shall reimburse Buyer for such payment.

f. Certificates of Insurance. Prior to commencement of the work under this Contract, Seller shall provide for Buyer's review and approval certificates of insurance reflecting full compliance with the requirements herein. Such certificates shall be kept current and in compliance throughout the period when work is being performed and until final acceptance by Buyer and shall provide for thirty (30) days

advance written notice to Buyer in the event of termination. Failure of Seller or any subcontractor to furnish certificates of insurance, or to procure and maintain the insurance required herein, of failure of Buyer to request such certificates of insurance, endorsements, or other proof of coverage shall not constitute a waiver of Seller's or its subcontractor's obligations hereunder.

g. Self-Assumption. Any self-insured retention, deductibles, or exclusions in coverage in the policies required hereunder shall be assumed by, for the account of, and at the sole risk of Seller or the subcontractor which provides the insurance and, to the extent applicable, shall be paid by such Seller or subcontractor. In no event shall the liability of Seller or any subcontractor thereof be limited to the extent of any of the minimum limits of insurance required herein.

h. Protection of Property. Seller assumes and shall ensure that all its subcontractors and their respective employees assume the risk of loss or destruction of or damage to any property of such parties, whether owned, hired, rented, borrowed, or otherwise, brought to a facility owned or controlled by Buyer or Buyer's customer. Seller waives and shall ensure its subcontractors and their respective employees waive all rights of recovery against Buyer and its respective directors, officers, employees, and agent for any loss, destruction, or damage. If any such property is damaged by the fault or negligence of Seller or its subcontractors, Seller shall promptly and equitably reimburse Buyer for such damage or repair or otherwise make good such property to Buyer's satisfaction. If Seller fails to do so, Buyer may do so and recover from Seller the cost thereof.

29. COUNTERFEIT PARTS PREVENTION

a. Seller shall not furnish Counterfeit Parts, defined as unauthorized copies, imitation, substitute, or modified parts (e.g., materials, parts, components, subassemblies) which are misrepresented as specified as genuine parts of an original or authorized manufacturer. Counterfeit Parts can include the false identification of grade, serial number, lot number, date code, documentation, performance characteristics, or the representation of used parts as new. Counterfeit and Suspect Counterfeit Parts shall be deemed nonconforming to this Contract. A Suspect Counterfeit Part means a part for which there is objective and credible evidence indicating that it is likely counterfeit.

b. Seller shall plan, implement, and control processes appropriate to the organization and the products for the prevention of Counterfeit or Suspect Counterfeit Part use and their inclusion in Goods. Seller's Counterfeit Parts prevention processes shall address the following:

- i. Counterfeit Parts awareness and prevention training;
- ii. Parts obsolescence monitoring program;
- iii. Controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources;
- iv. Requirements for assuring traceability of parts and components to their original or authorized manufacturers;
- v. Verification and test methodologies to detect counterfeit parts;
- vi. Monitoring of counterfeit parts reporting from external sources; and

vii. Quarantining and reporting of suspect or detected counterfeit parts, including preventing reentry into the supply chain.

c. If Seller becomes aware or suspects that it has furnished Counterfeit or Suspect Counterfeit Parts to Buyer, Seller shall promptly, but not later than thirty (30) days from discovery, notify Buyer and replace, at Seller's expense, such Counterfeit Parts or Suspect Counterfeit Parts with Goods that conform to the requirements of this Contract. For confirmed Counterfeit Parts or Suspect Counterfeit Parts, GIDEP notification shall also be made no later than sixty (60) days after discovery. Seller shall be liable for all costs related to the delivery or replacement of Counterfeit Parts or Suspect Counterfeit Parts including any testing or validation costs necessitated by the installation of Goods in replacement of Counterfeit Parts or Suspect Counterfeit Parts.

d. Seller bears responsibility for procuring authentic parts or items from its subcontractors and shall ensure that all such subcontractors comply with the requirements of this Article. Seller shall include the substance of this Article, including this flowdown requirement, in all subcontracts awarded by Seller for work under this Contract.

30. GOVERNING LAW

This Contract and any disputes arising out of, or relating to, this Contract shall be governed by the laws of the State of Illinois without regard to the conflict of law rules thereof, provided that (i) contract provisions that have been incorporated directly from or by express reference to the FAR or FAR supplements and (ii) contract provisions that have been flowed down from a contract with the US Government shall be construed and interpreted according to the federal common law of government contracts, as applied by federal judicial bodies, boards of contract appeals and quasi-judicial agencies of the federal government. This Contract excludes the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods.

31. DISPUTES

Any dispute that arises under or is related to this Contract that cannot be settled by mutual agreement of the Parties may be decided by a court of competent jurisdiction. Pending final resolution of any dispute, Seller shall proceed with performance of this Contract according to Buyer's instructions so long as Buyer continues to pay amounts not in dispute.

32. NO WAIVER; RIGHTS AND REMEDIES

a. Any failure or delay or forbearance of either Party in insisting upon or enforcing any provisions of this Contract, or in exercising any rights or remedies under this Contract, shall not be construed as a waiver or relinquishment of any such provisions, rights, or remedies; rather, the same shall remain in full force and effect.

b. Except as expressly and affirmatively disclaimed in writing by this Contract, the rights and remedies set forth herein are cumulative and in addition to any other rights and remedies that the Parties may have at law or in equity. If any provision of this Contract is or becomes void or

unenforceable by law, the remainder shall be valid and enforceable. Seller acknowledges and agrees that money damages would not be an adequate remedy for any actual, anticipatory, or threatened breach of this Contract by Seller with respect to its delivery of Goods to Buyer.

c. Seller agrees that Buyer approvals of Seller's technical and quality specifications, drawings, plans, procedures, reports, or other submissions shall not relieve Seller from its obligations to perform all requirements of this Contract.

d. Buyer may at any time deduct all or any part of the damages resulting from any breach of this Contract from any part of the price still due under this Contract or any other contract between Buyer and Seller.

33. NOTICE OF LABOR DISPUTES

Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, Seller shall immediately give written notice thereof, including all relevant information, to Buyer.

34. ORDER OF PRECEDENCE

All documents and provisions in this Contract shall be read so as to be consistent to the fullest extent possible. In the event of a conflict or inconsistency between the documents or provisions incorporated into or attached to this Contract, the documents or provisions shall prevail in the order listed below, with the first document or provision listed having the highest precedence:

- a. Customer Contract Flowdowns
- b. Buyer's Purchase Order
- c. This Contract
- d. Specifications (the most recently agreed to and issued version of the specifications shall control and Buyer's specifications shall prevail over any subsidiary documents referenced therein)
- e. Statements of Work (the most recently agreed to and issued version of a statement of work shall control)
- f. All other attachments, exhibits, appendices, documents, or terms incorporated by reference in or attached to this Contract.

35. ENTIRE AGREEMENT

This Contract, together with all purchase orders, change orders, attachments, exhibits, supplements, specifications, schedules, and other terms referenced in or attached to this Contract, contains the entire agreement of the Parties, and supersedes any and all prior agreements, understandings, and communications between Buyer and Seller related to the subject matter of this Contract.