



Disagreement in any adjustment shall be resolved as a dispute in accordance with Section 14 of these General Terms and Conditions. However, nothing in this clause shall excuse the Seller from proceeding with the Contract as changed.

9. CONFLICT OF INTEREST

The Seller shall notify the Buyer in writing, as soon as practicable, of any actual or potential Conflicts of Interest that might prevent or hinder its performance under this Contract.

10. DEPARTMENT OF DEFENSE (DOD) RATED ORDERS.

If an Order indicates that a DoD rating is in effect, then the Order supports Buyer's work directly with or under a Prime Contract with the U.S. Government and Order is certified for national defense use. Applicable priority rating defaults to "DO," unless otherwise stated on the face of the Order. This is a rated Order certified for national defense use. Seller is required to follow the requirements of the defense priorities and allocation system regulation (15 CFR Part 700) and all other applicable regulations for obtaining controlled Products and other Products and Services needed to fill the Order.

11. FLOW DOWN REQUIREMENTS.

Seller shall flow down in writing all contractual requirements of the Order, including these Terms, to all of its Subcontractors and supply chain engaged in performance of this Order. Seller shall communicate to its staff the importance of Product conformity, ethical sourcing of materials and services, workplace safety and ethical behavior involved in the design and manufacture of Product.

12. RECORD & EQUIPMENT RETENTION

Seller shall maintain complete and legible records in electronic or written form for a minimum of 10 years after completion of the Order. All tooling, molds, fixtures and any other equipment made for the purpose of the Order must be retained by the Seller for a minimum of 10 years after completion of the Order or can be delivered by Seller to Buyer before this time. Tooling, molds and fixtures made specifically for Buyer cannot be used in the testing or manufacturing for any person or entity other than Buyer.

13. WORK PERFORMED

It is understood and agreed by and between the parties hereto that the technical work included in this Contract is to be performed under the technical direction of the SSR Program Manager or their designee. Time is of the essence. If Seller fails or refuses to proceed with the Order, or if Seller fails to deliver the Product on or before the committed due date, Buyer may reject all or any part of the Order. Buyer may also require Seller to expedite performance or ship via the fastest method possible to avoid or minimize delay. Any added cost shall be paid by Seller. Any delay in providing Product on time must be reported to Buyer with a written report providing pertinent details, as well as a plan of action to meet prescribed delivery dates. The Seller will, in accordance with all applicable Federal, state, and local laws, regulations, guidance, and policies, and with all applicable equipment manufacturer's or supplier's product warranty rules and procedures and insurer's procedures of which Seller has been advised, furnish the necessary personnel,



14. COVENANT AGAINST HIRING

Seller agrees that the employees of the Buyer are an integral part of Buyer's business and that it is extremely important for Buyer to prevent the loss of those employees. Seller therefore agrees that at any time during the term of this Contract and one (1) year after the Contract is fully performed or is terminated, Seller will not solicit for hire any individual who is or shall have been an employee of the Buyer at any time during the term of the Contract. For the avoidance of doubt, this provision shall not prohibit hiring arising through an independent response to an advertisement by the employee or through the employee otherwise independently contacting Seller for employment without any solicitation by Seller.

15. DELIVERY

Delivery shall be made in accordance with the schedule as set forth under this Contract. Title and risk of loss passes to Buyer upon delivery terms as defined in the Order and if not set forth therein, shall be FOB Buyer's facility. Unless otherwise agreed to in writing by Seller,

- (i) all shipments will be made using a carrier of Buyer's choice; and
- (ii) any Product which is shipped consigned to Buyer shall be insured at the replacement value of the Product. All Product shall be delivered during Buyer's normal business hours to the address specified in the Order or as otherwise instructed by Buyer. Buyer shall not be liable for failure to take delivery of the Product if such failure is due to causes beyond Buyer's control, including but not limited to, acts of God, fire, explosion, flood, war, terrorism or threats of terrorism, act of or as authorized by any government, accident, labor trouble or shortage, inability to obtain equipment, material, transportation, acts of Seller or any acts beyond the control of Buyer.

Seller shall package all Product to ensure safe shipment to Buyer in accordance with Buyer and carrier's requirements. Any special packing, crating, shipping or unloading requirements of Buyer will be designated in the Order to Seller.

16. COMPLIANCE WITH LAWS

The parties agree to comply with all applicable laws and regulations in the performance of this Contract.

Seller agrees in connection with the performance of work under this Contract not to discriminate against any employee or applicant for employment because of race, creed, age, color, sex, national origin, or other protected class. This shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.

Seller will comply with all applicable FARs and DFARS, including all FARs or DFARS expressly referenced in this Contract or otherwise applicable, whether or not so referenced. In the event that lower-tier subcontracting is approved, the Seller agrees to include in each lower-tier agreement the appropriate flow-down clauses as required by FAR and DFARS.



The Seller shall comply with all applicable occupational safety and health standards promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970 and all other applicable laws, ordinances, rules, regulations, and orders of any federal, state or local public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss.

The Seller shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work. The Seller shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to:

- (a) All employees on the work site and all other persons who may be affected thereby;
- (b) All the work and all materials and equipment to be incorporated therein, whether in storage on or off the site, under the care, custody or control of the Seller.

The Seller shall comply with all applicable Environmental Laws, including all federal, state, local and foreign statutes, regulations, and ordinances concerning public health and safety, worker health and safety, pollution, or protection of the environment, including those relating to

- (a) the treatment, storage, disposal, generation, transportation, handling, distribution, manufacture, processing, use, import, export, labeling, recycling, investigation or remediation of Hazardous Materials;
- (b) air, water and noise pollution;
- (c) groundwater and soil contamination;
- (d) the release or threatened release, of Hazardous Materials into the environment;
- (e) transfer of interests in or control of real property, personal property or vessels which may be contaminated by Hazardous Materials;
- (f) community or worker right-to-know disclosures with respect to Hazardous Materials;
- (g) the protection of wildlife, marine life and wetlands, and endangered and threatened species;
- (h) storage tanks, vessels, containers, abandoned or discarded barrels and other closed receptacles;
- (i) marine pollution in international, federal or state waters, and
- (j) health and safety of employees.

As used in this Contract,

(a) the term “Environmental Laws” means any and all United States federal, state, local, or municipal statute, law, regulation or ordinance, administrative or judicial judgment, order or decree, or requirement relating to health, safety, the environment, or natural resources including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq., the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Clean Water Act, 33 U.S.C. § 1251 et seq., the Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. §5101 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., and all similar statutes, laws, regulations, and



requirements of any governmental authority or agency having jurisdiction over SSR, Seller or any vessel or site where services are performed or delivered, any international conventions with respect to marine pollution or Hazardous Materials to which the United States is a signatory, and to the extent any services are performed in another nation outside the United States, the applicable laws, regulations and treaties of such nation, as all such laws, regulations, and requirements may be amended or supplemented from time to time, and

(b) the term “Hazardous Substances” shall mean any substance, product, waste, pollutant, material, chemical, contaminant, compound, constituent, mixture, waste other material that is or becomes listed, regulated, classified, addressed, or otherwise characterized under or pursuant to any Environmental Law, as “hazardous,” “toxic,” “radioactive,” “dangerous,” or words of similar meaning or effect, including, without limitation polychlorinated biphenyls, and the term “Oil” shall have the meaning assigned in the Oil Pollution Act of 1990, 33 U.S.C. §2701, et seq.

17. DISPUTES

Buyer and Seller shall attempt in good faith to resolve any dispute arising out of or relating to the Contract or the Products promptly by negotiations between them. If a dispute arises from or relates to the Products, this Contract, or the alleged breach thereof, and if the dispute cannot be settled through informal negotiations within thirty (30) days, the dispute shall be settled by, arbitration in San Diego County, California pursuant to the commercial arbitration rules of an JAMS or ADR Services, Inc., (collectively "Approved Service") or other recognized arbitration service selected by the party instituting such action provided if any other party objects to the selection of a service other than an Approved Service the arbitration shall be moved to an Approved Service selected by the party objecting. Any award or decision obtained from any such arbitration proceeding shall be final and binding on the parties, and judgment upon any award thus obtained may be entered in any court having jurisdiction thereof. No action at law or in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court by Buyer or Seller except: (a) an action to compel arbitration pursuant to this Section, (b) an action for injunctive relief, or (c) an action to enforce an award obtained in an arbitration proceeding in accordance with this Section. However, subject to compliance with any contracts or agreements with the U.S. Government, if any dispute gives the Seller recourse against the U.S. Government through the SSR Prime Contract, Seller shall have a right to pursue such dispute in its own name directly with the U.S. Government. The Seller must submit the claim against the U.S. Government within the applicable limitation of actions period provided by law or contract, and the Seller must certify its claim in a form approved by the Prime Contractor. The parties agree to be bound by the outcome of such dispute. Pending resolution of the dispute, the parties shall proceed with performance of the work. The prevailing party in any action between Buyer and Seller arising under or related to this Contract shall be entitled to an award of its reasonable attorneys' fees and costs.

18. DISPUTES WITH THE GOVERNMENT

The Seller acknowledges that the SSR Prime Contract, as referenced in the PO, includes a Disputes clause FAR 52.233-1, pursuant to which SSR may pursue certain procedures in the event of a dispute between the Government's Contracting Officer and SSR with respect to questions of law or fact relating to the Prime Contract. Any final decision of the Government Contracting Officer under the Prime Contract relating to this Contract or Seller's performance of the applicable portion of the Prime Contract flowed down to Seller hereunder shall be conclusive and binding upon the Seller, and SSR shall notify the Seller of any such final



decision within ten (10) calendar days of SSR receipt thereof and shall provide Seller the opportunity to present reasonable grounds for an appeal of the Government Contracting Officer's decision. In the event that SSR elects to appeal any such decision pursuant to the Disputes clause of the Prime Contract as it relates to the performance of this Contract, the Seller shall provide SSR with reasonable assistance in the prosecution of such appeal including, but not limited to, reasonable access to Seller's non-privileged documents and personnel. The Seller shall share the cost of such appeal to the extent such costs can be attributed to Seller's interests in such appeal. SSR shall notify Seller within thirty (30) days of SSR receipt of any such final decision whether SSR intends to appeal such decision pursuant to the Disputes clause of the Prime Contract. If after SSR notice of a decision not to pursue, Seller notifies SSR that the Seller intends to appeal any such final decision, SSR may, but shall not be obligated to, transfer to Seller, to the extent permissible under the Prime Contract, the right to appeal such final decision under the Disputes clause. Such appeal shall be in Seller's own name. Any such appeal brought by the Seller shall be at the sole expense of the Seller. The Seller shall be solely responsible for the prosecution of such appeal including, but not limited to, the presentation of all pleadings, documents, evidence, facts, data and testimony in connection therewith. Further, the Seller shall be solely responsible for providing any and all certificates required by the Contract Dispute Act of 1978, 41 U.S.C. § 601-613 et seq., and any and all information requested by SSR to verify, support or confirm such certifications. After any such appeal is filed by the Seller, the Seller shall furnish to SSR copies of all pleadings related to this PO and non-privileged correspondence filed, sent or received in connection with the appeal. SSR upon the Seller's request shall render reasonable assistance to the Seller in the nature of providing non-privileged documents and information reasonably requested by the Seller in connection with such appeal. As used in this clause, the term "appeal" shall include any and all proceedings taken by the Seller under this section before a board of contract appeals and any federal court. The Seller shall be conclusively bound by any decision of any such board of contract appeals or federal court. Except as may be expressly set forth in the Prime Contract, and with the Government Contracting Officer's express consent, the Seller shall not acquire any direct claim or direct course of action against the US Government.

19. FORCE MAJEURE

Neither party shall be responsible to the other party for any delay in performing its obligations under this Contract due to any events of force majeure, except as otherwise provided for within this clause. Force majeure means any act of God, war, act or failure to act of any government in its sovereign capacity, fire, ice, flood, storm of unusual severity, earthquake, strike, lockout, work stoppage or labor unrest, terrorism, epidemic, quarantine, embargo, nuclear incident, or any other act or event beyond reasonable control and without the fault of either party or its subcontractors. For purposes hereof, force majeure shall not include (a) any price or cost increase, (b) loss of Seller's supply, (c) non- performance by any supplier or subcontractor to Seller unless caused by a force majeure event, (d) financial or markets disruption or inability to secure financing, (e) any strike or work stoppage not of a general nature or only affecting Seller or Seller's suppliers or their facilities. The party whose performance of obligations hereunder has been affected by any events of force majeure shall notify the other party within (5) five calendar days thereafter by sending a detailed statement and sufficient evidence with respect thereto and shall likewise notify the other party promptly of any subsequent change in the circumstances. The affected party shall exercise its best commercially reasonable efforts under the circumstances to remove or remedy the events of force majeure and the effects thereof and resume full performance as soon as possible.

20. GOVERNMENT FURNISHED EQUIPMENT, INFORMATION OR SERVICES



Government Furnished Equipment (GFE) or Government Furnished Information (GFI) relevant to the tasks to be performed under this Contract may be provided to the Seller for use during the performance of this Contract. If provided, the Seller is responsible for Government property in its possession pursuant to FAR 52.245-1 and 52.245-2 as applicable. The Seller shall return such GFE and/or GFI to SSR upon the conclusion of the Contract or as otherwise directed by SSR. In the case that such GFE or GFI is not provided to the Seller where required to be provided, the Seller shall immediately notify SSR.

21. GOVERNMENT RIGHTS IN TECHNICAL DATA (*APPLICABLE IF THIS PO IS ISSUED UNDER A DEPARTMENT OF DEFENSE PRIME CONTRACT)

Nothing in these Terms and Conditions shall be construed or interpreted to limit or in any way restrict the rights of the Government in regard to data, tooling and other information it owns or has a right to use, including the right to authorized the supplier's use of such data, tooling or other information in direct contracts between the Seller and the Government.

22. INDEMNITY

Each party (the "Indemnifying Party") agrees to indemnify, hold harmless, and defend the other party's respective companies their affiliates, agents, employees, officers, directors, representatives, agents, and customers (collectively the Indemnified Party"), from any and all actions, claims, demands, judgments, awards, liability, costs and expenses, including reasonable attorney's fees, fines, penalties, assessments, citations or other monetary judgments or awards that may be paid or become obligated to be paid, on account of any and all demands or claims, or assertions of liability arising, or alleged to have arisen, out of any negligent act, omission, breach of contract or wrongful act of the Indemnifying Party or its officers, directors, employees, contractors or representatives, including the Indemnifying Party's

(1) breach of any express warranty within the terms of the Contract;

(2) failure to comply with applicable laws and regulations, including the "Truth in Negotiations

Act," (excluding any markup of PO price by SSR);

(3) liabilities for any payroll or related employment taxes or other employment benefits required by any relevant laws or regulations, or for unpaid wages and liquidated damages under the clause (FAR 52.222-4 Contract Work Hours and Safety Standards Act- Overtime Compensation) or other applicable wage and labor laws;

(4) bodily injury to or damage to property of any person arising out of the negligent performance of any work hereunder by the Indemnifying Party, including such party's use of the premises or equipment of the Customer; or

(5) failure to comply with any requirements, terms or conditions specified in this Contract.

Seller shall also indemnify, defend, and hold SSR harmless against any and all claims, demands, actions, costs or expenses (including reasonable attorneys' fees) alleging that the material furnished by Seller to SSR has infringed a third party's patent, copyright, trademark, trade secret, or other intellectual property rights, limited by clause 52.2271.



The indemnification obligations in this paragraph are contingent upon: (1) the Indemnified Party promptly notifying the Indemnifying Party in writing of any claim which may give rise to a claim for indemnification hereunder, together with copies of pleadings or demands and sufficient information to describe the nature of the claim, provided delay in notification shall be actionable only to the extent of actual prejudice; (2) the Indemnifying Party being allowed to control the defense and settlement of such claim, including at its option selection of defense counsel; and (3) the Indemnified Party cooperating with all reasonable requests of the Indemnifying Party (at the Indemnifying Party's expense) in defending or settling a claim. The Indemnified Party shall have the right, at its option and expense, to participate in the defense of any suit or proceeding through a counsel of its own choosing. The Indemnified Party shall not, without prior written consent of the Indemnifying Party, make any admission or offer or accept any settlement proposal. The Indemnifying Party will not have the right, without the Indemnified Party's prior consent, which is not to be unreasonably withheld, to settle any claim if the settlement arises from or is part of any criminal action, suit or proceeding or contains a stipulation to or admission or acknowledgment of any liability or wrongdoing (whether in contract, tort or otherwise) on the part of the Indemnified Party.

Except for the indemnifications expressly provided within this Contract, including the obligation to indemnify a party against a third-party claim that may include incidental, indirect, consequential, punitive or special damages or for breach of any confidentiality obligations, it is agreed that in no event shall either SSR or the Seller be liable to the other for any incidental, indirect, consequential, punitive, or special damages or lost revenue or profits, whether or not either has been notified of the possibility of such damages.

This provision shall survive expiration or termination of the Contract.

23. INSPECTION & QUALITY REQUIREMENTS

Seller shall maintain an inspection and quality control system acceptable to Buyer to be performed on Products delivered under the Order. Seller shall prepare records evidencing and recording the outcome of all inspections. Buyer and/or Buyer's customer has the right to perform reviews and evaluations as reasonably necessary to ascertain Seller compliance with an inspection and quality control system

All goods, works, materials, and workmanship shall be subject to inspection and test at the request of representatives of the Government, SSR, or a higher-tier contractor (if SSR is a subcontractor) at all reasonable times and places. For this purpose, Seller shall, without additional charge, allow inspectors and other authorized Government and SSR personnel and higher-tier contractor personnel free access to Seller's plant and operations at all reasonable times, and shall furnish such facilities, supplies, and services as may reasonably be required for this work. In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this Contract, SSR may either reject them (with or without instructions as to their disposition) or require their correction. Unless Seller corrects or replaces such supplies within the delivery schedule, SSR may require their delivery at a reduction in price that is equitable under the circumstances. The withholding of any amount or subsequent payment to Seller shall not be construed as a waiver of any rights accruing to SSR under this Contract. Neither Buyer's in-process inspection nor Buyer's approval of any of Seller's drawings, procedures or other submittal shall:



- (i) constitute acceptance of any work; or
- (ii) relieve Seller of complying fully with all of the requirements of the Order.

24. DEFECTIVE & NONCONFORMING PRODUCT.

Buyer maintains the right to choose replacement, rework or refund as a remedy for Nonconforming Product. If Buyer rejects any portion of the Product, Buyer has the right to:

- (i) rescind the Order in whole or in part;
- (ii) accept the Product at a reduced price; or
- (iii) reject the Product and require replacement of the rejected Product. If Buyer requires replacement of the Product, Seller shall, at its expense, promptly replace the Nonconforming Product and pay for all related damages and expenses, including, transportation charges for the return of the Nonconforming Product and the delivery of replacement Product. If a Nonconformance is discovered by Seller and/or Buyer at any time, Seller must provide written notification of identified Nonconformance, root cause, corrective action and disposition within 14 business days. If Seller fails to correct and/or replace the Product(s) within the delivery schedule, Buyer may require delivery with an equitable price reduction in both Product and shipping costs. Failure to agree to an equitable price reduction under the circumstances shall be considered a breach by Seller. Seller shall assume all risk of loss or damage in transit of Products returned by Buyer to Seller and shipped from Seller to Buyer. In the event of a delayed or Nonconforming delivery, Seller shall, upon written request from Buyer, reimburse Buyer for reasonable attorneys' fees reasonably incurred by Buyer or its customers in enforcing the Order and its rights.

If Seller fails to deliver replacement Product within the delivery date of the Order, Buyer may purchase replacement Product from any other person or entity and charge Seller the cost of such Product, including shipping, and terminate the Order.

Products that have been reworked or repaired by Seller after having been rejected by Buyer shall be identified as "Resubmitted." Seller must include on the packing slip "Resubmitted Material" and the reason for the previous rejection and include an inspection Report and discrepancy report with the shipment. If the Products were inspected at source and rejected, such information shall also be annotated on the packing slip. If Buyer elects to rework or otherwise correct defective Product, Seller will pay Buyer's actual costs including Buyer's fully burdened hourly rates utilizing the then-current market or Government-approved rate set for change-order activity. Nonconforming Product that is returned to Seller shall be at Seller's cost. Rejected Product may be held by Buyer at Seller's risk and expense. Seller shall be liable to Buyer for all expenses, including shipping expenses for returning Rejected Product.

25. INSURANCE

The Seller shall at its own expense provide and maintain during the entire performance of this Contract, at least the kinds and minimum amounts of insurance required in the PO and Statement of Work as identified below. Seller shall maintain the following insurances:

- (1) Worker's Compensation Insurance within statutory limits and in accordance with the law of the relevant state, including All State and Voluntary Compensation endorsement;



(2) Employer's Liability Insurance with a limit of \$2,000,000;

(3) Comprehensive General Liability Insurance, including Operations and Premises Liability (with elevator liability), Contractor's Protective Liability, Completed Operations and Product Liability (maintained in effect for a period of five years after the date of final payment), Personal Injury Liability, Contractual Liability, and Broad Form Property Damage Liability (including for completed operations), on an occurrence basis in an amount of a combined single limit of not less than \$2,000,000 per occurrence; and comprehensive Automobile Liability Insurance in the amount of a combined single limit of not less than \$2,000,000 per occurrence. Before commencing work the Seller shall submit to SSR evidence in writing that the required insurance has been obtained. The policies evidencing required insurance shall be provided by underwriters with an A.M. Best rating of "A" or other suitable rating approved by SSR, shall have reasonable deductibles or retention amounts approved in advance in writing by SSR, and contain an endorsement to the effect that any cancellation shall not be effective for such period as the laws of the State in which this Contract is to be performed prescribed; or until 30 days after the insurer or the Seller gives notice to SSR, whichever period is longer. Failure of SSR to demand such certificates or to identify any deficiency in the insurance provided shall not be construed as or deemed to be a waiver of Seller's obligations to maintain the above insurance coverage.

SSR should be named as an additional insured on all certificates of insurance to the extent of liabilities assumed by Seller under this Contract, with waiver of subrogation as to SSR. The following address should be used on the certificate for SSR: 3645 Dalbergia Street, San Diego, CA 92113. Seller may update such address upon written notice to Buyer. If Seller fails to maintain insurance coverage as outlined in this Section, SSR may terminate this Contract immediately.

26. DAMAGES

Time limits stated in this Contract are of the essence. By executing this Contract, the Seller confirms that the stated period of performance is a reasonable period for performing the work. The Seller further acknowledges and understands that the failure by the Seller to achieve completion of the work in accordance with the schedule and the Contract will cause SSR to suffer substantial, direct, incidental and consequential damages, which may include, without limitation, liquidated damages or other damages owed to the Customer pursuant to the Prime Contract. If such damages are caused by Seller's delay, non-performance, non-conforming performance, or other breach hereunder, Seller shall be liable for and shall immediately pay, upon demand, all costs and damages incurred by Buyer, including but not limited to any damages required to be paid by Buyer under the Prime Contract or any other contract, Buyer's reasonable attorneys' fees, and any other damages and expenses suffered by Buyer. Buyer shall also have a right to pursue any other remedies available at law or in equity.

This provision shall survive expiration or termination of the Contract.

27. PACKING AND SHIPPING

All packing and crating by the Seller shall be in compliance with Contract requirements, applicable law, good industry practices and carrier's tariffs and be marked, packaged and prepared in accordance with standard commercial practices. The price or prices shall include all charges for Seller's packing and crating, and for transportation to F.O.B point, unless other price/delivery terms (e.g., CIF) are specified in the Contract. Newspaper and shredded material are not acceptable.



28. PROPRIETARY INFORMATION

All proprietary information exchanged between the parties hereto shall be handled in the following manner:

(1) During the term of this Contract, SSR and the Seller, to the extent of their right to do so, is required for each to perform its obligation hereunder, and may, exchange proprietary and confidential information.

(2) Proprietary and confidential information is defined as, but not limited to, specifications, procedures, processes, formula, composition, performance, sales, financial, contractual, personnel, pricing, cost, timing, sourcing, and special marketing information, ideas, technical data and concepts originated or owned by the disclosing party, not previously published or otherwise disclosed to the general public, not previously available to the receiving party or others without restriction, not normally furnished to others without compensation, and which the disclosing party desires to protect against unrestricted disclosure or competitive use, and which is furnished pursuant to this PO and appropriately identified as being proprietary or confidential when furnished.

(3) The receiving party of proprietary or confidential information agrees to hold such information in confidence.

(4) Where reasonably practicable or required by the Prime Contract, the parties each will designate one or more individuals within their own organization as the only person(s) for receiving proprietary or confidential information exchanged between the parties pursuant to this Contract.

(5) All proprietary or confidential information disclosed to the other party in writing will be, clearly identified as proprietary or confidential, marked in accordance with FAR 52.215-12 or similar marking and addressed to the individual designated to receive proprietary or confidential information. Where proprietary information is provided orally, a general description of the information should be reduced to writing within 30 days of its disclosure and delivered to the receiving party with appropriate legends affixed.

(6) Each party is authorized to incorporate such proprietary or confidential information in any proposal contemplated by this Contract for submittal to the Government, provided such proposal bears a restrictive legend similar to that provided for in applicable procurement regulations.

(7) Proprietary or confidential information that is exchanged may be used only by the receiving party in connection with the purposes of this Contract or in the performance of the Contract between the Prime Contractor and the Seller. Disclosure of Proprietary Information shall be restricted to those persons who are directly participating in the performance of this Contract who have a need to know such information.

(8) Neither party shall divulge or use, for any purpose not connected with the program effort contemplated in the PO, any program or system concept or other information disclosed to it by the other party in connection with the performance of this Contract, and marked with a proprietary or confidential legend, to any person or office other than appropriate Government agencies to which proposals or reports must be submitted for program acceptance, or as otherwise required by law.

(9) It is further agreed that each party will require that all third parties involved with respect to the subject of this Contract, if any, receiving proprietary or confidential information, protect the same in accordance with the provisions contained herein. However, it is agreed that proprietary information of the other party will not be provided to any third parties, save for submission to the Government Customer as provided for in item (5) above, without prior written consent of the disclosing party.



(10) The standard of care for protecting such information, imposed on the party receiving such information, will be that degree of care the receiving party uses to prevent disclosure, publication or dissemination of its own proprietary or confidential information but no less than a reasonable standard of care.

(11) The obligations of nondisclosure of proprietary or confidential information imposed in the preceding paragraphs shall terminate three years after receipt of such information. Notwithstanding, the disclosing party shall retain ownership to its intellectual property and no rights are granted for use of this property except as specifically granted in this Contract.

(12) The obligation with respect to the protection and handling of proprietary or confidential information, as set forth in this Contract, is not applicable to the following: (i) Information which becomes lawfully known or available to the receiving party from a source other than the disclosing party, including the Government, and without breach of the Contract by the recipient, and without restrictions on disclosure or use; (ii) Information developed independently by the receiving party; (iii) Information that is within, or later falls within, the public domain without breach of this PO by the recipient; (iv) Information publicly disclosed with the written approval of the other party; (v) Information furnished by the disclosing party providing the same information has been furnished or disclosed to others on an unrestricted basis if all terms are the same; (vi) Nothing herein shall restrict either party from disclosing any portion of such information on a restricted basis pursuant to a judicial or other lawful Government order, but only to the extent of such order and provided however, that receiving party shall first give disclosing party notice of the legal request; (vii) Information known by the Receiving Party prior to its receipt from the Disclosing Party; (viii) Nothing in this PO shall restrict a party from seeking injunctive relief to protect its confidential or proprietary information from unauthorized disclosure or use; and (iv) Nothing herein shall restrict either party from disclosing any portion of such information on a restricted basis pursuant to a judicial or other lawful Government order, but only to the extent of such order, provided, however, that the receiving party to which such order is directed shall make all reasonable efforts to have such disclosures placed under a protective order or other means securing the confidential character of the other party's information disclosed, to the extent that such means are in existence and available to the party to whom such order is directed.

This provision shall survive expiration or termination of the Contract.

29. PUBLICITY

Seller shall not authorize or make any advertisement, news release or other disclosure which shall confirm or deny the existence of this Contract, without prior written consent of Buyer.

30. RIGHTS AND RESERVATIONS

All information, equipment, designs, drawings, tools, patterns and other items furnished by the Buyer and proprietary rights incorporated herein are reserved, and shall not be used or reproduced outside of the requirements under this Contract. Seller agrees that all reports and written material prepared during the term of this Contract which relate to the subject PO, and which result from and arise out of the services performed by the Seller for the Buyer, shall be the sole property of the Buyer.

31. RISK OF LOSS



Seller shall assume all risk of loss or damage to goods covered under this Contract until acceptance by the Buyer (F.O.B Destination) or until delivery of goods to the carrier (F.O.B Origin or CIF as applicable). If any goods covered by this Contract are defective or not otherwise conforming to the Contract specifications, Buyer may, in its sole discretion, and in addition to any other remedy under this Contract or at law or in equity, by written notice to the Seller: (a) rescind the PO; (b) accept the goods at an equitable reduction in price; or (c) reject the goods and require the delivery of replacements. If the Seller does not deliver the required replacements promptly, Buyer may (1) replace or correct such goods and charge the Seller the cost incurred by the Buyer; or (2) terminate this Contract. No inspections, tests, approvals, or acceptance of goods ordered shall relieve Seller from responsibility of defects or failure to fulfill the Contract requirements for latent defects, fraud, gross mistakes amounting to fraud, and warranty obligations.

32. STOP-WORK ORDER

The Buyer may, at any time, by written notification to the Seller, require the Seller to stop all, or any part, of the work required for this Contract for a period of 90 days after the written order is delivered to the Seller, and for any further period to which the parties may agree. The Contract shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the stop-work order, the Seller shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work order is delivered to the Seller, or within any extension of that period to which the parties shall have agreed, the Buyer shall either cancel the stop-work order; or terminate the work covered by the stop-work order.

If a stop-work order issued under this clause is canceled or the period of that Contract or any extension thereof expires, the Seller shall resume work. The Buyer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the Contract shall be modified in writing accordingly if the stop-work order results in an increase in the time required for, or in the Seller's cost properly allocable to, the performance of any part of this PO; and the Seller asserts its rights to the adjustment within 20 calendar days after the end of the period of work stoppage.

If a stop-work order is not canceled and the work covered by the stop-work order is terminated for the convenience of the Buyer, the Buyer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement. If a stop-work order is not canceled and the work covered by the order is terminated for default, the Buyer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

33. TERMINATIONS

In addition to other remedies available under this Contract or at law or in equity, SSR may, by written notice, terminate this Contract in whole or part as to any portion of the Statement of Work if the Seller: (a) commits any breach of this Contract, including any material delay, and fails to cure such breach within ten (10) calendar days following SSR written notice of breach, (b) causes a breach under the Prime Contract, (c) becomes insolvent, applies for or is placed into bankruptcy proceedings, has a trustee, receiver or liquidator appointed as to its assets and operations, makes a general assignment for benefit of creditors, or becomes incapable of fulfilling future Contract obligations, (d) commits any act constituting fraud or gross negligence with respect to the Products or the Contract, or (e) repudiates the Contract.



SSR may also terminate the performance of work under this Contract if the Customer terminates SSR Prime Contract for any reason.

Additionally, SSR may, at any time, terminate all or part of this order for its convenience, by written notice to Seller. Settlement in the event of a termination for convenience will be in accordance with the provisions set forth in FAR 52.249-6 or applicable provision in effect as of the date of execution of the Contract.

In the event of notice of termination in part, Seller shall diligently proceed with performance of any Contract work not terminated.

For the avoidance of doubt, Seller shall be responsible and liable for any and all defaults of its subcontractors and 2nd and 3rd, etc., tier Sellers.

34. WAIVER AND SEVERABILITY

Buyer's failure to exercise any privilege or right granted to the Buyer, or failure to insist on strict performance by Seller under any provision, shall not be deemed as waiving such provision with respect to any future events or circumstances, and the same shall govern and continue in full force and effect. At any time should a provision of this Contract be determined to be unenforceable or illegal by any judicial administrative body or any court, the other provisions shall remain in full force and shall not be affected, provided however, that if enforcement of the Contract in the absence of such unenforceable or invalid provision would deprive a party of a material element of the original bargain, the parties will in good faith negotiate a reformation of the Contract to reflect as nearly as possible their original intent in the absence of such unenforceable or invalid provision.

35. WARRANTIES

In addition to any implied or expressed warranties, Seller warrants that goods furnished pursuant to this Contract will be

- (1) free from defects in workmanship and materials;
- (2) free from design defects except to the extent they complied with detailed drawings provided by the Buyer; and
- (3) in conformity with the requirements of this Contract.

If goods delivered under this Contract are found not to be as warranted within one (1) year after acceptance, Buyer may return any such goods to the Seller, at Seller's expense, for correction, credit, or replacement, as Buyer may direct.

This provision shall survive expiration or termination of the Contract.

36. COMPLETE AGREEMENT

This Contract, along with any attachments or supplements as incorporated herein by Buyer, shall constitute a complete agreement between the two parties and shall govern over any prior written or oral communication or agreement regarding the subject matter.

37. SET OFF RIGHTS



In the event a party simultaneously owes the other party any amount and is owed any amount by the other party, the first party owing such amount may, by written notice, effect a set off of the amount it owes up to the amount it is owed by the other party.

38. LIMITATION ON DAMAGES

Seller's liability for damages under this Contract shall not exceed the amount of payments required to be made to Seller under this Contract. Each Party's liability for damage to property shall be limited to physical damage directly caused by the sole negligence or willful of the responsible Party.

39. REMEDIES CUMULATIVE

Each party shall be entitled to any remedies expressly set forth in this Contract, and in addition may recover, to the extent not duplicative or inconsistent, any other remedies available at law or in equity.

40. FAR/DFARS CLAUSES/PROVISIONS.

The Order may require compliance to FAR/DFAR. If invoked, specific provisions applicable will be provided via addendum to Order. If FAR/DFAR is invoked the terms "Contractor" means "Seller", "Contracting Officer" means "Buyer", "Contract" means the Order and

"Government" means "Buyer or the Government." However, the words "Government" and "Contracting Officer" do not change when a right, act, authorization or obligation can be granted or performed only by the Government or the Prime Contract contracting officer or duly authorized representative.

41. EXPORT COMPLIANCE.

Any Technology or Technical Data provided by Buyer to Seller under this contract must be controlled in accordance with U.S. Export Control Laws. It is the sole responsibility of Seller to flow down verbatim to its subcontractors and disseminate to its employees, principals and any other related third party, any legends, markings, destination control statement or contract clause provided by Buyer in any communication, document, specification, structure, material, instruction, software, design or other Technology or Technical Data provided by Buyer to Seller that fall under the jurisdiction of US Export Laws ("Controlled Items"). US Export Laws include, but are not limited to: the Arms Export Control Act, the International Traffic in Arms Regulations, the Export Administration Act, the Export Administration Regulations and any other statute(s) or regulation(s) governing the sale, export, disclosure or exchange of any item by a U.S. Person with, or to, another country or a person who is a citizen of another country and all successor and supplemental laws and regulations to the above. The terms Technology and Technical Data shall have the meanings provided for in the US Export Laws. Seller will either

- (i) represent and warrant that it is a U.S. Person as that term is defined in the US Export Laws, or
- (ii) if Seller is a non-U.S. business entity, it must disclose to Buyer in writing the country in which it is incorporated or otherwise organized to do business. Seller must also disclose the citizenships and U.S. immigration status of all persons involved in this sales transaction. If Seller is a natural person, Seller must disclose to Buyer in writing all citizenships and U.S. immigration status. Seller further covenants that it shall comply with any and all US Export Laws, and any license(s) required in regard to the items provided to Buyer pursuant to this sale.



42. NOTICES.

All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a “Notice”) shall be in writing and addressed to the parties at the addresses set forth on the face of the sales order or purchase order, or Statement of Work, as applicable, or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Contract, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.