

1. FORMATION OF CONTRACT

- a. This proposed purchase contract, which incorporates by reference these General Provisions 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. Acceptance is strictly limited to the terms and conditions in this offer. Unless specifically agreed to in writing by Buyer's Authorized Procurement Representative, Buyer objects to, and is not bound by, any term or condition 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. Seller's provision of Goods shall be governed solely by this Contract. 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 is signed by the authorized representatives of the Parties.
- c. For purposes of this Contract, unless the context requires otherwise, (i) the words "include," "includes," and "including" are deemed to be followed by the words "without limitation"; (ii) the word "or" is not exclusive; (iii) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Contract as a whole; (iv) words denoting the singular have a comparable meaning when used in the plural, and vice-versa; (v) words denoting any gender include all genders; and (vi) references to (a) articles, exhibits, schedules, attachments, and appendices mean the articles of, and exhibits, schedules, attachments, and appendices attached to, this Contract; (b) an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (c) a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. 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. The exhibits, schedules, attachments, and appendices referred to herein are an integral part of this Contract to the same extent as if they were set forth verbatim herein.

2. SCHEDULE

- a. Time is and shall remain of the essence in the 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 the reasons for the delay and the actions being taken to overcome or minimize the delay; (ii) provide Buyer with a written recovery 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. Seller shall not deliver Goods prior to the scheduled delivery dates unless authorized in writing by Buyer's Authorized Procurement Representative.
- c. Buyer shall, at no additional cost, retain goods furnished in excess of the specified quantity or in excess of any allowable overage unless, within forty-five (45) days of shipment, Seller requests return of such excess. In the event of such request, Seller shall reimburse Buyer for reasonable costs associated with storage and return of the excess.

3. PACKING AND SHIPPING

- a. Seller shall pack Goods to prevent damage and deterioration. Unless otherwise set forth in this Contract, Seller shall package Goods in accordance with the requirements of Boeing Document D37522-6 "Supplier Packaging." Buyer may charge Seller for damage to or deterioration of any Goods resulting from improper packing or packaging.
- b. If this Contract specifies FOB destination (place of delivery), then in addition to any other shipping instructions, Seller shall forward Goods freight prepaid. Seller shall make the transportation arrangements, pay the shipping costs, and remain responsible for Goods until Goods are delivered and Buyer takes possession at the destination.
- c. If this Contract specifies FOB origin (place of shipment), then in addition to any other shipping instructions, 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.

4. CHANGES

- a. Buyer's Authorized Procurement Representative 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) reasonable 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 its customer prime contracts or subcontracts; and, if this Contract includes services, (vii) description of services to be performed; (viii) time of performance (e.g., hours of the day, days of the week, etc.); and (ix) place of performance. 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 Procurement Representative in writing within twenty-five (25) days and deliver a fully supported proposal to Buyer's Authorized Procurement Representative within sixty (60) days after Seller's receipt of such direction. Buyer may, at its sole discretion, consider any claim regardless of when asserted. If Seller's proposal includes the cost of property made obsolete or excess by the change, Buyer may direct the disposition of the property. 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 in accordance with the "Financial Records and Audit" Article. 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 Procurement Representative promptly in writing as to the nature of such conduct and its effect upon Seller's performance. Pending direction from Buyer's Authorized Procurement Representative, Seller shall take no action to implement any such change.

5. INSPECTION

- a. Goods shall be subject to inspection, surveillance, and test at reasonable times and places, including Seller's and Seller's subcontractors' locations. Buyer has the right to visit Seller's and Seller's subcontractors' locations during operating hours to inspect, review, and assess progress and performance under this Contract, including production, schedule, and quality. Any Buyer representative shall be allowed access to all areas used for the performance of this Contract. Buyer shall perform inspections, surveillance, 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, surveillance, 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, surveillance, and tests and to review procedures, practices, processes, and related documents related to quality assurance, quality control, flight safety, and configuration control shall extend to Buyer's customers that are departments, agencies, or instrumentalities of the United States Government, including the United States Government Federal Aviation Administration 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 Procurement Representative, extend such rights to other customers of Buyer and to agencies or instrumentalities of foreign governments equivalent in purpose to the Federal Aviation Administration. Seller shall cooperate with any such United States Government-directed or Buyer-directed inspection, surveillance, test, or review. Nothing in this Contract shall be interpreted to limit United States Government access to Seller's facilities pursuant to law or regulation.
- e. Reviews, including program reviews, requirements consumption reviews, and production 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-supplied components, inventory, Buyer's requirements, Seller's current compliance to and process for: (i) review, (ii) incorporation, and (iii) flow down 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. Seller shall disclose any corrective action taken. Repair, replacement and other correction and redelivery shall be completed as Buyer's Authorized Procurement Representative may reasonably direct.

7. SELLER'S NOTICE OF DISCREPANCIES

Seller shall promptly notify Buyer in writing when discrepancies in Seller's process, including any 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.

8. COUNTERFEIT PARTS PREVENTION

- a. Seller shall not furnish Counterfeit Parts, which are defined as unauthorized copies, imitation, substitute, or modified parts (e.g., materials, parts, components, subassemblies) which are misrepresented as specified 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 is 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. Training of appropriate persons in the awareness and prevention of Counterfeit Parts;
 - ii. Application of a 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 provides Electronic, Electrical, or Electromechanical (EEE) parts or assemblies containing EEE parts, Seller shall implement a counterfeit electronic parts detection and avoidance system compliant with the requirements of SAE standard AS5553 (revision as of the effective date of this Contract).
- d. If Seller becomes aware or suspects that it has furnished Counterfeit or Suspect Counterfeit Parts to Buyer, Seller promptly, but in no case later than thirty (30) days from discovery, shall 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. 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.
- e. 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.

9. INVOICES AND PAYMENT

- a. Unless otherwise authorized by Buyer's Authorized Procurement Representative, Seller shall issue a separate original invoice for each delivery of Goods that shall include Buyer's Contract number and line item number. Seller shall forward its invoice to the address specified elsewhere in this Contract. Unless freight or other charges are itemized, Buyer may take any offered discount on the full amount of the invoice. Payment due date, including discount periods, shall be computed from the later of the scheduled delivery of Goods date, the actual delivery of Goods date, or the date of receipt of a correct invoice. Payments shall be processed on the next payment system run following the computed payment due date. Payment shall be deemed made on the date Buyer's check is mailed or payment is otherwise tendered. Seller shall promptly repay Buyer any amounts paid in excess of amounts due to Seller. Payment shall be subject to the standard payment process and adjustment process set forth elsewhere in this Contract. 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.

10. SUSPENSION OF WORK

- a. Buyer's Authorized Procurement Representative 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 of 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 grounds 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 an 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 submits a claim for adjustment within twenty (20) days after the suspension is canceled.

11. 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 or 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 in its 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 agreements for specific code modules.
- b. This warranty shall begin upon Buyer's final acceptance of Goods and shall survive inspection, test, and payment for Goods. The warranty shall extend for a period of one (1) year or such other period as set forth elsewhere in this Contract, and Buyer shall give Seller notice after discovery of a defect or nonconformance in Goods. The warranty shall run to Buyer and its successors, assigns, and customers. In the event of any defect or nonconformance in Goods, Buyer may, at its option and at Seller's expense: (i) require prompt correction or replacement of Goods or (ii) return Goods for credit or refund. 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. Goods required to be corrected or replaced shall be subject to the requirements of this Contract in the same manner and to the same extent as Goods originally delivered under this Contract, but only as to the corrected or replaced part or parts thereof. Even if the Parties disagree about the existence of a breach of this warranty, Seller shall promptly comply with Buyer's direction to: (i) repair, rework, or replace Goods or (ii) furnish any materials or parts and installation instructions required to successfully correct the defect or nonconformance. If the Parties later determine that Seller did not breach this warranty, the Parties shall equitably adjust the price.

12. TERMINATION

- a. Termination for Convenience. Buyer may terminate all or part of this Contract for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to stop work. Subject to the terms of this Contract, within ninety (90) days after the effective date of termination, Seller may submit to Buyer a claim reflecting the percentage of the work performed prior to the effective date of termination, plus reasonable charges that Seller can demonstrate to the satisfaction of Buyer using its standard record keeping system have resulted from the termination. Seller shall not be paid for any work performed or costs incurred which reasonably could have been avoided. Further, Seller shall not be paid, and in no event shall Buyer be obligated to pay, lost or anticipated profits, or unabsorbed indirect costs or overhead. In no event shall Buyer be obligated to pay Seller any amount in excess of the Contract price. The provisions of this provision shall not limit or affect the right of Buyer to terminate this Contract for default. Seller shall continue all work not terminated.
- b. Termination for Default.
- i. Buyer may, by written notice to Seller, terminate all or part of this Contract if: (a) Seller fails to deliver Goods within the time specified by this Contract or any written extension; (b) Seller fails to perform any other provision of this Contract or 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's Authorized Procurement Representative; (c) Seller fails to provide written adequate assurance of its ability to perform in accordance with all 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 a 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 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. 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 license, with the right to grant sublicenses, to exercise all IP Rights in Seller-Owned IP (as such terms are defined in the "Intellectual Property" Article) and Seller's Proprietary Information and Materials (as defined in the "Confidential, Proprietary, and Trade Secret Information and Materials" Article) 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 12(b)(i) of this Contract, regardless of whether Buyer terminates this Contract in whole or in part for default.

13. 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.

14. ASSIGNMENT AND CHANGE OF CONTROL

- a. Seller shall not and shall cause its affiliates not to, directly, indirectly, voluntarily or involuntarily, in each case, whether by transfer, operation of law, or otherwise undergo a Change of Control (as defined in subparagraph b. below) 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 given 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 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.

15. 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 customers.
- 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 U.S.C. §§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 a Supplier Code of Conduct that outlines expected values and behaviors for all suppliers, including their employees, agents, and subcontractors. This code may be downloaded at https://www.boeingsuppliers.com/principles/Boeing_Supplier_Code_of_Conduct.pdf. Seller shall: (i) adopt and enforce concepts, values, and behaviors consistent with those embodied in the Supplier 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 Supplier Code of Conduct in Seller’s business, operations or supply chain, Seller shall: (i) inform Buyer immediately via the reporting channel found at <https://www.boeing.com/sustainability/ethics-and-compliance#anchor2>; and (ii) cooperate fully with Buyer to investigate such breach.
- e. Environmental Health and Safety.
 - i. Environment, Health and Safety Performance. Seller acknowledges and accepts full and sole responsibility to maintain an environment, health, and safety management system (“EMS”) appropriate for its business throughout the performance of this Contract. Buyer expects that Seller’s EMS shall promote health and safety, environmental stewardship, and pollution prevention by appropriate source reduction strategies. Seller shall convey the requirement of this provision to its suppliers. Seller shall not deliver Goods that contain asbestos mineral fibers.
 - ii. Chemical Profile Declaration. If requested by Buyer, Seller shall provide to Buyer or its authorized third-party service provider, the chemical profile of Goods (by part number) in accordance with the requirements defined by the most recent published versions of IPC-1754 (<https://www.iaeg.com/chemicalrpt/ipc1754/>) and IAEG® Aerospace and Defense Declarable Substances List (<https://www.iaeg.com/chemicalrpt/addsl/>). A response (or a request for more time) shall be required within twenty-five (25) days of the notification. If requested by Buyer, Seller shall provide updates when there is a change in regulatory requirements, supply of new Goods, a new Seller manufacturing location, or a change in the composition of Goods provided since the last chemical profile declaration was provided to Buyer.
- f. 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 by submitting the written notification to Buyer or Buyer’s Authorized Representative.
- g. Buyer Policies. Seller agrees that Buyer’s internal policies, procedures, and codes are intended to guide the internal management of Buyer and are not intended to, and do not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by Seller against Buyer.
- h. Conflict Minerals. Per 15 U.S.C. 78m(p), if Goods delivered to Buyer contain conflict minerals, then Seller shall, no later than thirty (30) days following each calendar year in which Seller has delivered those Goods to Buyer, complete and provide to Buyer or Buyer’s representative a single and comprehensive Conflict Minerals Reporting Template found at https://www.boeingsuppliers.com/supplier_principles.html#/compliance. Seller shall perform appropriate due diligence on its supply chain in order to fulfill the reporting obligations of this provision.
- i. 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. Buyer strongly encourages Seller to model its program in accordance with the U.S. Sentencing Commission Guidelines, applicable guidance from

enforcement authorities, and industry best practices. Seller shall publicize to its employees who are engaged in the performance of work under this Contract that they may report any concerns of misconduct by Buyer or any of its employees or agents by going to <https://www.boeing.com/principles/ethics-and-compliance.page>. Seller shall convey the substance of this provision to its suppliers.

- j. Seller and Sub-Tier Supplier Information. In addition to requirements set forth elsewhere in this Contract, Seller shall, when reasonably requested by Buyer, provide sub-tier supplier information related to 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.

k. Offset Credits/Industrial Participation.

- i. To the exclusion of all others, Buyer and its assignees shall be entitled to all industrial benefits or offset credits that might result from this Contract. Seller shall provide all information and assistance to Buyer that Buyer may reasonably request in support of Buyer's efforts to secure offset credits related to Goods.
- ii. Before entering into a subcontract for any non-U.S. products or services in excess of \$100,000 in support of this Contract, Seller shall complete and submit to Buyer Form X33647, entitled "Advance Content Notification/Supplier Foreign Content Report" as set forth in the Supplier Data Requirements List (SDRL) applicable to this Contract. If there is no SDRL applicable to this Contract, Seller shall submit the form to Buyer's Authorized Procurement Representative and e-mail a copy to: foreigncontent@boeing.com.
- iii. In addition, Seller shall support Buyer in the fulfillment of offset, industrial participation, co-production, or similar obligations that Boeing may have accepted as a requirement for the sale of end products to non-U.S. customers related to Goods.

16. ACCESS TO PLANTS AND PROPERTIES

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 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; (ii) Buyer requests for information and documentation to validate citizenship or immigration status of Seller's personnel or subcontractor personnel; and (iii) "The Boeing Company On-Site Environment, Health and Safety Supplemental Provisions" located in SP4 at <https://www.boeingsuppliers.com/terms.html>, as may be updated from time to time, which is incorporated by reference. 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.

17. CYBERSECURITY; ELECTRONIC ACCESS

- a. Cybersecurity. Seller shall comply with "The Boeing Terms of Use and Cybersecurity Supplement ("Terms of Use")" located in SP5 at <https://www.boeingsuppliers.com/terms.html>, as may be updated from time to time, which is incorporated by reference.
- 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" or equivalent, shall be considered as proprietary to Buyer and shall be protected in accordance with the "Confidential, Proprietary, and Trade Secret Information and Materials" Article.

18. TRADE CONTROL COMPLIANCE

- a. The Parties shall comply with all export and import laws, regulations, decrees, orders, and policies of the United States 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 U.S. Department of Commerce, the International Traffic in Arms Regulations ("ITAR") of the U.S. Department of State, the U.S. 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 U.S. 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-U.S. subsidiaries) any export-controlled item, data, or services, without providing advance written 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 represents that it maintains an effective export/import control compliance program in accordance with all applicable Trade Control Laws. A copy of process control documents and other documents reasonably requested by Buyer related to Seller's compliance with applicable Trade Control Laws shall be made available to Buyer upon request.
- 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 of any actual or alleged violations of any applicable Trade Control Laws, including any suits, actions, 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.

19. 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.

20. CONFIDENTIAL, PROPRIETARY, AND TRADE SECRET INFORMATION AND MATERIALS

- 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 "Proprietary Information and Materials"). Proprietary Information and Materials excludes information that is, as evidenced by competent records provided by the receiving Party, known to the receiving party or lawfully in the public domain, in the same form as disclosed hereunder, disclosed to the receiving Party without restriction by a third party having the right to disclose it, or developed by the receiving Party independently without use of or reference to the disclosing Party's Proprietary Information and Materials.
- b. Buyer and Seller shall use Proprietary Information and Materials 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 Proprietary Information and Materials to any third party except as expressly set forth herein. Seller shall not, without Buyer's prior written consent, use the Proprietary Information and Materials disclosed by Buyer in any manner not authorized under this Contract, including using such Proprietary Information and Materials 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 Proprietary Information and Materials 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 or Buyer's product containing such Goods; (iii) evaluate Seller products and proposals, develop solicitations for Seller products, and develop interfaces or parameters for Boeing products; (iv) perform or obtain data analysis or risk mitigation; (v) obtain data storage, hosting, and other outsourced services; and (vi) ensure regulatory or legal compliance. Any such disclosure by Buyer shall, when appropriate, include a suitable restrictive legend.
- c. Seller may disclose Proprietary Information and Materials 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 upon Seller under this Article. Seller shall be liable to Buyer for any breach of such obligation by such subcontractor.
- d. A Party may disclose received Proprietary Information and Materials in response to a subpoena or court order if the receiving Party has used reasonable efforts to give the disclosing Party advance written notice of such requirement to allow the disclosing Party to: (i) seek a protective order or other remedy; (ii) consult with respect to resisting or narrowing the scope of such requirement; or (iii) modify or waive compliance with this Article. If such protective order or remedy is not timely obtained, the receiving Party shall use commercially reasonable efforts to disclose only Proprietary Information and Materials legally required to be disclosed and to require confidential treatment of such disclosure.
- 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 Proprietary Information and Materials and all materials derived therefrom, unless Buyer specifically directs otherwise in writing. Seller shall not (i) dispose of (as scrap or otherwise) any Goods, parts or other materials containing, conveying, embodying or made in accordance with or by reference to any Buyer Proprietary Information and Materials without first rendering such items unusable, and ensuring that Buyer Proprietary Information and Materials cannot be discerned or extracted from such Goods, parts, or other materials; or (ii) without a separate license agreement or written approval from Buyer, make, use, or sell any Goods, parts, or materials containing, conveying, embodying or made in accordance with or by reference to Proprietary Information and Materials of Buyer except as required to perform this Contract.
- f. The provisions of this Article are effective notwithstanding of any restrictive legends or notices on Proprietary Information and Materials and shall survive the completion or termination of this Contract. Buyer shall have the right to audit Seller's compliance with this Article.

21. INTELLECTUAL PROPERTY INDEMNITY

Seller shall indemnify, defend, and hold harmless Buyer and its customer from all claims, suits, actions, awards (including awards based on intentional infringement of patents), liabilities, damages, costs, and attorneys' fees related to the actual or alleged infringement of any intellectual property right or misappropriation or wrongful use of information or documents, and arising out of or related to the use, manufacture, reproduction, sale, or other distribution of 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 new product design with formal specifications issued by Buyer where infringement could not be avoided in complying with such specifications or (ii) use or sale of 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. For purposes of this Article only, the term Buyer shall include The Boeing Company, all Boeing subsidiaries,

and all officers, agents, and employees of Boeing or its subsidiaries.

22. INTELLECTUAL PROPERTY

a. Definitions:

“Intellectual Property” or “IP” means inventions, discoveries, and improvements; know-how, works of authorship, technical data, drawings, 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.

“Buyer Specifications” means performance specifications, specification control documentation, interface control documents, schematics, definitions, configurations, and certification data, and all IP Rights therein, used or intended to be used by Boeing: (i) to establish and define (1) requirements for Goods and associated processes, service level, system specification, certification, and configuration; and (2) architecture descriptions for Goods and associated processes, service, and system; and (ii) to procure and certify Goods or similar products and to assure integration of Goods or similar product with a Boeing product or other systems and equipment included in a Boeing product.

b. Seller-Owned IP. Seller shall retain ownership of its Background IP and of any Foreground IP not assigned to Buyer pursuant to subparagraph d. below (collectively, the “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 Boeing’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.

ii. Seller hereby irrevocably assigns to Buyer all right, title, and interest in the Foreground IP. Seller shall protect Foreground IP as Buyer’s Proprietary Information and Materials under this Contract and shall mark documents or portions of documents containing Foreground IP as “Boeing Proprietary” information or as otherwise directed by Buyer in writing.

iii. Seller shall, within two (2) months after conception or first actual reduction to practice of any invention and prior to Contract completion, disclose in writing to Buyer all inventions assigned hereunder, whether or not patentable, in sufficient technical detail to clearly convey the invention to one skilled in the art to which the invention pertains. Seller shall promptly execute all written instruments and assist as Buyer reasonably 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.

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 of the Buyer-Owned IP in any manner not authorized under this Contract, including developing, manufacturing, obtaining a 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.

23. PRICES; TAXES

a. Prices. The price of this Contract includes Seller’s, and any Seller’s subcontractors’ (if any), performance of all requirements and obligations under this Contract.

b. Taxes. The price of this Contract includes, and Seller is liable for and shall pay, all taxes, impositions, charges, 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.

24. FINANCIAL RECORDS AND AUDIT

Seller shall retain all financial records and documents pertaining to Goods for a period of no less than three (3) years after final payment. 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. Buyer shall have the right to examine, reproduce and audit all Seller records related to pricing, incurred costs and proposed costs associated with any proposals (prior to or after contract award), invoices or claims.

25. 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 by Buyer's Enterprise Credit Risk office. 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 seventy-two (72) hours of any written request by Buyer. All such information shall be treated as confidential.

26. GOVERNMENT OR OTHER CUSTOMER CLAUSES

- a. Government or other Buyer customer clauses applicable to this Contract, if any, are incorporated elsewhere in this Contract either by attachment or by some other means of reference.
- b. In addition, the clauses below are incorporated by reference, as if fully set forth herein, from the Federal Acquisition Regulation ("FAR") and/or Defense Federal Acquisition Regulation Supplement ("DFARS") and apply to the extent indicated therein. Except as may be otherwise stated, "Contractor," "Offeror" or any equivalent terms means Seller, "Government," "Contracting Officer" or any equivalent terms means Buyer, and all references to a "Disputes" clause shall mean the "Disputes" Article of this Contract. The effective version of each clause listed shall be the latest version published on the date this Contract is issued. The full text of a clause may be accessed electronically at <https://www.acquisition.gov/content/regulations>.

52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. Paragraph (b) is deleted and replaced with the following: "Seller is prohibited from providing Buyer with covered telecommunications equipment or services, or with any equipment, systems, or services that use covered equipment or services regardless of whether that use is in performance of work under a U.S. Government contract." Paragraph (c) is deleted in its entirety. Paragraph (d)(1) is deleted and replaced with the following: "In the event Seller identifies covered telecommunications equipment or services provided to Buyer during contract performance, or Seller is notified of such by a subcontractor at any tier or any other source, Seller shall report the information in paragraph (d)(2) of this clause via email to Buyer's Authorized Procurement Representative, with the required information in the body of the email."

27. RECIPROCAL WAIVER OF CLAIMS – QUALIFIED ANTI-TERRORISM TECHNOLOGY

If this Contract involves the manufacture, sale, use, or operation of a Qualified Anti-Terrorism Technology and Seller is either Buyer's (i) contractor, (ii) subcontractor, (iii) supplier, or (iv) vendor of or for such technologies, then pursuant to 6 U.S.C. § 443(b) of the SAFETY Act and 6 C.F.R. § 25.5(e), the Parties agree to a Reciprocal Waiver of Claims and each Party shall be responsible for Losses, including business interruption losses, that such Party sustains (and for Losses that its employees sustain) resulting from an activity resulting from an Act of Terrorism when the Qualified Anti-Terrorism Technology has been deployed in defense against or response to or recovery from such Act of Terrorism. "Act of Terrorism," "Loss," "Qualified Anti-Terrorism Technology," and "Reciprocal Waiver of Claims," are defined in 6 U.S.C. §§ 443 – 444.

28. PUBLICITY

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

29. PROPERTY MANAGEMENT

Seller shall clearly mark, maintain an 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's Authorized Procurement Representative if Buyer's property is lost, damaged, or destroyed. As directed by Buyer's Authorized Procurement Representative, 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.

30. INDEMNIFICATION, INSURANCE, AND PROTECTION OF PROPERTY

The following provisions shall only apply if and to the extent Seller's personnel enter or perform work at premises owned or controlled by Buyer or Buyer's customer:

- a. Indemnification. Seller shall defend, indemnify, and hold harmless The Boeing Company, its subsidiaries, and their 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 related to this Contract, the performance thereof by Seller, by any subcontractor thereof, or by other third parties within the control or acting at the direction of Seller, or by any of their respective employees (collectively for the purposes of this paragraph, "Seller Parties"), including the provision of goods, services, personnel, facilities, equipment, support, supervision, or review. The foregoing indemnity shall apply only to the extent of the negligence or willful misconduct of Seller Parties that occurs while on premises owned or controlled by Buyer. In no event shall Seller's obligations hereunder be limited to the extent of any insurance available to or provided by any Seller Party. 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 subparagraph.
- b. Commercial General Liability. Seller shall carry and maintain, and ensure that all subcontractors thereof carry and maintain, throughout the period when work is performed and until final acceptance by Buyer, 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 subparagraph a herein), and goods and completed-operations insurance with limits of not less than \$1,000,000 per occurrence for a minimum of twenty-four (24) months after final acceptance of the work by Buyer. Such insurance shall not be maintained on a per-project basis unless the respective Seller or subcontractor thereof does not have blanket coverage.
- c. 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.
- d. Workers' Compensation and Employers' Liability. Throughout the period when work is performed 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 of 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 an employee of Seller or any subcontractor, Seller shall reimburse Buyer for such payment.
- e. Certificates of Insurance. Prior to commencement of the work, Seller shall provide for Buyer's review and approval certificates of insurance reflecting full compliance with the requirements set forth in subparagraphs b, c, and d. 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 thereof to furnish certificates of insurance, or to procure and maintain the insurance required herein, or failure of Buyer to request such certificates, endorsements, or other proof of coverage shall not constitute a waiver of Seller's or its subcontractor's obligations hereunder.
- f. Self-Assumption. Any self-insured retention, deductibles, or exclusions in coverage in the policies required under this Article 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.
- g. Protection of Property. Seller assumes and shall ensure that all subcontractors thereof 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 that any subcontractor thereof and their respective employees waive, all rights of recovery against Buyer, its subsidiaries and their respective directors, officers, employees, and agents for any such loss, destruction, or damage. At all times, Seller shall, and ensure that all subcontractors thereof shall, use suitable precautions to prevent damage to Buyer's property. If any such property is damaged by the fault or negligence of Seller or any subcontractor thereof, 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.

31. RESERVED

32. 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 Delaware without regard to the conflict of law rules thereof. This Contract excludes the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods.

33. 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.

34. NO WAIVER; RIGHTS AND REMEDIES

- a. Any failures, delays, or forbearances 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 in this Contract, the rights and remedies set forth herein are cumulative and in addition to any other rights or 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.

35. NOTICE TO BUYER 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.

36. 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:

Document Title/Description:

- a. Customer Contract Requirements (CCR), if set forth in this Contract
- b. The system generated purchase contract document
- c. Common terms and conditions SQR C146
- d. Buyer site-specific terms and conditions
- e. General Provisions (GP1, GP2, GP3, GP4, GP6, GP7, GP8, GP9) and Special Provisions (including SP1, SP2, SP3 (incorporated by this reference where Seller is formed, organized, or incorporated outside the United States), SP4 and SP5)
- f. Specifications (the most recently agreed to and issued version of specifications shall control and Buyer's specifications shall prevail over any subsidiary documents referenced therein)
- g. Statements of work (the most recently agreed to and issued version of a statement of work shall control)
- h. All other attachments, exhibits, appendices, documents, or terms incorporated by reference in or attached to this Contract.

37. 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.