

**NORTHROP GRUMMAN INNOVATION SYSTEMS  
SOFTWARE SUPPLEMENT  
INDIRECT**

---

THE FOLLOWING TERMS AND CONDITIONS SHALL PREVAIL TO THE EXTENT THEY CONFLICT WITH NG CTM-P-ST-005 OR ANY OTHER TERMS AND CONDITIONS GOVERNING THIS AGREEMENT. FURTHERMORE, THIS ADDENDUM CONTAINS ADDITIONAL TERMS AND CONDITIONS UNIQUE TO THE ABOVE INDICATED COMMODITY. ALL NON-CONFLICTING TERMS AND CONDITIONS IN THE NG CTM-P-ST-005 SHALL REMAIN IN FULL FORCE UNLESS OTHERWISE INDICATED HEREIN:

**ADDITIONS AND MODIFICATIONS TO GENERAL PROVISIONS:**

**1. DEFINITIONS (MODIFICATION TO CLAUSE 1 OF CTM-P-ST-005)**

- A. "Buyer," "Customer," "Licensee," or "Lessee" means Northrop Grumman Innovations System, unless a different legal entity is identified on the face of this Order, in which case "Buyer," "Customer," "Licensee," or "Lessee" shall mean such other entity.
- B. "Seller" means the party with whom Customer is contracting and any reference to "vendor," "licensor," "lessor," "subcontractor," "contractor" or "supplier" shall also mean Seller. Any reference to Seller shall also be understood to include Seller's employees.

**3. ORDER OF PRECEDENCE (MODIFICATION TO CLAUSE 3 OF CTM-P-ST-005)**

In the event of any inconsistency between any parts of this Order, the inconsistency shall be resolved by giving precedence in the following order:

- a. Change Order Document
- b. Order Document
- c. Commodity Specific Addendum (This document)
- d. Order Terms & Conditions (CTM-P-ST-005)
- e. Statement of Work
- f. Specifications/Drawings
- g. Quality/Mission Assurance Requirements
- h. Supplier Data Requirements List (SDRL)/Data Item Description (DID)
- i. Other Referenced Documents

**ADDITIONAL PROVISIONS APPLICABLE TO SOFTWARE/SOFTWARE LICENSE:**

**ACCEPTANCE SOFTWARE**

A. The issuance of a Purchase Order and the execution of Seller's Software License and/or Lease Agreement as may be amended by Buyer constitute the Buyer's offer. Acceptance is expressly limited to the terms and conditions of the Purchase Order, which may include Seller's Software License/Lease Agreement, as amended by buyer, to the extent that such terms and conditions are consistent with and do not in any way conflict with Buyer's terms and conditions as stated herein. In the event of any inconsistencies between the terms and conditions of Buyer and the Software License/Lease Agreement the terms and conditions of Buyer shall prevail. The Purchase Order, Buyer's terms and conditions and the Software License and/or Lease Agreement shall sometimes hereinafter be referred to collectively as the "Agreement".

B. The Licensed Product(s) shall be accepted as conforming to the requirements of the Purchase Order (including the Software License and/or Lease Agreement) only upon successful completion of the validation process. If the Licensor fails within thirty (30) calendar days to correct the defects contained in the "listing", Licensee may; (a) issue a "partial acceptance" of the Licensed Product(s), after Licensor and Licensee enter into good faith negotiations to determine the equitable adjustment in the price to account for such deficiency; (b) conditionally accept the Licensed Product(s) for a specified period of time while reserving its right to revoke acceptance if timely correction(s)/ modification(s) are not forthcoming during the agreed to time period, or (c) pursue whatever other remedies are available under this Agreement. In all cases, in which corrections and/or modifications are required to correct deficiencies discovered during validation of the Licensed Product(s) the date upon which such Licensed Product(s) are re-validated shall for all intents and purposes be the "Acceptance Date."

**NORTHROP GRUMMAN INNOVATION SYSTEMS  
SOFTWARE SUPPLEMENT  
INDIRECT**

---

**APPLICABILITY SOFTWARE LICENSE AGREEMENT**

During the warranty period of any agreement between Vendor and Customer pertaining to the Software described in the Purchase Order, all of the provisions of this Agreement shall be applicable without additional charge.

**CONFIDENTIALITY OF VENDOR'S INFORMATION**

Customer hereby agrees that it shall use reasonable efforts to avoid disclosure of Vendor's proprietary/confidential information to any third party other than Buyer's consultants, agents and representatives having access to Customer proprietary data. Further, Vendor agrees that all such proprietary/confidential information shall be marked with a stamp or legend indicating its confidential/proprietary nature. For the purposes of the Agreement, the term "reasonable efforts" shall mean that Customer shall treat such proprietary/confidential information in accordance with Customer's procedures regarding vendor/customer proprietary information. Further, Customer shall have the right to copy the Software for backup and archival purposes. Customer shall not be liable for use or disclosure of any such proprietary information if the same is:

- i. In the public domain at the time it was disclosed;
- ii. Known to the party receiving it at the time of disclosure;
- iii. Used or disclosed inadvertently provided the appropriate degree of care is exercised;
- iv. Used or disclosed with the prior written approval of the other party;
- v. Independently developed by the receiving party;
- vi. Becomes known to the receiving party without similar restrictions from a source other than the disclosing party having the right to disclosure.

**DATA BREACH NOTIFICATION**

Seller will promptly notify Buyer of any actual or potential exposure or misappropriation of Buyer data ("breach") that comes to Seller's attention. Seller will cooperate with Buyer and in investigating any such breach, at Seller's expense. Seller will likewise cooperate with Buyer and, as applicable, with law enforcement agencies in any effort to notify injured or potentially injured parties, and such cooperation will be at Seller's expense, except to the extent that the breach was caused by Buyer. The remedies and obligations set forth in this subsection are in addition to any others Buyer may have, including, but not limited to, any requirements in the "Privacy, Confidentiality, and Security" provisions of this Agreement.

**DATA CONTROL**

Seller will have policies and procedures in place to protect any data that Buyer provides, including destruction methods employed and how audit and system log information is protected. Buyer may upon request, review Seller's applicable policies and procedures.

**DIVESTITURES – IT PRODUCTS & SERVICES**

A. Upon Buyer's divestiture of any affiliate, division, business unit, line of business or sector ("divested entity"), Buyer may assign in whole or in part the software and/or maintenance services that are the subject of this order to that divested entity. Upon execution of an assignment, Buyer shall have no further rights or obligations with respect to the assigned licenses and/or services (with the exception of any unpaid license and/or maintenance service fees which remain due on the effective date of such assignment) and the divested entity shall become the "customer" of record for those assigned licenses and/or services. Any such assignment or other transfer of licenses to the software and/or maintenance services made to a third party will be subject to the prior written consent of Seller/licensor which consent will not be unreasonably withheld or delayed.

B. Divested entities will have the right, for a period of twelve (12) months post-divestiture, to continue to purchase the software products and/or maintenance services covered under this order, or Buyer may purchase such licenses under this order on behalf of the divested entities. If a divested entity wishes to order from Seller directly, Seller reserves the right to require such divested entity to provide financial information sufficient to determine creditworthiness before accepting any orders.

C. For software. In the event of a divestiture, Buyer shall be permitted to use the software products to provide managed services for the divested entity during a period of transition, provided that Buyer's use in such case is only for the divested entity. Once the transition period ceases, Buyer shall assign the licenses to the divested entity as provided in the "divestiture" provision in this purchase order.

**NORTHROP GRUMMAN INNOVATION SYSTEMS  
SOFTWARE SUPPLEMENT  
INDIRECT**

---

D. Buyer shall have the unrestricted right to transfer the software license(s) to its parent and/or any subsidiary or affiliate of Buyer upon written notification to Seller/licensor of such transfer without payment of additional costs or fees provided that the number of licenses transferred does not exceed the Buyers total licensed count. In each such instance, Buyer shall inform Seller/licensor of the transfer, and shall provide details on the name and address of assignee, including which products (and how many licenses of each) are being transferred.

**INDEMNIFICATION – SOFTWARE LICENSE**

A. Licensor warrants that the Software does not infringe upon or violate any patent, copyright or trade secret. Licensor shall defend and hold harmless, at its expense any action or demand brought against Licensee to the extent that it is based on a claim that the Software infringes a patent, copyright, trademark or trade secret and will pay any and all costs and damages incurred by the Licensee, including reasonable attorney fees which are attributable to such claim, provided that Licensee notifies Licensor promptly in writing of the claim and allows Licensor to fully control the defense and any settlement of such claim. Provided that such settlement is not adverse to Buyer and does not require Licensee to pay any monetary or other type of compensation of any kind to the Licensor, claimant, or any other party. Licensee hereby agrees to reasonably participate in the defense of such claim if reasonably necessary and requested to do so by the Licensor, subject to Licensor paying all of Licensee's reasonable expenses associated with such participation. Licensee may appear through counsel at its own expense. Should the Software become, or if in Licensor's opinion is likely to become, the subject of any claim of infringement, Licensor may procure for the Licensee the right to continue using the Software, replace or modify the Software to make it non-infringing at no additional cost to Licensee. If neither of the aforementioned alternatives can be reasonably and/or timely accomplished Licensor and Licensee shall enter into good faith negotiations to derive the equitable adjustment to be provided to Licensee.

B. Licensor shall not be liable for any claim of infringement based upon (i) use of other than the latest unmodified release of the Software made available to Licensee by Licensor if such infringement would have been avoided by the use of such release of the Software, or (ii) use or combinations of the Software with non-Licensor, programs or data if such infringements would not have occurred, but for, such use or combinations.

**MERGERS AND ACQUISITIONS – IT PRODUCTS AND SERVICES**

A. If Buyer merges with or acquires entities that have existing licensed software, the merged, or acquired entity's licenses will terminate upon completion of the acquisition or merger and the merger/acquired entity's licenses will be combined with Buyer's existing licenses of the same license type under the terms of this purchase order, provided that Buyer and the merged/acquired entity are both current on maintenance and there are no outstanding receivables against either account. There shall be no transfer fee for combining the licenses, provided; however, that Buyer will true up the merged or acquired licenses to match Buyer's software configuration and license type(s). Maintenance will continue on the combined number of users. Buyer may, at its option, permit an acquired entity to continue to operate its existing software as a standalone operation, but subject to the terms of this purchase order at no additional cost other than continued maintenance fees.

B. If Buyer merges with or acquires an entity or entities that have a need for Seller's products and services, Buyer and the acquired entity will be permitted to make purchases using this purchase order and price discounts in support of the acquired entity. If under any existing purchase order with an acquired entity or entities Seller currently provides or agrees to provide maintenance services, Buyer and Seller will negotiate a combined maintenance agreement sufficient to cover the combined companies so as to avoid any disruption in service.

C. In the event Northrop Grumman acquires a company that has a pre-existing contract with Seller at lower pricing than incorporated in this Agreement, then subject to agreement by manufacturer(s) supporting the pre-existing contract (if applicable), the Parties shall amend this Award to incorporate the lower pricing and/or better discounts.

**NOTICE**

Any notice or other communication hereunder required or that may be given pursuant to this Agreement shall be deemed received three (3) days after transmittal provided the correspondence is appropriately addressed, using registered mail, return receipt requested, or any of the express mail services.

**NORTHROP GRUMMAN INNOVATION SYSTEMS  
SOFTWARE SUPPLEMENT  
INDIRECT**

---

**PRODUCT VULNERABILITIES**

Within 24 hours of confirming vulnerability in their product line, Seller shall notify Buyer and provide a corrective action plan to address the issue. This plan should include, but not be limited to: identification of the specific vulnerability; steps to isolate and prevent further occurrences; replacement of the defective product(s); enhanced quality control procedures.

**RENEWAL OF THE AGREEMENT**

The Customer shall have the option, exercisable by notice given to the Vendor thirty (30) days prior to the expiration of any term of this Agreement, to renew this Agreement for annual periods. No work shall be performed by Vendor after expiration of this Agreement.

**REPORTING – IT SOFTWARE**

For software. Upon request, Seller will submit within 48 hours a copy of the testing procedures and test results used for the product(s) being procured.

**SOFTWARE CHAIN OF CUSTODY**

Seller represents and warrants that it has policies and procedures in place to ensure that software code used to develop product(s) has been within Seller's configuration management and control during the entire development process. Should Buyer determine that Seller has supplied product(s) that have failed or do not properly function (i.e. harmful/malicious code embedded into software) due to lapses in the chain of custody, Buyer shall promptly notify Seller and Seller shall at its own expense immediately replace the defective product(s) with product(s) that conform to the software documentation specifications.

**SOFTWARE MAINTENANCE**

This Agreement does not include any current or future maintenance provisions with Licensor. If the Parties agree to enter into a separate contractual maintenance agreement any current or future maintenance Agreement(s) which is terminated for any reason, shall not affect the continuation of the Agreement and/or the incorporated Software License and/or Lease Agreement(s).

**TERMINATION/CANCELLATION – SOFTWARE LICENSE**

A. This Agreement and the License(s) granted hereunder shall terminate upon the earliest to occur of the following: (i) thirty (30) days after Licensee gives Licensor written notice of Licensee's desire to terminate this Agreement, for any reason, subject to payment of all License fees then due and owing; (ii) thirty (30) days after Licensor gives Licensee notice of Licensee's breach of any material provision of this Agreement and Buyer fails to cure such breach within 30 days (iii) immediately if either Party files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors or (iv) expiration of the term of this Agreement.

B. Within thirty (30) days of any termination Licensee shall either return to Licensor at Licensee's expense, delete and/or destroy all Licensed product(s) and any proprietary documentation related thereto except that Licensee may retain an archival copy. If requested, Licensee shall provide written certification that all Licensed product(s) and/or proprietary documentation has been returned, deleted and/or destroyed with the exception of the copy which is retained for archival purposes.

C. By written notice to Vendor, Customer may cancel the whole or part of this Agreement in the event of suspension of Vendor's business, insolvency of Vendor, institution of bankruptcy, reorganization, arrangement, liquidation proceedings by or against Vendor or proceedings for the benefit of creditors or for any failure by Vendor to provide adequate assurances (as provided for in Uniform Commercial Code, section 2-609) of its ability or willingness to perform its obligations under this Agreement. Such cancellation shall be deemed "for default" in accordance with Section 18 "Termination for Default" and the rights and obligations of the parties shall be determined as therein provided.

D. Vendor shall also be deemed in default if the Software program continues to exhibit defects causing serious disruption of use and/or repeated periods of downtime, notwithstanding Vendor's remedial or maintenance efforts, over a continuous period of three months or more.

**NORTHROP GRUMMAN INNOVATION SYSTEMS  
SOFTWARE SUPPLEMENT  
INDIRECT**

---

E. Rights and Obligations of the Parties on Termination. In the event that this Agreement is terminated, each party shall forthwith return to the other all papers, materials, and other properties of the other party then in its possession or certify to the destruction of same.

F. Refund of Payments. The Vendor shall, upon termination by Customer due to default by Vendor, and in addition to any other remedies at law or in equity available to Customer, return payments it received under this Agreement. The refund of monies paid hereunder shall not be deemed the exclusive remedy of Customer in the event of a default or breach of this Agreement by Vendor.

**TRANSFERS, PROVISIONS AND RIGHT-TO-USE SOFTWARE**

A. Licensee shall have the unrestricted right to transfer the Software License(s) to its parent and/or any subsidiary of Licensee upon written notification to Licensor of such transfer without payment of additional costs or fees provided that the total number of Software Licenses purchased or leased by Licensee is not exceeded. In the event that Licensee Software License usage exceeds the total number of Software License(s) purchased or leased the Licensor and Licensee hereby agree to enter into good faith negotiations for the purchase and/or lease of the additionally required Software License(s) or Licensee shall comply with the previously established Software License(s) usage limits. Licensee shall have the right to reproduce the Software and Documentation described in the Purchase Order as reasonably required for its internal use, disaster recovery, or archival purposes, provided that all copies shall include Licensor's copyright and any other proprietary notices and be subject to the restrictions of this Agreement and any exceptions to this provision as mutually agreed by the Parties in writing.

B. Licensee as part of a prime contract with a non- entity (Government or Commercial), may use the Licensed Software in support of that prime contract. The terms and conditions of the Purchase Order shall not change or otherwise be affected by the use of the Software in this manner, provided that at no time shall Licensee attempt to or allow the Software to be transferred in whole or in part to any non-Buyer entity. Any access to or use of the Software by any non-Buyer entity representatives shall be for the sole and express purpose of accomplishing Buyer's prime contract obligations. Licensee expressly confirms that it shall not use the Licensed Software in the operation of a service bureau.

C. Licensor shall ensure that unless otherwise specifically specified in the Purchase Order that the Software License(s) purchased and/or leased hereunder shall be the latest production version of the Software which shall include the most recent attachments, definitions, improvements, enhancements, additions and/or modifications to the Software.

**WARRANTIES – SOFTWARE LICENSE**

A. Licensor warrants that all licensed products, including Licensor provided updates, are free of Viruses or any other programmed device that could impair the Licensee's use of the Software or the equipment on which the Software resides.

B. Unless expressly agreed to in writing between the Parties and incorporated into this Agreement, Licensor warrants that all Licensed Products(s) developed and/or otherwise provided by Licensor to Licensee shall (1) contain no hidden files, (2) not replicate, transmit, or activate itself without control of a person operating computing equipment on which it resides, (3) not alter, damage, or erase any data or computer programs without control of a person operating the computing equipment on which it resides, (4) contains on key, node lock, timeout, or other function, whether implemented by electronic, mechanical or other means, which restricts or may restricts use or access to any program(s) or data developed and/or otherwise provided by Licensor to Licensee under this Agreement. Notwithstanding anything in the Agreement to the contrary, if Licensor provides any Licensed Product(s) to Licensee which contains any of the above mentioned condition(s) and such condition(s) were not disclosed and agreed to in writing by the Parties Licensor shall be deemed in default of this Agreement, and no cure period shall apply. In addition to any other remedies available to it under this Agreement, Licensee reserves the right to pursue any civil and/or criminal penalties available to it against the Licensor without limitation.

C. The media on which the Licensed Software is provided shall be free of defects in material and workmanship.

D. The Licensed product(s) shall possess all material functions and features contemplated by the supporting documentation.



**NORTHROP GRUMMAN INNOVATION SYSTEMS  
SOFTWARE SUPPLEMENT  
INDIRECT**

---

E. The Licensed product(s) shall substantially perform in accordance with the user manuals and the documentation.

F. The Licensed product(s) shall be compatible with the operating system, application programs, computing equipment and networks contemplated by the documentation.

**PROHIBITED SOFTWARE.** (a) “Prohibited Software” means any software that: (1) Seller does not have full rights to either sell to Buyer or license to Buyer as may be specifically provided for in this PO; (2) may cause harm to the Buyer – such as a virus, worm, malicious logic, trap door, software lock, trojan horse, etc.; (3) may interfere or disable the delivered software/Work from accomplishing its intended purpose and; (4) incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (i) open source, publicly available, or “free” software, library or documentation, or (ii) software that is licensed under a Prohibited License, or (iii) software provided under a license that (A) subjects the delivered software to any Prohibited License, or (B) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (C) obligates Buyer to license, sell, loan, distribute, disclose or otherwise make available or accessible to any third party the delivered software, or any portion thereof, in object code and/or source code formats, or any products or Work incorporating the delivered software, or any portion thereof, in object code and/or source code formats. Seller shall not use Prohibited Software in connection with this PO or deliver Prohibited Software or any Work containing Prohibited Software to Buyer unless Seller has the prior written consent of Buyer.

(b) Seller agrees to defend, indemnify, and hold harmless Buyer, its customers and suppliers from and against any Damages relating to the use of Prohibited Software in connection with this PO or delivery of Prohibited Software or Work containing Prohibited Software.

(c) As used herein, “Prohibited License” means the General Public License (“GPL”) or Lesser/Library GPL, the Artistic License (e.g., PERL), the Mozilla Public License, the Netscape Public License, the Sun Community Source License, the Sun Industry Standards License, or variations thereof, including licenses referred to as “GPL-Compatible, Free Software License.

**VALIDATION OF SOFTWARE PERFORMANCE**

Unless otherwise agreed to by the Parties in advance, the Licensee shall install or cause to be installed the Licensed product(s) within fifteen (15) days of receipt. Once the Licensed Product(s) is installed, Licensee shall have the opportunity to validate the Licensed Product(s) performance to determine whether it functions substantially in accordance with the applicable documentation. Licensee shall validate the Licensed Product(s) performance pursuant to the procedures, criteria and descriptions set forth in Licensor’s documentation and shall complete such tests as quickly as practical within no more than thirty (30) days after installation. Such validation shall be conducted on Licensee’s site and equipment in order to determine whether the Software can be effectively utilized in Licensee’s operating business environment. Licensee will provide a written “listing” identifying in reasonable detail, all known defects discovered during performance validation to Licensor. Within ten (10) days of receipt