

TERMS AND CONDITIONS – Contract Labor

1. **GENERAL/ACCEPTANCE** - Acceptance of this purchase order is expressly limited to the terms and conditions set forth herein, and Buyer expressly objects to any different or additional terms or conditions which may be included in Contractor's acceptance of this purchase order, which additional or different terms and conditions, if any, shall be construed as proposals for additions to or modifications of this purchase order and are hereby rejected, unless independently and expressly approved by Buyer in writing. Any of the following shall constitute Contractor's unqualified acceptance of this purchase order (a) acknowledgment of this purchase order without exceptions; (b) furnishing of any part of the services required by this purchase order; (c) acceptance by Contractor of any payment for any services provided under this purchase order; or (d) other commencement of performance under this purchase order.
2. **INDEPENDENCE** - In the performance of the work and services hereunder, Contractor shall act solely as an independent contractor, and nothing herein contained or implied shall at any time be so construed as to create the relationship of employer and employee, partnership, principal and agent, or joint-venture as between Buyer and Contractor.
3. **WAIVER OF RIGHTS** - Failure of Buyer to enforce any of its rights hereunder shall not constitute a waiver of such rights or of any other rights hereunder.
4. **SCOPE AND PERIOD OF PERFORMANCE** - The Contractor agrees to promptly provide the services of qualified personnel to Buyer as specified in such detailed requests for applicant resumes as may be issued from time to time by Buyer's Authorized Purchasing Representative. Services shall be provided by Contractor on the need dates specified in Buyer's written request. The types or classes of contract labor to be provided under this purchase order are as set forth in the face sheet hereof. Other types of services may be added to this purchase order by mutual agreement of the parties, as reflected in a written, bilateral amendment thereto. Nothing in this purchase order shall be construed as requiring the Buyer to obtain services solely from this Contractor; Buyer may also obtain services from other contractors. Services may be ordered by Buyer under this purchase order during the period of performance indicated on the face sheet hereof.
5. **QUALIFICATIONS** - Contractor shall ensure that all services performed under this purchase order meet the performance criteria of the assigned tasks. If any service supplied by an employee of Contractor fails to meet the performance criteria of the assigned task, or if the individual Contractor employee is determined to be unqualified to perform the task in any way, as evidenced by good and sufficient reasons on the part of Buyer, Buyer may, at its option and discretion, require Contractor to have such services re-performed or corrected, or may adjust any invoices received from Contractor to reflect a proportionate reduction in the value of the services actually received. Further more, Buyer requires that Contractor maintain valid, accurate and updated resumes of all contract labor personnel, showing all relevant work experiences up to and including current Buyer assignments, continuing education and other training and certifications. Resumes must be provided at the request of Buyer.

Contractor warrants that all contract labor personnel supplied under this purchase order shall be highly qualified and have the experience necessary to perform the tasks to which they are assigned, and that the Contractor has verified that their educational and experience qualifications, and background are as represented in their resumes. Contractor shall indemnify and hold Buyer harmless against any claims, losses, liabilities or damages of any kind whatsoever sustained by Buyer as a result of Contractor's breach of the foregoing warranty.
6. **CHANGES** - Buyer's may at any time by written order, without notice to any surety, make changes or additions within the scope of this purchase order. If any such change causes an increase or decrease in the cost, or the time required for performance of this purchase order, whether changed or not changed by any such

written order, Contractor shall notify Buyer's Authorized Purchasing Representative in writing immediately and an appropriate equitable adjustment will be made, in the price or time of performance, or both, by written modification of this purchase order. After Contractor's receipt of notice of the change, any claim by Contractor for such adjustment must be asserted within fifteen (15) days, or such other period as may be agreed upon in writing by the parties. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the Disputes clause of this purchase order. Nothing contained in this paragraph shall excuse Contractor from proceeding with this purchase order as changed.

7. **REQUIREMENTS/QUANTITY** - Unless otherwise specified on the face sheet of this purchase order, the parties agree that the Contractor has received no guarantee that, whether express or implied, any particular amount of services will be purchased under this purchase order. Contractor, however, shall furnish all required services at the agreed upon rates at time of order placement. In no event will Contractor or Contractor's personnel furnish any services in excess of the maximum number of hours specified on the face sheet, unless this purchase order has first been amended in writing by Buyer's Authorized Purchasing Representative.
8. **COMPENSATION** - Contractor shall receive the following as full compensation for all work and services, including necessary travel time where travel has been authorized by Buyer, performed hereunder and as full reimbursement for travel and living expenses connected with the performance of such work and services:
 - (a) The rates set forth in the purchase order, computed on such periodic basis as is indicated on the face sheet hereof (hourly, weekly, etc.). For purposes of computation of compensation based on a daily rate, a day shall be considered as eight (8) hours; for fractions of days worked or spent in necessary travel, said fee will be prorated on a quarterly basis, fractional parts of any quarter of a day to be considered as a full quarter. For time spent in necessary travel hereunder away from Contractor's base said fee will be paid only for such time as would normally be spent in Contractor's regular occupation. In no event shall normal hours of rest be considered as time spent in travel and in no case shall more than one day's fee be paid for any one calendar day except said fee for hours applied in excess of the normal work day at the request of Buyer shall be reimbursed on the quarterly basis stated above.
 - (b) Cost of airline coach fare or rail first class fare, and reimbursement for the use of Contractor's conveyance at the rate reflected on the face of this order, while in travel status only.
 - (c) Subject to the Payments clause of these terms, cost of reasonable hotel accommodations and subsistence while in travel status, which travel shall have been previously authorized by Buyer, not to exceed the latest published U.S. Government maximum per diem rates.
 - (d) Reimbursement of any local travel must be pre-approved by Buyer in accordance with Buyer's expense procedures.
 - (e) The overtime rates set forth in this purchase order shall apply only if overtime is approved in advance and in writing by Buyer's Authorized Purchasing Representative. The overtime rates will apply for approved hours worked in excess of eight (8) hours per day or forty (40) hours per work week. The work week is defined as Monday through Sunday.
 - (f) Contract labor personnel shall work any of three (3) shifts, in accordance with Buyer's request, with no change in rate.
 - (g) No payment shall be made by Buyer when the contract labor personnel are absent due to sickness or vacations, or for holidays, shutdowns due to strikes, or any plant closings necessitated by a catastrophe, unless work during these periods is authorized in advance by Buyer. If work is authorized during the above period, then payment will be made on the basis of standard rates as agreed upon by Buyer and Contractor. Compensation for any holiday, vacations, sick days or absences of contract labor personnel for any cause whatsoever shall be the sole responsibility of Contractor and

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shall be made in accordance with Contractor's then-applicable policies in regard thereto.

- 9. PAYMENTS** - (a) Amounts due Contractor hereunder will be paid upon submission to Buyer's Accounts Payable Department of invoices listing the number of hours, days and/or fractions thereof during which work and services have been performed for Buyer. Invoices shall also contain the following information and certification:

- (1) Place at which work and services were performed
- (2) Purchase order number authorizing such work and services
- (3) The following signed Certification:

"On behalf of [Name of Company], and as a duly authorized representative thereof, I do hereby certify the foregoing to be a true and accurate statement of amounts due or time spent by the employees of said company in performance of the order indicated. [Name of Company] recognizes this invoice may form the basis for a claim for payment against the Government by Northrop Grumman."

(b) Contractor's employees shall record the hours worked supporting the contracted effort in Buyer's Enterprise Resource Planning (ERP) System. It is each Contractor's employee's responsibility to ensure that his/her labor is recorded accurately and timely. Failure of the Contractor's employees to enter and save hours worked may delay payment to Contractor.

Buyer's manager must approve the time recorded and saved by Contractor's employee. Contractor will be paid based on the hourly labor rates as stated in the purchase order. Therefore, invoices are not required from Contractor in order to effect payment for labor hours worked when hours are recorded in Buyer's ERP System.

(c) Once each month Buyer will make payments of amounts due Contractor that are not already paid. If requested, Contractor's employees may provide a copy of Contractor's employee's ERP record to Buyer. Buyer may audit Contractor's employees hours recorded in the ERP System periodically and any discrepancies will be reported to Contractor. Contractor shall, within seven (7) working days of receipt of audit material, report any discrepancies to Buyer's representative and negotiate in good faith to resolve such discrepancies.

(d) Travel expenses, if authorized by Buyer, must be submitted by invoice. Detailed listing of expenses, supported by original receipts when appropriate shall be submitted. All costs included in the invoice must be computed in accordance with the latest revision of Section 31 of the Federal Acquisition Regulation (FAR) and allowable in accordance with the principles therein. No payment shall be made for costs included in the invoice that are unallowable by Section 31 of FAR.

(e) Buyer may withhold final payment hereunder until the requirements of the Intellectual Property Rights clause or Termination for Convenience clause, are fulfilled and until patent clearance covering Contractor under this purchase order has been granted.

Contractor is responsible for notifying Buyer in writing when the dollar value of the services provided is equal to eighty percent (80%) of the maximum value of this purchase order as indicated on the face sheet hereof. Buyer shall not be liable for any services provided, where the compensation for such services would exceed the maximum value of this purchase order, and Contractor is not obligated to provide such services, unless this purchase order has first been amended to increase its value.

- 10. TAXES** - All taxes, including but not limited to, sales, use, value added tax applicable to the proceeds received by Contractor hereunder as well as any requirements to pay unemployment compensation, worker's compensation, disability and other legally mandated payments arising from the supply of services by Contractor to Buyer shall be the liability of Contractor, and Buyer shall not withhold nor pay any amounts for federal, state or

municipal income tax, social security, unemployment, disability payment or workman's compensation. Contractor warrants it will pay, where applicable, all required income and social security tax withholding related to or arising in connection with services provided to Buyer, and shall indemnify and hold Buyer harmless from any claim or cause of action and all costs relating thereto (including reasonable attorney's fees and costs) arising from Contractor's actual or alleged failure to pay all or part of such taxes, or to make such withholdings, as the case may be.

- 11. REPORTS** - As a part of the work and services to be performed, Contractor may be required to furnish (Quarterly/Monthly) reports to Buyer in such format and number as may be required by Buyer, and may be required to make a final report or furnish information as may be requested by Buyer concerning the work and services performed under this purchase order. Compensation for such reports is deemed to be included in Contractor's rates as an indirect cost, and Contractor shall not be entitled to any additional compensation for compliance with this requirement.

- 12. ASSIGNMENT** - Neither this purchase order, nor any interest therein, or claim thereunder shall be assigned or transferred by Contractor to any party or parties without the prior written consent of Buyer. However, Buyer reserves the right to assign its rights and/or obligations under this purchase order to any of its wholly-owned subsidiaries or affiliates.

- 13. COMPLIANCE WITH LAWS AND REGULATIONS** - In the performance of this purchase order, Contractor shall comply, and shall be responsible for ensuring that its employees comply, with all applicable laws, regulations, rules, etc., of the United States, (including but not limited to, the FAIR LABOR STANDARDS ACT, OCCUPATIONAL SAFETY AND HEALTH ACT of 1970, TITLE VII of the CIVIL RIGHTS ACT, the IMMIGRATION REFORM AND CONTROL ACT of 1986 (IRCA), the FOREIGN CORRUPT PRACTICES ACT, the ITAR, the FAR, and Environmental, Health, Safety, and Fire Protection regulations), and of any affected foreign government and all political subdivisions. Contractor agrees to indemnify Buyer against any loss, cost, liability or damage by reason of Contractor's or Contractor's employee's violation of any applicable law, executive order or regulation. Any illegal or prohibited activity on the part of Contractor or its employees in conflict with this article may, subject to the discretion of Buyer, result in termination of this purchase order for default in accordance with the Termination for Default clause contained in these terms. Such termination shall be in addition to any and all other remedies available to Buyer under the terms of this purchase order, at law or in equity.

- 14. GOVERNMENT CONTRACTS** - In the event that services to be performed by Contractor involve contracts in which Buyer is a Government prime contractor or subcontractor, any obligations placed on Buyer to satisfy any law, rule, regulation or requirement of the Government by reason thereof shall, insofar as Contractor's services may be involved, shall be binding upon Contractor.

- 15. TERMINATION FOR CONVENIENCE** - Buyer shall have the right to terminate this purchase order at any time by a written notice to Contractor, whenever such termination is determined to be in the best interests of Buyer. In the event Buyer terminates this purchase order for reasons other than default by Contractor, the total liability of Buyer to Contractor shall not exceed the amount of payments then due to Contractor for services already performed hereunder. In no event will cancellation charges be invoiced by Contractor or paid by Buyer as a result of such termination pursuant to this clause.

- 16. TERMINATION FOR DEFAULT** - (a) Buyer may, by written Notice of Default to Contractor, terminate this purchase order and any resulting purchase order if Contractor commits any material breach of this purchase order.

(b) In the event Buyer terminates this purchase order and any resulting purchase order as provided in this clause, Buyer may procure, in a commercially reasonable manner, services or supplies so terminated, and Contractor shall be liable to Buyer for any excess costs for such services.

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(c) If Contractor is delayed in its performance, for any reason whatsoever, Contractor shall promptly notify Buyer of the anticipated duration and causes of the delay. Such notification shall not relieve Contractor of his obligations hereunder unless specific relief is granted in writing by Buyer.

(d) In the event this purchase order is terminated by Buyer pursuant to either the Compliance with Laws and Regulations clause or the Ethics clause of these terms and conditions, such termination shall be considered a default of this purchase order by Contractor and all payments to Contractor in accordance herewith shall be refunded to Buyer by Contractor. The refund of all payments to Buyer by Contractor as set forth above shall not limit Buyer's right to obtain any other relief or remedy which may otherwise be available in the event of such termination.

- 17. CLASSIFIED MATERIAL** - It is understood that disclosure of classified information relating to the work and services contracted for hereunder to any person not entitled to receive it, or failure to safeguard all classified matter that may come to Contractor or any person under his control in connection with the work under this purchase order, may subject Contractor, its agents and employees to criminal liability under the laws of the United States.

Contractor agrees to comply with all applicable Federal Laws, Executive Orders and requirements for any classified information it may receive in connection with the performance of this purchase order. Except as authorized, Contractor agrees not to permit any individual to have access to classified data until the proper Government agency shall have made an investigation and favorable report on the character, associations, and loyalty of such individual designated to receive classified information and shall have determined that permitting such person to have access to classified data will not endanger the common defense or security. Buyer's security requirements stipulate that contract labor personnel wear an appropriate badge, as determined by Buyer's Security Department. Contract labor personnel have the responsibility to familiarize themselves with security policies applicable to their badge type and to comply with the requirements of Buyer's Security Department at all times.

- 18. ETHICS** - Contractor agrees and warrants to Buyer that Contractor will conduct itself in keeping with the highest moral and ethical standards and will carryout the terms and spirit of this purchase order in the utmost good faith. Contractor further agrees that in its activities it will comply with the standards contained in Buyer's Standards of Business Conduct, a copy of which has been provided. By accepting this purchase order, Contractor stipulates that all secretarial, clerical and administrative employees of Contractor and all contract labor personnel who will perform services hereunder have received, read, understand and will comply with the contents thereof. Failure by Contractor or any of Contractor's employees to comply with the above mentioned code shall, at Buyer's discretion, be grounds for immediate termination for default in accordance with these terms.
- 19. FURNISHED INFORMATION** - All drawings, designs, specifications, notebooks, tracings, photographs, negatives, reports, findings, recommendations, data and memoranda of every description furnished by Buyer to Contractor shall remain the property of Buyer or its assigns and shall be duplicated only as authorized in writing by Buyer and shall be returned upon request or when no longer needed for performance of the resulting purchase order concerned. Except as may be necessary for performance of the purchase order, and to the extent not generally known or available to the industry, Contractor shall not use or disclose information concerning Buyer products without the prior consent of Buyer.
- 20. INTELLECTUAL PROPERTY RIGHTS** - Any invention, discovery, proprietary information, maskwork, software, system, data or report resulting from the work performed under this purchase order shall be the sole property of Buyer. All patents, copyright, trade secrets, trademarks, maskwork or other intellectual property rights resulting from work under this purchase order shall be the sole property of

Buyer. Buyer shall have the full right to use such property in any manner without any claim on the part of Contractor and without any duty to account to Contractor for such use. Contractor agrees to assign to Buyer any patent or patent application resulting from work performed under this purchase order, and to provide reasonable support for Buyer's prosecution of such patent application. The parties agree that any original work of authorship created under this purchase order is a work made for hire for purposes of copyright ownership. To whatever extent Contractor has any interest in any original work of authorship created under this purchase order, Contractor agrees to assign and hereby assigns its entire interest in such work to Buyer, including all rights to derivative works.

This purchase order does not confer or grant, in any manner whatsoever, any license or right under any patent, trademark, trade secret, maskwork, copyright or other intellectual property right held by Buyer, unless specifically set forth in the body of the purchase order.

Notwithstanding anything contained herein to the contrary, if the services to be performed by Contractor's employees under this purchase order are being performed pursuant to a Government prime contract, the FAR and DFARS clauses dealing with ownership of, and rights in technical data referenced herein shall take precedence over any inconsistent provision of this clause. Government rights to technical data will be interpreted pursuant to DFARS 252.227-7013(b)(1) and DFARS 252.227-7014.

Contractor shall require each of its personnel who will perform work pursuant to this purchase order to execute and return Buyer's intellectual property agreement as provided by Buyer. This intellectual property agreement is considered part of this purchase order and shall be provided to Buyer for each of Contractor's personnel prior to commencement of any work under this purchase order. Contractor shall have no right to use any of the tangible information or software, and the intangible intellectual property rights therefore generated under this purchase order owned by Buyer for any purpose except as may be necessary to fulfill the requirements of this purchase order.

- 21. PROTECTION OF INFORMATION** - Trade secrets and proprietary information of Buyer (hereinafter collectively referred to as "Information") shall mean information disclosed to Contractor by Buyer in connection with this purchase order which is either identified to Contractor as being proprietary to Buyer or which is information that a reasonable person would understand to be such Information. Examples of Information include, but are not limited to, customer lists, pricing policies, market analyses, business plans or programs, software, specifications, manuals, print-outs, notes and annotations, performance data, drawings, photographs, and engineering, manufacturing or technical information related to Buyer's products and services, as well as duplicates or copies thereof. Information shall not mean any information previously known to Contractor without obligation of confidence, or which becomes publicly disclosed, or which is rightfully received by Contractor from a third party without obligation of confidence.

Information furnished to Contractor shall remain Buyer's proprietary property, shall be duplicated only as authorized in writing by Buyer, and shall be returned to Buyer upon request or when no longer required for the performance of this purchase order. Contractor shall not disclose Information to any third party, and shall take all reasonable precautions to prevent the disclosure of Information to third parties, including any foreign national, firm, or country, and foreign nationals employed by or associated with Contractor's company except as specifically authorized by Buyer. Contractor shall indemnify and hold Buyer harmless from any loss (including loss of profits, loss of market share, and attorneys fees and costs), liability and expense sustained by Buyer as a result of any unauthorized disclosure, communication or use of such information by Contractor, its officers, directors, employees, former employees, or agents.

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Data and information provided by Contractor shall be considered proprietary only when marked as proprietary. Contractor's proprietary data and information will be used by Buyer only upon approval of Contractor. Buyer may use unmarked Contractor's data and information for any purpose.

Contractor agrees not to use Information to develop any product, service or system, or to support any third party in the development of any product, service or system. In recognition of the inherent difficulty of differentiating the use of trade secret information from the independent development of similar information by one who has access to the trade secret information, and for the convenience of both parties in avoiding disputes, Contractor further agrees, for a period of three years from the completion or termination of this purchase order, to refrain from providing any product, service or system of the same nature as that contemplated under this purchase order to any competitor of Buyer.

This clause is not intended to conflict with Federal Acquisition Regulation 52.203-6 entitled "Restriction on Subcontractor Sales to the Government."

22. INTELLECTUAL PROPERTY INDEMNITY - Contractor shall indemnify Buyer, Buyer's customer and/or the Government and their respective officers, agents and employees against liability, including costs, for infringement of any patent, copyright, trademark, or other intellectual property arising out of the performance of services under this purchase order or out of the use or disposal by, or for the account of, Buyer, Buyer's customer and/or the Government of such services. The foregoing indemnity shall not apply unless Contractor shall have been informed as soon as practicable by Buyer, Buyer's customer and/or the Government of the suit or action alleging such infringement and shall have been given such opportunity as is afforded by applicable laws, rules or regulations to participate in the defense thereof. Such indemnity shall not apply if: (a) the infringement results from compliance with specific written instructions of Buyer directing a change in the services to be delivered, or directing a manner of performance of this purchase order not normally used by Contractor, or (b) the infringement results from an addition to, or change in, the services furnished made subsequent to delivery or performance by Contractor, or (c) the claimed infringement is settled without the consent of Contractor, unless required by final decree of a court of competent jurisdiction.

23. INDEMNIFICATION AND INSURANCE - (a) Contractor will defend, indemnify, and hold harmless Buyer and its directors, officers, agents, employees, affiliates, subsidiaries, and successors in interest, from and against any and all damages, liabilities, costs and expenses (including all attorney's fees) incurred by Buyer as a result of any claim, judgment or proceeding against Buyer: (i) arising out of or connected in any manner with the performance of the services by Contractor, its employees and/or contract labor personnel, or the acquiring, making and delivery of any works by Contractor, its employees and/or Contract Labor personnel hereunder, including but not limited to claims for property loss and/or damage and personal injury and/or death, which may be sustained by third parties and/or Buyer, its agents, employees or subcontractors; (ii) by reason of any breach or alleged breach by Contractor of any of its warranties, representations, covenants or obligations under this agreement, or; (iii) or as a result of any claim, judgment or proceeding against Buyer brought by contract labor personnel for wages, employment benefits of whatever nature, overtime, damages, penalties or any other claims based on an assertion of employment or joint employment by Buyer. Buyer will promptly notify Contractor in writing of any such claim, judgment or proceeding and tender to Contractor the opportunity to settle such claim, judgment or proceeding at Contractor's expense, and cooperate in all reasonable respects with Contractor in settling such claim, judgment or proceeding. Notwithstanding anything to the contrary contained in this purchase order, Contractor will have no obligation to defend, indemnify or hold harmless Buyer and its directors, officers, agents, employees, affiliates, subsidiaries, and successors in interest from and against any and all damages,

liabilities, cost and expenses (including all attorneys' fees) arising solely from an act or omission of Buyer and its directors, officers, agents, employees, affiliates, subsidiaries, and successors in interest.

(b) Buyer, at its option, may require Contractor to furnish evidence of insurance reasonably satisfactory to Buyer covering the liabilities and indemnification provided above but no acceptance of such evidence by Buyer shall be deemed a waiver or release of such liabilities or duty to indemnify. Contractor will at all times maintain with reputable insurance companies comprehensive general liability insurance (including coverage for any liability under any Buyer purchase order and these terms and conditions) in the minimum amount of \$2 million, or such other minimum amount specified in the relevant purchase order. At Buyer's request, Contractor will name Buyer as an additional insured under such policy, and will provide to Buyer a certificate of such insurance providing for ten (10) days prior written notice to Buyer of cancellation or material change. Contractor will maintain workers' compensation insurance sufficient to cover all of its general and special employees engaged in work pursuant to any Buyer purchase order and insurance against liability for personal injury or death or destruction to property arising out of work in fulfillment of any Buyer purchase order, and will provide prompt evidence to Buyer of such coverage upon Buyer's request.

24. GOVERNING LAW - The interpretation of this purchase order shall be governed by the laws of the state of Maryland.

25. DRUG FREE WORK FORCE POLICY - Contractor personnel who are to perform professional or clerical services primarily on Buyer premises shall have a urine test conducted by a certified laboratory of Contractor's choice to determine the presence or absence of illegal drugs or abuse of other controlled substances. Such testing, along with a negative test result, are preconditions of the performance of services for Buyer hereunder. If requested by Buyer, Contractor shall furnish evidence of compliance with this provision.

Further, by acceptance of this purchase order, Contractor agrees to adhere to Buyer's Drug-Free Work Force Policy for Suppliers, attached hereto and made a part hereof.

26. DISPUTES - Any dispute arising under this purchase order which is not settled by agreement of the parties may be litigated in the state or federal courts of the state from which Buyer's purchase order is issued. Pending any decision, appeal or judgment in such proceedings, or the settlement of any dispute arising under this purchase, Contractor shall proceed diligently with the performance of this contract in accordance with the decision of Buyer.

27. BUYER'S AUTHORIZED REPRESENTATIVE AND NOTICE -

(a) Buyer's Authorized Purchasing Representative is the individual authorized by Buyer's cognizant procurement organization to administer and/or execute the purchase order. Contractor shall accept direction regarding this purchase order from no other individual. Contractor shall submit in writing all required notices and certifications by registered mail to Buyer's Authorized Purchasing Representative.

(b) Any notices required to be given by one party to the other by the terms of this purchase order shall be delivered to the party's respective authorized representative. Facsimile messages will be deemed effective notice if confirmation of receipt can be substantiated and a confirming letter is sent by the receiving party to the issuing party within five (5) working days after the facsimile is sent.

28. SEVERABILITY - If any term or provision of this purchase order should be declared invalid or unenforceable by a court of competent jurisdiction or by operation of law, the remaining terms and provisions of this purchase order shall remain in force, unless the invalid term or provision is fundamental and material to this purchase order and its unenforceability renders this purchase order commercially senseless.

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29. SURVIVAL - The following clauses of this purchase order, 5, 13, 15, 17, 20, 21, 22 and all other articles providing for indemnification of or protection against liability of Buyer, shall take precedence over any other provisions of this purchase order to the contrary, and shall survive termination, cancellation or expiration of this purchase order.

30. TERMINATION /REMOVAL/SUBSTITUTION OF CONTRACTOR PERSONNEL - (a) From time to time, for often unforeseeable reasons, the contractual requirements of Buyer may require termination of one or more contract labor personnel. In such event, Buyer will give a five (5) day prior written notice for each individual affected to Contractor.

(b) Prior to the placement of any contract labor personnel pursuant to this purchase order, Buyer reserves the right to interview and approve any personnel that Contractor intends to utilize to fulfill Buyer's requirements under this purchase order. Contractor shall not assign contract labor personnel to any effort called for by this purchase order if Buyer disapproves such personnel following its interview. Buyer reserves the right to request the immediate removal of any contract labor personnel who, in the opinion of Buyer, are not considered to be suitable for the effort in question, or who lack the qualifications to perform in accordance with the purchase order requirements. In such event, Contractor shall promptly replace the individual whose removal has been requested with an appropriately qualified individual acceptable to Buyer.

(c) From time to time, for sometimes unforeseeable reasons, contract labor personnel may have to be replaced by Contractor for the convenience of Contractor or its employee. In such event, substituted personnel shall be of equal or superior qualifications to the individual replaced, and such substitute personnel shall, if feasible, overlap the person they will replace in order to effect a smooth transition of job responsibilities. Any substitution(s) of personnel by Contractor which interrupt the flow of operations of Buyer or which are not of equal or superior qualifications to the individual replaced shall, in the sole discretion of Buyer, be justifiable cause for termination of this purchase order for default.

31. CONTRACT LABOR PERSONNEL STATUS/BRIEFING REQUIREMENTS - (a) During the entire contract period and irrespective of the place of performance, Contractor and its subcontractors shall at their sole cost and expense, procure and maintain the following insurance coverage in the minimum limits indicated:

(1) Commercial General Liability- \$1,000,000 per person/\$2,000,000 per occurrence bodily injury and/or property damage (alternative: \$2,000,000 combined single limit [CSL]). Coverages shall include but not necessarily be limited to, premises and operations, products and completed operations and contracts.

(b) Whenever performance requires work on Buyer's customer, or Buyer's installation, Contractor and its subcontractors shall, at their sole cost and expense, procure and maintain the additional following insurance coverage in the minimum limits indicated:

(1) Automobile Liability- \$1,000,000 per person/\$2,000,000 per occurrence bodily injury and/or property damage (alternative: \$2,000,000 combined single limit [CSL]) covering all owned, hired and non-owned vehicles.

(2) Worker's Compensation and Employer's Liability- The workers' compensation insurance coverage shall be as required by the laws of the state in which the work is performed regarding such insurance. The employer's liability insurance limit shall be \$1,000,000.

(c) All insurance required as part of this purchase order shall be placed with insurance companies which are authorized to do business under the laws of the state or states in which the installation is located and shall be in a form reasonably acceptable to Buyer. All insurance shall contain a provision prohibiting cancellation or material revision except upon at least thirty (30) days prior written notice to Buyer.

Upon request, Contractor shall provide evidence that the required insurance is in place in the form of insurance certificates. Insurance coverage shall provide that Buyer is named as an additional insured for Commercial Liability and Automobile Liability. Insurance coverage shall provide a waiver of subrogation against Buyer and its subsidiaries with respect to operations of insured for worker's compensation. Insurance coverage described herein must be in place and effective prior to commencement of any activity that is the subject of this purchase order. Renewal insurance certificates, if applicable, shall be provided to Buyer at least fifteen (15) days prior to the expiration date of the insurance under each required coverage.

(d) Buyer and Contractor agree to defend, hold harmless, and indemnify the other from all damages and liabilities arising out of or in connection with presence on the other's premises pursuant to this purchase order: provided, however, that such damage and liability shall not have been caused by the negligence of the agents, subcontractors or employees of the indemnified parties.

32. RELEASE OF CONTRACTOR'S EMPLOYEES - Contractor agrees that any Contractor restrictions regarding Buyer's employment of personnel furnished to Buyer during the term of this purchase order will be waived upon Buyer's request and Contractor will release, effective as of the date of Buyer's request, such personnel from any covenants in their individual employment agreements which prohibit for any specified period of time their subsequent employment in any manner by Buyer. No employment fee shall be assessed for release of employees.

33. EXPORT RELATED REQUIREMENTS – (a) Export Compliance.

Contractor is advised that its performance of this purchase order may involve the use of or access to articles, technical data or software that is subject to export controls under 22 United States Code 2751 – 2796 (Arms Export Control Act) and 22 Code of Federal Regulations 120-130 (International Traffic in Arms Regulations) or 50 United States Code 2401 – 2420 (Export Administration Act) and 15 Code of Federal Regulations 768 – 799 (Export Administration Regulations) and their successor and supplemental laws and regulations (collectively hereinafter referred to as the "Export Laws and Regulations"). Contractor represents and warrants that it is a U.S. Person as that term is defined in the Export Laws and Regulations; or 2) that it has disclosed to Buyer's Representative in writing the country in which it is incorporated or otherwise organized to do business, or if a natural person, all citizenships and U.S. immigration status. Contractor shall comply with any and all Export Laws and Regulations, and any license(s) issued thereunder.

(b) Foreign Personnel/Persons. Contractor shall not give any Foreign Person (including Contractor's own non-U.S. employees or affiliates) access to Technical Data, software or Defense Articles, or provide an unauthorized Defense Service as those terms are defined in the applicable Export Laws and Regulations without the prior written consent of Buyer. Any request for such consent must state the intended recipient's citizenship(s), and status under 8 U.S.C. 1101 and 8 U.S.C. 1324 (the "Immigration and Naturalization Act"), and such other information as Buyer may reasonably request. No consent granted by Buyer in response to Contractor's request under this paragraph (b) shall relieve Contractor of its obligations to comply with the provisions of paragraph (a) or the Export Laws and Regulations, nor shall any such consent constitute a waiver of the requirements of paragraph (a), nor constitute consent for Contractor to violate any provision of the Export Laws and Regulations.

(c) Indemnification. Contractor shall indemnify and save harmless Buyer from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorneys' fees, arising out of claims, suit, allegations or charges of Contractor's failure to comply with the provisions of this clause and breach of the warranty set forth in paragraph (a). Any failure of Contractor to comply with the requirements or any breach of the warranty contained in this clause shall be a material breach of this purchase order.

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(d) Subcontracts. The substance of this clause shall be incorporated into any subcontract or purchase order entered into by Contractor for the performance of any part of the work under this purchase order.		52.215-19	Notification of Ownership Changes
		52.215-20	Requirements for Cost or Pricing Data Other Than Cost or Pricing Data
34. PERSONNEL CERTIFICATION - If Contractor is a personnel service provider company, Contractor certifies that the personnel supplied under this purchase order is an employee of Contractor and that Contractor will properly file all reports and will meet all employment obligations respecting them, including, but not limited to withholding and paying applicable income and employment taxes, unemployment compensation, workers compensation, and the payment of overtime premiums, as well as all other applicable labor and employment laws. During the performance period of this purchase order, Contractor shall indemnify and hold Buyer harmless against any and all liability imposed or claimed, including attorney's fee and other legal expenses, arising directly or indirectly from any failure of Contractor to file reports and/or to meet Contractor's obligations as set forth herein.		52.219-8	Utilization of Small Business Concerns
		52.222-21	Prohibition of Segregated Facilities
		52.222-26	Equal Opportunity
		52.222-41	Service Contract Act of 1965, As Amended
		52.222-50	Combating Trafficking in Persons
		52.223-7	Notification of Radioactive Materials
		52.225-1	Buy American Act – Balance of Payments Program - Supplies
		52.225-3	Buy American Act – North American Free Trade Agreements – Israeli Trade Act – Balance of Payments Program
		52.225-8	Duty Free Entry
35. BACKGROUND INVESTIGATIONS - Prior to and as a condition for providing services for Buyer pursuant to this purchase order, Contractor shall certify, by executing Buyer Contract Labor/Service Personnel Background Investigation form, or equivalent, that the contract labor personnel have successfully passed a background investigation which includes, the criteria contained in Buyer Contract Labor/Service Personnel Background Investigation requirements.		52.225-13	Restrictions on Certain Foreign Purchases
		52.225-15	Sanctioned European Union Country End Products
		52.227-1	Authorization and Consent
		52.227-10	Filing of Patent Applications - Classified Subject Matter
		52.227-11	Patent Rights – Retention by the Contractor (Short Form)
		52.227-12	Patent Rights – Retention by the Contractor (Long Form)
		52.227-14	Rights in Data – General
		52.229-3	Federal, State, and Local Taxes
		52.233-3	Protest After Award
		52.244-6	Subcontracts for Commercial Items
		52.245-17	Special Tooling
		52.247-63	Preference for U.S. Flag Air Carriers
		52.247-64	Preference for Privately Owned U.S. Flag Commercial Vessels
		*52.204-7000	Disclosure of Information
		*52.222-7000	Restrictions On Employment of Personnel
		*52.223-7006	Prohibition On Storage and Disposal of Toxic and Buy American Act and Balance of Payments Program
		*52.225-7001	Duty Free Entry – Qualifying Country Supplies (End Products and Components)
		*52.225-7010	Duty Free Entry – Additional Provisions
		*52.225-7028	Exclusionary Policies and Practices of Foreign Governments
		*52.225-7030	Restriction on Acquisition of Carbon, Alloy and Armor Steel Plate
		*52.225-7036	Buy American Act – North American Free Trade Agreement Implementation Act – Balance of Payments Program
		*52.227-7013	Rights in Technical Data - Noncommercial Items
		*52.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
		*52.227-7016	Rights In Bid or Proposal Information
		*52.227-7019	Validation of Asserted Restrictions – Computer Software
36. ORDER OF PRECEDENCE - The various documents constituting this purchase shall, insofar as is possible, be interpreted so as to be consistent with one another. In the event that a conflict or ambiguity arises in the interpretation of this purchase order, said conflict or ambiguity shall be resolved in accordance with the following order of precedence, with the first listed item having a higher precedence than later listed items: (a) provisions required by statute, regulation or U.S. Government contract; (b) typed purchase order form; (c) this terms and conditions document; (d) statement of work; (e) specifications; and (f) drawing(s).			
37. FEDERAL ACQUISITION REGULATION (FAR)/DOD FAR SUPPLEMENT (DFARS) - In the event that services to be performed by Contractor involve contracts on which Buyer is a Government prime contractor or subcontracts awarded to Buyer pursuant to a Government prime contract, as indicated on the purchase order, the following clauses set forth in the FAR and the DFARS as in effect on the date of this purchase order are incorporated herein by reference. Where necessary to make the clauses applicable to this purchase order, "Contractor" shall mean "Contractor", "Contracting Officer" shall mean "Buyer" and the "Government" shall mean "Buyer or the Government" whenever appearing in the clauses. If any of the following FAR/DFARS clauses do not apply to a particular purchase order, such clauses are considered to be self-deleting.			
a) All Orders			
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity		
52.204-2	Security Requirements		
52.211-5	Material Requirements		
52.211-15	Defense Priority and Allocation Requirements		
52.214-27	Price Reduction for Defective Cost or Pricing Data – Modifications – Sealed Bidding		
52.215-10	Price Reduction for Defective Cost or Pricing Data		
52.215-11	Price Reduction for Defective Cost or Pricing Data – Modifications		
52.215-15	Pension Adjustment and Asset Reversions		
52.215-18	Reversions or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions		

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*252.227-7025	Limitations On the Use or Disclosure of Government Furnished Information Marked With Restrictive Legends	52.230-3	Disclosure and Consistency of Cost Accounting Practices
*252.227-7030	Technical Data - Withholding of Payment	52.230-6	Administration of Cost Accounting Standards
*252.227-7037	Validation of Restrictive Markings on Technical Data	<u>h) All Orders of \$550,000 or Greater (\$650,000 or Greater if Prime Contract dated on or after September 28, 2006)</u>	
*252.228-7001	Ground and Flight Risk	52.214-26	Audit and Records – Sealed Bidding
*252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles	52.214-27	Price reduction for Defective Cost or Pricing Data – Modification – Sealed Bidding
*252.231-7000	Supplemental Cost Principles	52.215-10	Price Reduction for Defective Cost or Pricing Data
*252.243-7001	Pricing of Contract Modifications	52.215-11	Price Reduction for Defective Cost or Pricing Data - Modifications
*252.246-7001	Warranty of Data – Alternate I	52.215-12	Subcontractor Cost or Pricing Data
<u>b) All Orders of \$3,000 or Greater</u>		52.215-13	Subcontractor Cost or Pricing Data – Modifications
52.222-54	Employment Eligibility Verification	52.215-20	Requirements for Cost or Pricing Data Other Than Cost or Pricing Data
<u>c) All Orders of \$10,000 or Greater</u>		<u>i) All Orders of \$5 Million or Greater and Period of Performance Greater than 120 days</u>	
52.222-20	Walsh-Healey Public Contracts Act	52.203-13	Contractor Code of Business Ethics and Conduct
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans	(Notwithstanding any alterations to this clause to reflect the relationship between Buyer and Contractor, all disclosures of violation of the civil False Claims Act or of federal criminal law shall be directed to the Office of the Inspector General of the agency issuing the prime contract, with a copy to the Contracting Officer of the prime contract.)	
52.222-36	Affirmative Action for Workers with Disabilities	<u>j) All Orders of \$5 Million or Greater</u>	
52.222-37	Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era	52.203-14	Display of Hotline Poster(s)
<u>d) All Orders of \$25,000 or Greater (\$30,000 or Greater if Prime Contract dated on or after September 28, 2006)</u>		* Denotes DFARS	
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment		
<u>e) All Orders of \$100,000 or Greater</u>			
52.203-7	Anti-Kickback Procedures		
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions		
52.215-2	Audit and Records – Negotiation		
52.215-14	Integrity of Unit Prices		
52.222-4	Contract Work Hours and Safety Standards Act – Overtime Compensation		
52.223-13	Certification of Toxic Chemical Release Reporting		
52.223-14	Toxic Chemical Release Reporting		
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement		
52.248-1	Value Engineering		
*252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies		
*252.249-7002	Notification of Anticipated Contract Termination or Reduction		
<u>f) All Orders of \$500,000 or Greater (\$550,000 or Greater if Prime Contract dated on or after September 28, 2006)</u>			
52.219-9	Small Business Subcontracting Plan		
*252.219-7003	Small Business Subcontracting Plan (DoD Contracts)		
<u>g) All Orders of \$500,000 or Greater (\$650,000 or Greater if Prime Contract dated on or after June 14, 2007)</u>			
52.230-2	Cost Accounting Standards		