

CT-28
NORTHROP GRUMMAN SYSTEMS CORPORATION

PURCHASE ORDER TERMS AND CONDITIONS
INDEMNIFICATION AND RELEASE OF LIENS

Title and Clause Number		Title and Clause Number	
Contractor Responsibility	5.	Release of Liens	4.
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Patent, Trademark and Copyright Indemnity	2.		

1. INDEMNIFICATION.

Contractor (A) shall indemnify and save harmless Northrop Grumman Systems Corporation (NGSC), its subsidiaries, affiliates, officers and employees from all claims, demands, causes of action or suits of whatever nature arising out of the services, labor and materials furnished by Contractor or its subcontractors and from all laborer's, material men's and mechanic's liens upon the real property upon which the work is located arising out of the services, labor and materials furnished by Contractor or any of its subcontractors under this contract, and (B) shall keep said property free and clear of all liens and claims and encumbrances arising from the performance of this contract by Contractor or its subcontractors.

2. PATENT, TRADEMARK, AND COPYRIGHT INDEMNITY.

Contractor shall defend, indemnify, and hold NGSC, NGSC's officers, agents, employees, and customers harmless against all claims and liabilities, including costs, for infringement of any United States patent, trademark, or copyright by any Products delivered under this Order or, at Contractor's option and expense, Contractor shall obtain such licenses as are necessary to remove such infringement, provided that Contractor is reasonably notified of such claims and liabilities. Contractor's obligation shall not apply to Products manufactured by Contractor pursuant to detailed designs developed by NGSC and furnished to Contractor under an Order which does not require research, development, or design work by Contractor. Contractor's obligation shall also not apply to any infringement arising from the use or sale of Products in combination with items not delivered by Contractor if such infringement would not have occurred from the use or sale of such Products solely for the purpose for which they were designed or sold to NGSC. Contractor's obligation shall extend to the U.S. Government only if and to the extent NGSC has agreed to indemnify the U.S. Government.

3. WAIVER OF LIENS.

Contractor for its subcontractors, material men, laborers and for all other persons performing any labor or furnishing any services, labor or materials for any of the work, hereby waives, to the full extent permitted by law, all right to file or maintain any mechanical or other liens or claims for and on account of the services, labor or materials to be furnished hereunder.

4. RELEASE OF LIENS.

Contractor shall furnish for that portion of the work covered under each invoice submittal:

- A. A list of every subcontractor, material man, laborer and other person furnishing services, labor or materials in connection with the work, and
- B. Original, duly executed unconditional waiver and release upon progress payment, or, , unconditional waiver and release upon final payment, in a form specified by NGSC for itself, every subcontractor, material man, laborer and other person furnishing services, labor, equipment, or materials in connection with the work, or
- C. Original, duly executed Form 31-567B, Conditional Waiver and Release Upon Progress Payment, or, Form 31-567C, Conditional Waiver and Release Upon Final Payment, for itself, every subcontractor, material man, laborer and other person furnishing services, labor, equipment, or materials in connection with the work, or
- D. Except as covered by the release or receipt in full, Contractor may furnish a bond satisfactory to NGSC against any claim or lien or otherwise.

5. CONTRACTOR RESPONSIBILITY.

Contractor shall be responsible for verifying that all sub-tier level contractors have provided duly executed lien releases to their customers, and/or the contractor, thus relieving NGSC of the liability for those contracts.