

# PSS/T-7

## NORTHROP GRUMMAN SYSTEMS CORPORATION

### PURCHASE ORDER TERMS AND CONDITIONS COMMERCIAL TIME BASED – SERVICES

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#### Title and Clause Number

#### 1. DEFINITIONS.

- A. BUYER means the Northrop Grumman Systems Corporation subsidiary, Sector or business unit, identified on the face of the Order.
- B. BUYER'S AUTHORIZED PURCHASING REPRESENTATIVE means the person authorized by Buyer's cognizant procurement organization to administer and/or execute the Order.
- C. DATA means all designs, dimensions, specifications, drawings, patterns, know how, or other information concerning methods, manufacturing processes, equipment, gauges and tools used in the design and manufacture of Products. Data may be recorded in a written or printed document, computer or electronically stored, software, or any other tangible form of expression.
- D. ORDER means the instrument of contracting including this Purchase Order and all referenced documents.
- E. PARTIES mean Buyer and Seller collectively.

- F. PERSONNEL, for the purposes of the Privacy, Confidentiality and Security clause of this contract, means employees, agents, consultants or contractors of Seller or Northrop Grumman, as applicable.
- G. PERSONAL INFORMATION, is any information relating to an identified or identifiable natural person (such as name, postal address, email address, telephone number, date of birth, Social Security number (or its equivalent), driver's license number, account number, credit or debit card number, personal identification number, health or medical information, or any other unique identifier or one or more factors specific to the individual's physical, physiological, mental, economic or social identity), whether such data is in individual or aggregate form and regardless of the media in which it is contained, that may be (i) disclosed at any time to Seller or its Personnel by Northrop Grumman or its Personnel in anticipation of, in connection with or incidental to the performance of services for or on behalf of

Northrop Grumman; (ii) Processed at any time by Seller or its Personnel in connection with or incidental to the performance of services for or on behalf of Northrop Grumman; or (iii) derived by Seller or its Personnel from the information described in (i) or (ii) above.

- H. PRIME CONTRACT means the contracting instrument issued to Buyer or Buyer's higher tier customer.
- I. PROCESS or PROCESSING means any operation or set of operations performed upon Personal Information, whether or not by automatic means, such as creating, collecting, procuring, obtaining, accessing, recording, organizing, storing, adapting, altering, retrieving, consulting, using, disclosing or destroying the data PROPRIETARY INFORMATION means all proprietary data furnished by Buyer to Seller, including, but not limited to, all data that is identified in writing at the time of disclosure as proprietary and marked with an appropriate legend, marking or stamp identifying the data as proprietary to the party disclosing the information.
- J. SELLER means the party with whom Buyer is contracting under the Order.
- K. SERVICES means Seller's time and effort, including any goods, supplies, materials, articles, items, parts, components or assemblies (Products) incidental to the performance of the Service.

## **2. ACCEPTANCE.**

This Order is Buyer's offer to Seller. Acceptance of this offer is strictly limited to the terms and conditions in this offer. Modifications hereto, to be binding, must be in writing and signed by Buyer's authorized purchasing representative. Seller's acknowledgement, acceptance of payment, or commencement of performance, shall conclusively evidence acceptance of this offer as written. Buyer hereby objects to any additional or different terms contained in Seller's acceptance.

## **3. ORDER OF PRECEDENCE.**

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. Purchase Order Document
- C. Purchase Order Terms and Conditions
- D. Statement of Work
- E. Specification/Drawing
- F. Other Referenced Documents

## **4. - 5. RESERVED.**

## **6. PAYMENT.**

- A. Buyer shall pay Seller the price set forth in this Order for the Services and/or Products specified. Price includes all profit, wages, salaries, overhead, taxes, and other costs and expenses. No overtime, expedite charges, or other premium rates will be paid by Buyer unless authorized by Buyer, in writing.
- B. Seller shall send a separate invoice for each shipment according to the Buyer's Invoice Instructions which are incorporated herein and available on Buyer's On-line Automated Supplier Information System (OASIS):

<https://oasis.northgrum.com/corp/pss/docs/InvoiceInstructions.pdf>. No invoice shall be issued by Seller to Buyer prior to completion of Services or shipment of Products.

Payment due dates, including discount periods, will be calculated from the date of acceptance of a properly prepared invoice consistent with the Invoice Instructions referenced herein. Payment of invoice shall not constitute approval or acceptance of Products or Services rendered. At any time prior to final payment under this Order, Buyer may have invoices audited to verify their accuracy, completeness and compliance with the terms of this Order. Payment of Seller's invoices shall be subject to adjustment for any amounts found upon audit or otherwise to have been improperly invoiced.

- C. Any amounts owing to Buyer by Seller may be set off against amounts otherwise due to Seller under this Order.

## **7. - 9. RESERVED.**

## **10. WARRANTY.**

Notwithstanding inspection and acceptance by Buyer, Seller warrants that all Services performed under this Order will be performed in accordance with the standards of care and diligence normally exercised by persons performing such Services in the industry, be free from defects in workmanship, and conform to the requirements of the Order. Seller shall correct or re-perform any defective or non-conforming Services at no cost to the Buyer. If Buyer does not require correction or re-performance, Buyer shall be entitled to an equitable adjustment.

## **11. CHANGES.**

- A. Buyer's authorized representative may at any time, by written order, and without notice to sureties or assignees, if any, make changes within the general scope of this Order.
- B. If the change causes an increase or decrease in the cost or time required to perform this Order, whether or not changed by the Change Order or Purchase Order Change Notice, an equitable adjustment shall be made in the purchase price and/or delivery schedule and the Order shall be modified in writing accordingly.
- C. Any claim for adjustment shall be unconditionally waived unless: (i) asserted in writing and delivered to Buyer within 15 days of the date of the written change order; and (ii) a fully supported proposal is delivered to Buyer's authorized representative within 45 days after Seller's receipt of such direction.
- D. Buyer has the right to examine any of Seller's pertinent books and records for the purpose of verifying Seller's claim.
- E. Failure to agree to any adjustment shall be a dispute within the meaning of the "Disputes" clause hereof. However, Seller shall not be excused from proceeding with the Order as changed.

## **12. BUYER AUTHORIZATION.**

- A. The Buyer's Authorized Purchasing Representative has sole authority to make contractual commitments on behalf of the Buyer, to provide

contractual direction, and to change contractual requirements as defined in the Order.

- B. Buyer's engineering, technical personnel and other representatives may from time to time render assistance or give technical advice or discuss or effect an exchange of information with Seller's personnel concerning the Product hereunder. No such action shall be deemed to be a change under the "Changes" clause of this Order and shall not be the basis for an equitable adjustment.

### **13. DISPUTES.**

- A. Any dispute that may arise under or in connection with this Order with respect to the rights, duties, or obligations of the Parties shall be submitted in writing for resolution to ascending levels of management of the respective Parties up to the Senior Executive of the Materiel or Procurement organization placing the Order, and Seller's equivalent executive level.
- B. If a dispute cannot be resolved to both Parties' mutual satisfaction, after good faith negotiations, within ninety (90) calendar days from the date the written claim is received by the other Party, or such additional time as the Parties agree upon, in writing, either Party may only bring suit in federal or state court in the state from which this Order is issued.
- C. Pending any prosecution, appeal, or final decision referred to in this clause, or the settlement of any dispute arising under this Order, Seller shall proceed diligently, as directed by Buyer, with performance of the Order.
- D. To the maximum extent permitted by law, the parties waive any right to a jury trial.

### **14. TERMINATION FOR CONVENIENCE.**

- A. Buyer may terminate performance of Services under this Order in whole or, from time to time, in part if Buyer determines that a termination is in its interest. Buyer shall terminate by delivering to Seller a Notice of Termination specifying the extent of termination and the effective date.
- B. After receipt of a Notice of Termination, and except as directed by Buyer, Seller shall immediately, as to the terminated portion of this Order, promptly stop work, notify subcontractors to stop work, and protect property in Seller's possession in which Buyer has or may acquire an interest.
- C. In the event of termination, the Order shall be amended and Seller paid:
  - 1. The actual costs incurred up to and including the date of termination which, using recognized accounting practices, are properly allocable to, or apportionable under the terminated portion of the Order; this will include costs to subcontractors which are so allocable.
  - 2. Reasonable termination expenses.
  - 3. A fair and reasonable profit, determined by Buyer; however, if it appears that Seller would have sustained a loss on the entire Order had it been completed, Buyer shall allow no profit and shall reduce the amount paid to reflect the indicated rate of loss.

- D. In no event shall payment to Seller exceed the total Order price as reduced by the amount of payments previously made and the Order price of work not terminated, nor shall Buyer be liable for incidental or consequential liabilities. Seller shall submit its termination claim to Buyer within three (3) months after the effective date of the termination, unless otherwise directed by Buyer.
- E. The cost principles and procedures of Part 31 of the U.S. Federal Acquisition Regulation, in effect on the date of this Order, shall govern all costs claimed, agreed to, or determined under this clause.
- F. Unless otherwise provided in this Order, Seller shall maintain all records and documents relating to the terminated portion of this Order for three (3) years after final settlement. This includes all books and other evidence bearing on Seller's costs and expenses under this Order. Seller shall make these records and documents available to Buyer, at Seller's office, at all reasonable times, without any direct charge. If approved by Buyer, photographs, microphotographs, or other authentic reproductions may be maintained instead of original records and documents.

### **15. TERMINATION FOR DEFAULT.**

- A. Subject to paragraphs C and D below, Buyer may terminate this Order in whole or in part, by written notice of default to Seller if Seller:
  - 1. Fails to deliver the supplies or to perform the services within the time specified in this Order or any extension;
  - 2. Fails to make progress so as to endanger performance of this Order or to perform any of the other provisions of this Order and does not cure that failure within a period of 10 days after receipt of the notice from Buyer specifying Seller's failure to perform; or
  - 3. Becomes insolvent or makes a general assignment for the benefit of creditors, or files or has filed against it a petition of bankruptcy or pursues any other remedy under any other law relating to the relief for debtors, or in the event a trustee or receiver is appointed for Seller's property or business; or assignment.
- B. If Buyer terminates this Order in whole or in part, it may acquire, under the terms and in the manner Buyer considers appropriate, supplies or services similar to those terminated, and Seller will be liable to Buyer for any excess costs for those supplies or services. However, Seller shall continue the work not terminated. In addition, Buyer may rework or repair any Product in accordance with the Non-Conforming Goods clause herein, at Seller's cost.
- C. If the failure to perform is caused by an excusable delay, as described in the Excusable Delay clause herein, Seller shall not be liable for any excess costs of re-procurement.
- D. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both Seller and subcontractor, and without the fault or negligence

of either, Seller shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for Seller to meet the required deliver schedule.

- E. If this Order is terminated for default, Buyer may require Seller to transfer title and deliver to Buyer, as directed by Buyer, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this clause) that Seller has specifically produced or acquired for the terminated portion of this Order. Upon direction of Buyer, Seller shall also protect and preserve Property in its possession in which Buyer has an interest.
- F. Buyer shall pay the Order price for completed supplies delivered or services performed and accepted. Seller and Buyer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property.
- G. Buyer shall, at its option, have the right to set off against, or appropriate and apply to the payment or performance of any obligation, sum or amount owing at any time to Buyer under this Order, all deposits, amounts, or balances held by Buyer for the account of Seller, any amounts owed by Buyer to Seller, and any sum Buyer determines to be necessary to protect Buyer against loss because of outstanding liens or claims of former lien holders.
- H. The rights and remedies of Buyer in this clause are in addition to any other rights and remedies provided by Law or under this Order.

#### **16. BUYER'S PROPERTY.**

- A. During the term of the Order, Seller shall, at its sole cost and expense, maintain a policy or policies of insurance covering the loss or destruction of or damage to all Buyer materials, tools, and equipment, special or otherwise, in which Buyer has an interest, in the amount of the full replacement value thereof providing protection against all perils normally covered in an "all-risk" policy, including but not limited to, fire, windstorm, hurricane, tornado, sandstorm, explosion, riot, civil commotion, aircraft, earthquake, flood, or other acts of nature during such time as they remain in Seller's possession.

#### **17. - 19. RESERVED.**

#### **20. TAXES.**

The price of this Order includes all applicable federal, state, and local taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice. Use or sales taxes for which Buyer has furnished a valid exemption certificate or other evidence of exemption shall not be included.

#### **21. ASSIGNMENT.**

- A. Seller shall not assign any of its rights under this Order without Buyer's prior, written consent, except as specifically stated in this clause. Seller may assign to a bank, trust company, or other

financing institution including any Federal lending agency, claims for money due or to become due to Seller from Buyer under this Order, provided:

- 1. The assignment is limited to one party, covers all amounts payable under the Order and not already paid, is not subject to further assignment, and is made specifically subject to reduction and setoff or recoupment for any present or future claim or claims or indebtedness which Buyer may have against Seller;
  - 2. Seller furnishes to Buyer written notice of assignment and a true copy of the instrument of assignment.
- B. Buyer may make direct settlements or adjustments in price, or both, with Seller under the terms of this Order notwithstanding any assignment of claims for money due or to become due under this Order and without notice to the assignee.
  - C. Seller shall not furnish or disclose to any assignee under this Order or any other person not entitled to receive the same, any classified document or any of Buyer's Proprietary information (including this Order) until and unless authorized to do so by Buyer's authorized representative.

#### **22. SUBCONTRACTING.**

- A. Seller shall not subcontract without the prior written authorization of Buyer for the performance of any service to be provided hereunder, and Seller shall require a like agreement from any immediate and lower-tier suppliers. This is not a restriction on authorized distributors, dealers, jobbers or industrial suppliers.
- B. No subcontract placed under this Order shall provide for payment on a cost-plus-percentage-of-cost basis, and any fee payable under cost-reimbursement subcontracts shall not exceed the fee limitations in subsection 15.404-4(c) of the Federal Acquisition Regulation (FAR).
- C. Any subcontract awarded to a foreign person, as defined in the International Traffic in Arms Regulations or the Export Administration Regulations, must comply with the Export and Import Compliance clause herein.

#### **23. PROPRIETARY INFORMATION.**

- A. If a separate Proprietary Information Agreement exists between the Parties, which relates to the subject matter of this Order, then Proprietary Information furnished by one Party to the other Party shall be protected pursuant to such Proprietary Information Agreement.
- B. If no separate Proprietary Information Agreement exists between the Parties, Seller agrees to keep confidential and not to disclose to any other person any Proprietary Information received from Buyer in connection with this Order. Seller further agrees to use Proprietary Information only for purposes necessary for performing this Order, without first obtaining Buyer's written authorization.
- C. Seller may disclose Proprietary Information to its subcontractors as required for the performance of this Order, provided that each such subcontractor first assumes by written agreement the same obli-

gations imposed on Seller under this Order relating to such Proprietary Information.

- D. All documents and other tangible media (excluding Products) containing or conveying Proprietary Information and transferred in connection with this Order, together with any copies thereof, are and remain the property of Buyer.
- E. Neither the existence of this Order nor the disclosure hereunder of Proprietary Information or any other information shall be construed as granting expressly by implication, by estoppel or otherwise, a license under any invention or patent now or hereafter owned or controlled by Buyer or Buyer's customer, except as specifically set forth herein.
- F. Seller's obligations with respect to Proprietary Information disclosed hereunder prior to the performance in full, termination or cancellation of this Order shall not, except as expressly set forth herein, be affected by such performance in full, termination, or cancellation.
- G. Unless otherwise provided herein, or authorized by Buyer in writing, Seller shall use Proprietary Information and/or data only in the performance of this Order subject to the Government's rights under the Government Property clause.

#### **24. SELLER'S DATA.**

Excluding Data marked with an appropriate legend and protected in accordance with a separate Proprietary Information Agreement, any Data, which Seller discloses to Buyer while performing this Order, that Seller has not marked with a limited rights legend in accordance with the applicable rights in technical data and computer software clauses/provisions called out herein shall not be considered proprietary to Seller or in any way restrict Buyer's use of such Data.

#### **25. INFRINGEMENT INDEMNIFICATION.**

- A. In lieu of any other warranty by Seller to Buyer against intellectual property infringement, statutory or otherwise, express or implied, Seller will defend, indemnify, and hold harmless Buyer, Buyer's officers, agents, employees, and customers against all suits or actions, claims and liabilities, including costs, based on a claim that use or sale of any Products delivered under this Order infringes any patent, trade secret, copyright, or other intellectual property right of third parties.
- B. Buyer shall notify Seller in writing of such claim and Buyer shall provide Seller with reasonable information and assistance, at Seller's expense, for the defense thereof.
- C. If the use or sale of the Product is enjoined as a result of a suit, Seller, at no expense to Buyer, shall obtain for Buyer and its customer the right to use and sell the Product or shall substitute an equivalent Product acceptable to Buyer and extend this indemnification thereto.
- D. Seller's obligation shall not apply to Products manufactured by Seller pursuant to detailed designs developed by Buyer and furnished to Seller under an Order, which does not require research, development, or design work by Seller. Seller's obligation shall also not apply to any infringement arising from the use or sale of

Products in combination with Products not delivered by Seller if such infringement would not have occurred but for such combined use unless such combination was reasonably foreseeable.

- E. Notwithstanding the foregoing, when this Order is performed under the authorization and consent of the U.S. Government to infringe United States Patents, Seller's liability for Seller's patent infringement under this Order shall be coextensive with Buyer's liability.

#### **26. INSURANCE.**

During the entire Order period Seller and its subcontractors shall, at their sole cost and expense, procure and maintain Worker's Compensation insurance coverage as required by the laws of the state in which the work is performed and such insurance shall provide waiver of subrogation in favor of Northrop Grumman. Seller shall also maintain, at their sole cost and expense, Employer Liability insurance in the amount of \$1,000,000.

- A. Whenever performance requires work on a Government installation, Buyer's premises, or premises under the care, custody or control of Buyer or Buyer's customer, Seller and its subcontractors shall, at their sole cost and expense, procure and maintain the following insurance coverage in the minimum limits indicated:
  - 1. General Liability (Professional Liability, as applicable) - Combined Single Limit \$2,000,000 bodily injury and property damage. Coverage shall include but not necessarily be limited to, premises and operations, products and completed operations and contracts.
  - 2. Automobile Liability - Combined Single Limit \$2,000,000 bodily injury and property damage covering all owned, hired and non-owned vehicles.
- B. All insurance required as a part of this Order shall be placed with insurance companies that are authorized to do business under the laws of the state or states in which the work is being performed and shall be in a form reasonably acceptable to Buyer.
- C. General Liability and Automobile Liability insurance coverage shall provide that Buyer is named as an additional insured and if requested by Buyer, Seller shall provide evidence that the required insurance is in place in the form of insurance certificates.
- D. Insurance coverage described herein must be in place and effective prior to commencement of any activity that is the subject of this Order. Renewal insurance certificates, if applicable, shall be provided to Buyer at least 15 days prior to the expiration date of the insurance under each required coverage.
- E. Buyer and Seller agree to defend, indemnify, and save harmless the other from all damages and liabilities arising out of or in connection with presence on the other's premises pursuant to this Order; provided, however, that such damage and liability shall not have been caused by the negli-

gence of the agents, subcontractors or employees of the indemnified parties.

**27. LABOR DISPUTES.**

Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay timely performance of this Order, Seller shall immediately give notice to Buyer including all relevant information including, but not limited to, nature of dispute, labor organizations involved, estimated impact on Seller's performance of Buyer's order and estimated duration. Seller shall also provide updated reports throughout the dispute duration. Seller agrees to insert the substance of this clause, including this sentence, in any lower-tier subcontract where a labor dispute might delay timely performance of this Order.

**28. COMPLIANCE WITH LAWS.**

Seller warrants that it shall comply with all applicable federal, state, or local laws, rules, and regulations in the performance of this Agreement. Seller shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin and warrants compliance with Section 508 of the Rehabilitation Act. Where applicable, the Supplier agrees to provide products and services which are Section 508 compliant and agrees to provide a Voluntary Product Accessibility Template® (VPAT®) to Customer Representatives, if requested.

**29. CHOICE OF LAW.**

Both Parties agree that, irrespective of the place of performance of this Order, unless otherwise specifically provided herein, this Order will be construed and interpreted according to the law of the state from which this Order is issued, as identified in the Order, excepting that state's laws on conflict of law.

**30. - 31. RESERVED.**

**32. EXPORT AND IMPORT COMPLIANCE.**

**A. Export Compliance.**

General. Performance of this 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 – 2799 (Arms Export Control Act) and 22 Code of Federal Regulations 120-130 (International Traffic in Arms Regulations or "ITAR") or 50 United States Code 2401-2420 (Export Administration Act of 1979, as amended), 50 United States Code 1701-1706, (International Emergency Economic Powers Act, as amended), 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"). Seller represents and warrants that it is either 1) a U.S. Person as that term is defined in the Export Laws and Regulations, or 2) a Foreign Person as that term is defined in the Export Laws and Regulations and has disclosed to Buyer's Representative in writing the country in which it is incorporated/authorized/organized to do business, and all nationalities of any dual or third-country national employees who will require access to the data, articles or services provided hereunder. Seller shall comply with any and all Export Laws and Regulations, and any license(s) issued there under.

1. Registration. If Seller is a U.S. entity and is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Seller represents that it is registered with the U.S. Department of State's Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an effective export and import compliance program in accordance with the ITAR.

2. Foreign Persons. Seller shall not re-transfer any export-controlled information (e.g. technical data) to any other non-US person or entity (including the Seller's dual and/or third-country national employees) without first complying with all the requirements of the applicable Export Laws and Regulations. Prior to any proposed re-transfer, Seller shall first obtain the written consent of the Buyer. No consent granted by Buyer in response to Seller's request shall relieve Seller of its obligations to comply with the provisions of paragraph A. of this Clause or the Export Laws and Regulations, nor shall any such consent constitute a waiver of the requirements of paragraph A. hereinabove, nor constitute consent for Seller to violate any provision of the Export Laws and Regulations.

**B. Import Compliance.**

Both parties shall comply with all U.S. Customs laws and regulations (e.g., 19 CFR) and all other applicable U.S. government regulations pertaining to importations of goods and materials into the United States.

For International Purchase Orders (Purchase orders issued to entities addressed in foreign countries): Specifically, without excluding other regulations, Seller shall comply with and adhere to the commercial invoice requirements detailed in 19 CFR 141 subpart F of the regulations, and provide additional information as requested by the Buyer. Seller shall immediately upon discovery, notify Buyer of any change to the shipment data related to product valuation, quantities shipped, country of origin, port of export and any additional information directed by the Buyer. Seller will timely provide pre-alert shipping information and documentation prior to shipment arrival to the U.S. Buyer will direct Seller where to send pre-alert shipping information and documentation. Pre-alert shipping documentation includes, but is not limited to, a commercial invoice, airway bill, bill of lading, and other required documentation as directed by U.S. regulations and Buyer.

For Domestic Purchase Orders (Purchase orders issued to entities addressed in the United States): Seller shall assume all U.S. import responsibilities, to include designation as U.S. Importer of Record, Customs clearance, duty, taxes, and fees for goods entering into the United States. Unless otherwise agreed in writing, NGC will not assume any import liabilities for goods procured through a domestic purchase order.

**C. Indemnification.**

Seller 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 Seller's failure to comply with the provisions of this Clause and breach of the warranty set forth in paragraph A or B. Any failure of Seller to comply with the requirements or any breach of the warranty contained in this Clause shall be a material breach of this Order.

**D. Subcontracts.**

The substance of this Clause shall be incorporated into any lower-tier subcontract or purchase order entered into by the Seller for the performance of any part of the work under this Order.

**E. Notification.**

Seller agrees to provide prompt notification to Buyer in the event of changes in circumstances such as ineligibility to contract with US Government, debarment, assignment of consent agreement, and initiation or existence of a US Government investigation, that could affect Seller's performance under this contract.

**33. RELIANCE.**

Seller represents and warrants that Seller is an expert fully competent in all phases of the work involved in producing and supporting all Products and performing all services purchased under this Order.

**34. RELEASE OF INFORMATION AND ADVERTISING.**

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Order or the subject matter hereof, will be made by Seller without the prior written approval of Buyer. Additionally, Seller shall not use the name "Northrop Grumman Systems Corporation" or in any other way identify Buyer in any advertisement, display, news release, or other public disclosure without Buyer's prior written consent.

**35. - 36. RESERVED.**

**37. HEADINGS.**

The descriptive headings contained in this Order are for convenience of reference only and in no way define, limit or describe the scope or intent of this Order.

**38. PARTIAL INVALIDITY.**

If any provision in this Order is or becomes void or unenforceable by force or operation of law, all other provisions shall remain valid and enforceable.

**39. NON-WAIVER.**

A Party's failure at any time to enforce any provision of any Order shall not constitute a waiver of the provision or prejudice a Party's right to enforce that provision at any subsequent time.

**40. COMPLETE AGREEMENT.**

This Order is the Parties' final expression of their agreement and is the complete and exclusive statement of all terms and conditions of agreement. This Order supersedes and cancels all prior understandings, proposals, communications, whether oral or written, and agreements between the Parties, whether such understandings, proposal, communications, and agreements were written or oral, concerning the matters addressed in this Order. No course of prior dealings between the Parties, and no usage of trade, shall be relevant to supplement or explain any term used in this Order.

**41. RESPONSIBILITY FOR CLAIMS/INDEMNITY.**

Seller shall, at its own expense, defend, indemnify and hold harmless Buyer from any claims or suits brought and liabilities and losses sustained by any third party for injury to persons or damage to property, arising in whole or in part out of the acts or omissions of Seller, its subcontractors, agents, or employees in the performance of this Order. If Seller fails to defend, hold harmless, and indemnify Buyer as provided in this clause, then Seller shall pay for any damages, attorney's fees, and any other fees, costs, and expenses that may be incurred by Buyer in the defense of any action related to this Order and/or in the prosecution of any action to enforce the provisions of this clause.

**42. RIGHTS IN COPYRIGHTS.**

The Parties expressly agree that all original works of authorship fixed in any tangible form, including software improvements, enhancements, derivative works and mask works, whether specially ordered or commissioned, made by Seller personnel alone or jointly with others in connection with this Order ("Works") shall become and remain the property of Buyer. These Works shall be considered "a work made for hire" and Seller shall assign and hereby assigns all its right, title, and interest in the Works to Buyer. Seller agrees to require its personnel or others hereinafter associated with or used by Seller in the performance of this Order to execute all necessary documents to transfer and assign all right, title and interest in said Works to Buyer.

**43. PATENTS AND INVENTIONS.**

Seller agrees to assign and hereby does assign to Buyer the entire and exclusive right, title, and interest to all designs, models, photographs, drawings, ideas, inventions (whether or not patentable), and improvements whatsoever, conceived, discovered, or developed by Seller, Seller's employees or Seller's subcontractors, specifically related to or in connection with performance of this Order. Seller agrees to promptly disclose to Buyer all such ideas, inventions, and improvements, and, on demand and at Buyer's expense, assist and require and bind Seller's employees to assist, in preparation, execution, and delivery of any disclosures, patent applications or other papers required by Buyer to obtain and enforce patents in the United States and foreign countries, and to execute and deliver to Buyer any assignment or other document which Buyer deems necessary to perfect Buyer's right, title and interest in and to said ideas, inventions, and improvements. Seller shall insert the substance of this clause, in favor of Buyer, in subcontracts at any tier under this Order.

**44. RESERVED.**

**45. STOP WORK.**

A. Buyer may, at any time, by written order to Seller, require Seller to stop all, or any part, of the work called for by this Order for a period of up to ninety (90) days after the stop work order is delivered to Seller, and for any further period to which the Parties may agree. Any such order shall be specifically identified as a Stop Work Order (SWO) issued pursuant to this clause. Upon receipt of an SWO, Seller shall immediately comply with its terms and take all reasonable steps to minimize the

incurrence of costs allocable to the work covered by the SWO during the period of work stoppage. Within the period of the work stoppage specified by the SWO, and any amendments to it, Buyer shall either (1) cancel the SWO, or (2) terminate the work covered by such SWO as provided in "Termination For Convenience", of this Order.

- B. If an SWO issued under this clause is canceled, or the period of the Order or any extension thereof expires, Seller shall resume work. An equitable adjustment shall be made in the delivery schedule or Order price, or both, and the Order shall be modified in writing accordingly, if (1) the stop work results in an increase in the time required for, or in Seller's cost properly allocable to, the performance of any part of this Purchase Order, and (2) Seller submits its proposal for such adjustment within forty-five (45) days after the end of the period of work stoppage. Failure of the Parties to agree to any adjustment to be made under this clause shall not excuse Seller from proceeding with the performance of the Order.
- C. If an SWO is not canceled and the work covered by such SWO is terminated for the convenience of Buyer, the reasonable costs resulting from the SWO shall be allowed in arriving at the termination settlement.

**46. RESERVED.**

**47. RELATIONSHIP OF THE PARTIES.**

The relationship of Seller to Buyer shall be that of an independent contractor and nothing herein contained shall be construed as creating any employer/employee, agency, or other relationship of any kind. Seller's employees, agents or representatives (hereinafter "Employees") performing Services under this Order shall at all times be under Seller's direction and control. Seller shall pay all wages, salaries, and other amounts due its Employees in connection with this Order and shall be responsible for all reports and obligations for its Employees, including, but not limited to, social security and income tax withholdings, unemployment compensation, worker's compensation, and equal employment opportunity reporting.

**48. SELLER'S EMPLOYEES.**

- A. All personnel assigned by Seller to perform the Services to be furnished hereunder shall be capable, skilled, qualified and competent to perform such Services.
- B. Buyer may require Seller to remove from its or customer's premises any employee, agent, or representative of Seller, or any of its subcontractors, Buyer deems incompetent, careless or otherwise objectionable. Seller shall remove such employee, agent or representative from the premises immediately.
- C. At all times Seller shall use suitable safety precautions, including, as a minimum, those safety precautions issued in instructions and directions by Buyer or Buyer's customer such safety precautions shall include, but not be limited to, the use of proper materials, tools, equipment and other safeguards, as appropriate.

- D. Seller and Seller's personnel shall also comply with all applicable rules, regulations and orders of the Occupational Safety and Health Act of 1970 (P.L. 91-596, 29 USC 651-678), as amended, and all applicable safety laws, rules, regulations and orders of the United States and the State wherein this Order is being performed. Seller agrees to defend, hold harmless, and indemnify Buyer from and against any noncompliance by Seller with any of the above laws, rules, regulations and orders as may be applicable.
- E. If this Order requires Seller's personnel to enter Buyer's or Buyer's customer's premises, Seller agrees to have its personnel, engaged in the performance of Services hereunder, report to Buyer's plant, at times to be specified by Buyer, at Seller's expense (unless otherwise herein specified), for attendance at a training session or sessions concerning Buyer's or its customer's standards and procedures relating to on-site rules of behavior, work schedule, security procedures and any other standards and procedures adhered to by Buyer's or customer's employees.

**49. CITIZENSHIP ELIGIBILITY REQUIREMENTS.**

- A. Employees of Seller who perform Services under this Order shall be citizens of the United States of America (U.S.), its possessions or territories, or lawful permanent residents as defined by 8 United States Code (U.S.C.) 1101(a)(20), or protected individuals as defined by 8 U.S.C. 1324b(a)(3). Seller shall provide certification of compliance upon buyer request. Seller shall promptly notify Buyer of any changes to the Certification. Failure to provide the Certification, or notice of changes, may result in termination of the purchase order for default.
- B. Upon the request of Buyer, Seller shall submit verification of citizenship, lawful permanent resident status, protected individual status, or employment eligibility status to Buyer for each employee who will perform Services under this Order. Examples of documents that may be considered satisfactory are state birth certificates, U.S. passports, U.S. naturalization papers, and "green" cards (I-551) issued by the U.S. Department of Immigration and Naturalization. Consistent with IRCA, the order of presentment of such documents shall be the sole prerogative of Seller's employees. If these documents are not available, a compilation of other evidence may suffice.
- C. Employees of Seller not listed on the Certification of Employees or providing individual proof of U.S. citizenship, or other status as described in subparagraph B. above, may be denied access to Buyer's premises.

**50. BADGES AND PLANT SECURITY.**

If this Order requires Seller's personnel to enter Buyer's or Buyer's customer's premises, Seller agrees to have its personnel, engaged in the performance of Services hereunder, report to Buyer's plant, at times to be specified by Buyer, so that Buyer may provide said personnel with identification badges, which will permit such personnel to enter and leave the premises where



the work is to be performed. Seller further agrees that said badges shall be worn by said personnel, in a conspicuous place upon the person of each of its personnel, when such personnel are in, on, or about the premises. Seller further agrees to abide by and comply with, and require its Employees to abide by and comply with, such rules and regulations pertaining to plant security as may be prescribed by Buyer and/or the Buyer's Customer.

**51. CONFLICT OF INTEREST.**

Seller warrants that no conflict of interest exists between the Services and Products to be provided under this Order and Seller's other activities. Seller shall immediately advise Buyer of any such conflict of interest or potential conflict of interest which arises during performance of this Order.

**52. SERVICE RATES AND INVOICING.**

- A. The rates for straight time and overtime work, which Seller will bill Buyer, for Services furnished under this Order, shall be those set forth in this Order. Buyer shall make no payment for work performed during holiday, or other overtime periods, unless such work is expressly authorized by Buyer.
- B. Seller represents that the rates set forth in this Order include all profit, wages, salaries, overhead, taxes, and other costs and expenses.
- C. Seller shall send a separate invoice for each shipment according to the Buyer Invoice Instructions which is incorporated herein and available on the NGC On-line Automated Supplier Information System (OASIS) <https://oasis.northgrum.com/corp/pss/docs/InvoiceInstructions.pdf>. No invoice shall be issued prior to completion of Services or shipment of Products. Payment due dates, including discount periods, will be calculated from the date of acceptance of Service or Product, or receipt of correct invoice, whichever is later. Payment of invoice shall not constitute approval or acceptance of Services or Products rendered. At any time prior to final payment under this Order, Buyer may have invoices audited as to validity. Payment of Seller's invoices shall be subject to adjustment for any amounts found upon audit or otherwise to have been improperly invoiced. Any amounts owing to Buyer by Seller may be set off against amounts otherwise due to Seller under this Order.
- D. All worked performed beyond the stated expiration date or total funding of the order will be at the suppliers "own risk". No legal liability on the part of Northrop Grumman Systems Corporation may arise until the Seller receives written notice from the buyer that the period of performance has been extended and funding is available.

**53. - 79. RESERVED.**

**80. RESPONSE TO AUDIT.**

Buyer shall not be prohibited from providing copies of the purchase order to federal and state taxing agencies as requested by either buyer's or government auditors to comply with auditing procedures.

**81a. DIVESTITURES - COMMODITY 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 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 services (with the exception of any unpaid 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 services. Any such assignment or other transfer of services made to a third party will be subject to the prior written consent of Seller 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 products and/or services covered under this order, or Buyer may purchase such products 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. Buyer may access and use the services under the agreement to provide transitional services to the divested entity, including transitional access and use of the services by the divested entity, during the transition period at no additional charge (i.e., no charge other than fees otherwise due to supplier under the agreement as if the divested entity were a part of Buyer) provided that Buyer is and remains current on the payment of all fees due to supplier under the agreement.

**81b. 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.

- 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.

**82a. MERGERS AND ACQUISITIONS – COMMODITY PRODUCTS/SERVICES.**

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 services, Buyer and Seller will negotiate a combined agreement sufficient to cover the combined companies so as to avoid any disruption in service.

**82b. MERGERS AND ACQUISITIONS - IT PRODUCTS/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.

**83. - 84. RESERVED**

**85. 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.

**86. 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.

**87. PRIVACY, CONFIDENTIALITY AND SECURITY**

Seller will ensure that it provides the services under this agreement in accordance with the following requirements:

- (a) Seller will hold in strict confidence any and all Personal Information.
- (b) Seller will provide at least the same level of privacy protection for Personal Information as is required by the relevant U.S.-EU Safe Harbor Framework ("Safe Harbor") Principles.
- (c) Seller will Process Personal Information only on behalf of Northrop Grumman and in accordance with Northrop Grumman's written instructions, and only in connection with the services it provides for Northrop Grumman and to fulfill its obligations to Northrop Grumman.
- (d) Seller will comply with all applicable laws and regulations relating to the privacy, confidentiality or security of Personal Information and applicable provisions of Northrop Grumman's privacy policies, statements or notices that are attached hereto (collectively, "Privacy Requirements").
- (e) In the event a Privacy Requirement, enforcement action, investigation, litigation or claim, or any other circumstance, is reasonably likely to adversely affect Seller's ability to fulfill its obligations under this agreement, Seller will promptly notify Northrop Grumman in writing and Northrop Grumman may, in its sole discretion and without penalty of any kind to Northrop Grumman, suspend the transfer or disclosure of Personal Information to Seller or access to Personal Information by Seller, terminate any further Processing of Personal Information by Seller, and terminate Seller's agreement to provide services to Northrop Grumman, if doing so is necessary to comply with applicable Privacy Requirements.
- (f) Subject to applicable law, in the event Seller is required by law or legal process to disclose Personal Information, it will give prior written notice of the disclosure to Northrop Grumman, so that Northrop Grumman may, in its discretion, seek to block the disclosure. Northrop Grumman will have the right to defend such action in lieu of and on behalf of Seller. Northrop Grumman may, if it so chooses, seek a protective order. Seller will reasonably cooperate with Northrop Grumman in such defense at Northrop Grumman's reasonable cost.
- (g) Seller may disclose Personal Information to a third party if, and only if, it obtains the written consent of Northrop Grumman and (1) the disclosure is made to a

party that performs services on behalf of Northrop Grumman and the disclosure is made in order to perform the Seller's services to Northrop Grumman; or (2) the disclosure is made to a third party performing clerical, administrative, technical, or security-related services for Seller, and such disclosure is incidental to the performance of such services. In either case, Seller will enter into a written agreement with such third party under which the third party agrees it will (i) maintain the confidentiality of the disclosed Personal Information; (ii) provide at least the same level of privacy protection as is required by the relevant Safe Harbor Principles (unless such third party has certified to the Safe Harbor, or is subject to the European Union Directive on Data Protection (Directive 95/46/EC) or another adequacy finding by the European Commission, in which case the third party is not required to make the representation contained in (ii)); (iii) not disclose the Personal Information to other third parties without the prior written agreement of Northrop Grumman; (iv) use the Personal Information only in connection with performing its obligations under its agreement with Seller; (v) disclose the Personal Information only to its own personnel who need the information to perform the obligations under the agreement with Seller, and who have been fully advised as to the confidentiality requirements set forth herein; (vi) promptly notify Seller of any Information Security Incident (as defined below); and (vii) return to Seller all copies of Personal Information Processed in connection with the relevant services for which the third party was retained or, upon Seller's written request (provided that Seller receives Northrop Grumman's prior written approval), securely destroy or, at the option of Northrop Grumman, render unreadable or undecipherable, all such Personal Information, including all hard-copy and electronic versions.

- (h) Seller will develop, implement and maintain a comprehensive written information security program that complies with applicable Privacy Requirements. Seller's information security program will include appropriate administrative, technical, physical, organizational and operational measures designed to (i) ensure the security and confidentiality of Personal Information; (ii) protect against any anticipated threats or hazards to the security and integrity of Personal Information; and (iii) protect against accidental or unlawful destruction, loss or alteration, unauthorized disclosure or access, and any other unlawful forms of Processing (hereinafter "Information Security Incident"). Seller's information security program will contain standards that are at least as stringent as those set forth in the Form C-137 relating to this Agreement. If the Processing involves the transmission of Personal Information over a network, Seller will implement appropriate measures to protect Personal Information against the specific risks presented by the Processing. Seller will immediately, but in no event later than 72 hours after Seller's discovery of the Information Security Incident, notify Northrop Grumman in writing of any Information Security Incident. Such notice will summarize in reasonable detail the effect on Northrop Grumman, if known, of the Information Security Incident and the corrective action taken or to be taken by Seller. Seller will promptly take all necessary and advisable corrective actions, and will cooperate fully with Northrop Grumman in all reasonable and lawful

efforts to prevent, mitigate or rectify such Information Security Incident. The content of any filings, communications, notices, press releases or reports related to any Information Security Incident must be approved by Northrop Grumman prior to any publication or communication thereof.

- (i) Seller will exercise the necessary and appropriate supervision over its relevant Personnel to maintain appropriate privacy, confidentiality and security of Personal Information. Seller will restrict access to Personal Information to those Personnel who need the information to perform obligations under Seller's agreement with Northrop Grumman and who have explicitly agreed to legally enforceable and sound confidentiality obligations. Seller will ensure that Personnel with access to Personal Information are periodically trained regarding privacy and security and the limitations on Processing of Personal Information as provided in this agreement.
- (j) Seller will engage an independent third-party to conduct a security evaluation/certification of Seller's systems that host Personal Information. Seller will provide Northrop Grumman copies of the audit report(s). Northrop Grumman reserves the right to conduct site surveys of Seller's hosting site and review its physical and information security policies, practices, and procedures on an annual or biennial basis, in Northrop Grumman's reasonable discretion.
- (k) Seller agrees that any Processing of Personal Information in violation of this agreement, Northrop Grumman's instructions or any applicable Privacy Requirement, or any Information Security Incident, may cause immediate and irreparable harm to Northrop Grumman for which money damages may not constitute an adequate remedy. Therefore, Seller agrees that Northrop Grumman may obtain specific performance and injunctive or other equitable relief for any such violation or incident, in addition to its remedies at law, without proof of actual damages.
- (l) Seller will not transfer Personal Information outside the country to which it originally was delivered to Seller for Processing (or, if it was originally delivered to a location inside the European Union, outside the European Union) without the explicit written consent of Northrop Grumman.
- (m) Seller will cooperate with Northrop Grumman if a data subject wants to access or amend Personal Information pertaining to him or her.
- (n) Seller will immediately inform Northrop Grumman in writing of any requests, complaints or investigations regarding Seller's Processing of Personal Information. Seller will respond to such requests, complaints or investigations in accordance with Northrop Grumman's instructions and Seller will fully cooperate with Northrop Grumman in responding to any such request, complaint or investigation.
- (o) Seller will enter into any further privacy or information security agreement requested by Northrop Grumman for purposes of compliance with applicable Privacy Requirements. In case of any conflict between this agreement and any such further privacy or information security agreement, such further agreement will prevail with regard to the Processing of Personal Information covered by it.
- (p) Seller agrees, within 30 days of termination, cancellation, expiration, or other conclusion of this agreement, Seller shall return to Northrop Grumman all

copies of Personal Information Processed in connection with this agreement, or, upon Northrop Grumman's written request or receipt of Northrop Grumman's written approval in response to Seller's request, to securely destroy or, at the option of Northrop Grumman, render unreadable or undecipherable, all such Personal Information, including all hard-copy and electronic versions. Seller will provide an appropriate Certificate of Return/Destruction at Northrop Grumman's request.

- (q) Seller agrees to indemnify and hold harmless Northrop Grumman and its officers, employees, directors and agents from, and at Northrop Grumman's option defend against, any and all claims, losses, liabilities, costs and expenses, including without limitation third-party claims, reasonable attorneys' fees, consultants' fees and court costs (collectively, "Claims"), to the extent that such Claims arise from, or may be in any way attributable to (i) any violation of this agreement; (ii) the negligence, gross negligence, bad faith, or intentional or willful misconduct of Seller or its Personnel in connection with the obligations set forth in this agreement; (iii) Seller's use of any contractor providing services in connection with or relating to Seller's performance under this agreement; or (iv) any Information Security Incident involving Personal Information in Seller's possession, custody or control, or for which Seller is otherwise responsible.
- (r) Seller's obligations under this agreement will survive the termination of Seller's agreement to provide services to Northrop Grumman and the completion of all services subject thereto.

#### **88. 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.

#### **89. 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

#### **90. - 91. RESERVED**

#### **92. BACKGROUND INVESTIGATIONS.**

- A. Seller must complete Background Investigations (BI) on all new or rehired Seller personnel who will perform services hereunder on premises under the ownership or control of Buyer. The BI's are required prior to issuance by Buyer of long-term visitor badges or unescorted access badges to Buyer's site(s) for more than sixty (60) days or a cumulative of sixty (60) days in a twelve (12) month period. This requirement does not apply to

Seller's employees who are currently in possession of a long-term badge.

- B. Sellers are responsible for completing background investigations and will certify that the BI has been completed and a thorough review of the investigative report disclosed only favorable information. At a minimum, BI's will include:
1. A criminal convictions check
  2. A check of Seller's employees Department of Motor Vehicles records for violations of any kind;
  3. Verification of asserted college degrees and professional licenses or other professional or educational certifications
- C. The Seller must notify and obtain approval in writing from Buyer's Authorized Purchasing Representative prior to assignment of Seller's personnel to a site owned or under the control of Buyer when a particular BI has been completed and the investigation report disclosed unfavorable/adverse information in the following area(s):
1. Education and/or professional background
  2. License(s) or certification(s)
  3. Criminal and/or driving record.
- D. "Unfavorable/adverse information" includes but is not limited to any criminal conviction, misdemeanor or felony, any driving violation that appears on the information provided by the Department of Motor Vehicles, failure of an educational or professional institution to acknowledge completion of a degree, license or certification, and the like. Buyer shall have the ultimate and sole determination as to whether the investigation report contains "unfavorable/adverse information."

#### **93. RESERVED**

#### **94. SUSTAINABILITY.**

Buyer is committed to providing a sustainable environment for its employees, customers, investors, suppliers, and communities. Our goal is to promote resource conservation and environmental responsibility through the use of recycled contents and recovered materials to achieve waste reduction and energy efficiency. Buyer is dedicated to obtaining products and services from suppliers that exceed or comply with all applicable Federal, state and local laws, regulations, and ordinances relating to preservation and protection of the environment, in addition to employing techniques and materials that support sustainability.

To assist Buyer in maintaining its commitment, suppliers of products and services must also demonstrate the same degree of integrity from a social and environmental perspective. The following are the minimum requirements all Buyer's suppliers are expected to satisfy.

- A. Ensure the necessary programs are in place for continuous improvement in the following key areas of sustainability: water, energy, recycling, waste and air,
- B. Ensure that the products and services provided meet the following key sustainability criteria to assist Buyer to become a more sustainable organization: (1) Water and Energy: Products and services are developed in a manner that minimizes

energy and water use, (2) Recycling and Waste: Products and services are developed to employ recycled materials, to enable recycling during disposal and utilizing innovative packaging that maximizes the use of recycled materials while diminishing overall waste, (3) Water, Air and Waste: Products and services are developed in a manner that minimizes emissions, effluents, and waste released at all of your facilities and operations.

**95. FORCE MAJEURE.**

Neither party shall be liable for delays in manufacturing or delivery resulting from any circumstances beyond its reasonable control not occasioned by its fault or negligence, including but not limited to compliance with any sovereign decrees, orders, acts, instructions or priority requests of any federal, state, or municipal government or any department or agency thereof, civil or military, acts of god, fires, floods, strikes, lockouts, embargoes or wars. Upon the happening of any circumstances or causes aforesaid, the affected party shall notify the other party without delay and any relief shall be limited to an extension of delivery dates or times of performance to the extent caused thereby.

**96. RESERVED**

**97. 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