

APPENDIX P
(GENERAL)

ADDITIONAL TERMS AND CONDITIONS TO
APPENDIX X
FOR THE UAE PROGRAM

The following clauses in Appendix "X," incorporated in this purchase order, are modified as follows:

1. Appendix X, Clause 1, Definitions. Add the following definition:

"Documentation" includes, but is not limited to, data, Operational Manuals, Software Documentation, Country Standard Technical Orders, Intermediate Commodity Technical Orders, Commercial Manuals required to be delivered under this Purchase Order.

2. Appendix X, Clause 3, Inspection. Add the following paragraphs:

- (d) Notwithstanding any other provision of this PO, final inspection and acceptance of any Item(s) direct shipped to Buyer's Customer, or designated site in the UAE, shall take place within two (2) months after delivery of such Item to Buyer's Customer in the UAE.

- (e) Prior to acceptance of any Item under this PO, Seller shall issue and sign a "Certificate of Conformity," as designated by Buyer, certifying the following:

- (1) The Item(s) conforms to the terms of this PO, including its respective specification.

- (2) The components utilized by Seller are free from defect and are airworthy.

- (3) Any developmental Item(s), or part(s) thereof, utilized or manufactured by Seller conform to Buyer's design and manufacturing standards and are similar to those used to manufacture similar systems for the United States Government.

- (4) All Documentation conforms to the terms of this PO and requirements therein.

(5) All Services were performed and conducted in accordance with the terms of this PO by qualified Seller personnel who possess the technical skills and experience necessary to successfully fulfill the applicable PO requirements.

3. Appendix X, Clause 7, Warranty. Add the following paragraph:

(d) Seller shall give priority to all warranty Item(s) so as to reduce as much as possible the duration of the Seller's warranty repair or replacement.

4. Appendix X, Clause 9, Changes. If any Item to be delivered under this PO is an Item that is newly developed for this PO or an Item that is modified to fit the requirements of this PO, the following additional paragraphs apply:

(g) If, in the judgment of Buyer, certain modifications are deemed essential or mandatory for safety purposes, during production, Seller shall, at no cost to Buyer, incorporate the modification into the Item(s).

Prior to delivery of the last Item and through the warranty period of the last Item, any modification kits for those Safety of Flight TCTOs considered mandatory by Buyer or the United States Government shall be provided to Buyer for systems already delivered, at no cost to Buyer.

5. Appendix X, Clause 10, Responsibility for Property. Add the following paragraph:

Risk of loss or damage for any such Property shall vest in Seller while the Property is in the possession or control of Seller and shall remain with Seller until such Property is transferred to Buyer or Buyer' Customer. Title, at all times, shall remain vested in Buyer or Buyer's Customer.

6. Appendix X, Clause 12, Data Rights. Add the following paragraph to the end of the clause:

Irrevocable License to Use Data.

Buyer and Buyer's Customer are hereby granted an irrevocable license to use, copy or reproduce any Documentation, as necessary for the use and repair of such Item(s). Documentation will not be used, copied, or reproduced, to any third party, except when deemed necessary by Buyer or Buyer's Customer for study/certification of new weapons and configurations on the Items in UAE. Should a new configuration of the Item need to be qualified, Buyer or Buyer's Customer may supply, on a

need to know basis, data pertaining to such Item to a party to said qualification.

7. Appendix X, Clause 14, Termination for Convenience. Add the following to subparagraph (a), after the third sentence:

In the event of a termination for convenience hereunder, Seller shall prepare and submit within thirty (30) days after receipt of the notice of termination a list detailing the status of material in process of production and affected Items ("property") as follows:

- (1) List of property already completed but not yet delivered on the date of receipt by Seller of the termination notice;
- (2) List of property in the process of production on the date of receipt by Seller of the termination notice and the state of completion of such property shall be mentioned against each item;
- (3) List of material for property procured for this Purchase Order but not yet launched into production on the date of receipt by Seller of the termination notice.

8. Appendix X. Clause 21, Technical Surveillance. Add "the development, qualifications, validation, and" after "witness" in the third line.

9. Appendix X. Clause 26, Packing, Shipment, and Shipping Instructions.

Seller shall contact Buyer for appropriate shipping information and marking if any of Seller's Item(s) are to be direct shipped to Buyer's Customer.

10. Add the following as a new Clause 34, Title and Risk of Loss for Direct Shipped Item(s):

Title and Risk of Loss for any Item direct shipped to Buyer's Customer shall remain vested in Seller until acceptance by Buyer's Customer in the UAE.

11. Add the following as a new Clause 35, New Material:

All material procured under this PO shall be brand new and newly manufactured. Items tested on the flight test aircraft and in the laboratory shall be subject to wear and tear resulting from their use during development and manufacturing tests and shall be refurbished into serviceable condition prior to delivery.

12. Add the following as a new Clause 36, Export Laws, Regulations and Administrative Acts:

This Purchase Order is subject to all United States laws and regulations relating to exports and to all administrative acts of the United States Government pursuant to such laws and regulations, which include but are not limited to, the International Traffic in Arms Regulations ("ITAR") and the Foreign Corrupt Practices Act ("FCPA").

13. Add the following as a new Clause 37, Confidentiality:

- (1) Except with the consent in writing of the Buyer, Seller shall not disclose the existence of this Purchase Order or any provisions thereof to any person, other than the Buyer (on a need-to-know basis); or a person employed or engaged by the Seller in carrying out the Purchase Order; or any subtier subcontractor, supplier, or other persons concerned with the same; or as otherwise may be required by law, regulation, or order by a court of competent jurisdiction. Prior to complying with a law, regulation, or order by a court of competent jurisdiction, Seller shall give notice to the Buyer of such, and, if the Buyer elects to contest the disclosure, Contractor shall reasonably cooperate with the Buyer in contesting the disclosure.
- (2) This Purchase Order shall be held in confidence between the parties, and Seller may only communicate information to its employees and agents on a need-to-know basis.
- (3) Seller shall obtain in writing the prior approval and consent of the Buyer before the release of any news item, article, publication, advertisement, prepared speech, or any other information or material pertaining to any part of the obligations to be performed under the Purchase Order.

14. Add the following as a new clause 38, Politics:

In the event Seller or Seller's employees perform any part of this Purchase Order in the UAE, Seller agrees that its employees will perform their duties in respect of the execution of this Purchase Order with care and diligence. Seller's employees shall refrain from participating in the politics of the UAE Country and are forbidden to deal in any private business for profit in the UAE except for Offset Programs approved by the UAE Offset Group. In the event Seller or Seller's employees fail to comply with this clause, in addition to any other remedy Buyer may have by contract, law or equity, upon request of Buyer, Seller, at its own expense, shall replace the employee without any delay in the performance of this PO.