

**CUSTOMER CONTRACT REQUIREMENTS**  
**India P-8I LRMRSW AIRCRAFT**  
**CUSTOMER CONTRACT 369/DAA/C/16-17/P-8I Option Clause**

**CUSTOMER CONTRACT REQUIREMENTS**

The following customer contract requirements apply to this contract to the extent indicated below.

**1. Prime Contract Special Provisions** The following prime contract special provisions apply to this purchase order

**INDIA INTEGRITY PACT COMPLIANCE CLAUSE**

1. **Compliance with Laws** In addition to the “Compliance with Laws” Article in the Contract’s general provisions (GP), Seller shall comply with the India Prevention of Corruption Act.
2. **India Integrity Pact:**
  - a. Seller confirms that it has read the Pre-Contract India Integrity Pact dated [XYZ], which was executed by Buyer and the Government of India (“GOI”), a copy of which is (or has been) provided to Seller (“Integrity Pact”).
  - b. Seller shall not engage in any conduct that constitutes a breach of Buyer’s obligations under Section 6 (Commitments of Bidders) of the Integrity Pact or the requirements of this India Integrity Pact Compliance (“IIPC”) Clause. Seller shall further ensure that Seller’s Affiliates do not engage in any conduct that constitutes a breach of Buyer’s obligations under Section 6 of the Integrity Pact or the requirements of this IIPC Clause.
  - c. In accordance with Section 7.1 (Previous Transgressions) of the Integrity Pact, Seller certifies that it has not engaged in any conduct that would have constituted a breach of Buyer’s obligations under Section 6 of the Integrity Pact in the last three years immediately before Contract award, with any other company in any country in respect of any corrupt practices envisaged under the Integrity Pact or with any Public Sector Enterprise in India or any Government Department in India that would justify Buyer’s exclusion from the tender process.
  - d. Seller further certifies that it shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of Buyer’s customer.
  - e. Seller shall disclose if any employee of the Seller or any person acting on behalf of the Seller, including Seller’s Affiliates, either directly or indirectly, is closely related to any of the officers of Buyer’s customer, or alternatively, if any close relative (as defined in Section 10(ix) (Sanctions for Violation) of the Integrity Pact) of an officer of Buyer’s customer, has financial interest/stake in Seller’s firm.
3. **Independent Contractor.** Seller is an independent contractor fully and solely responsible for its own actions and is not, and shall not hold itself out as, an employee, agent, partner or joint venture party of or with, or attorney in fact for Buyer. Directors, officers, agents, representatives, consultants, subcontractors, employees and affiliates of Seller (collectively, "Seller's Affiliates") shall not be considered, directors, officers, agents, representatives, consultants, subcontractors, employees or affiliates of Buyer and neither Seller nor Seller's Affiliates may make or sign or purport to make or sign sales orders or contracts or other instruments in the name of Buyer, make any commitment for the account of, assume or create express or implied obligations of any kind on behalf of, or in any respect bind Buyer, or market, sponsor or promote any product or service on behalf of Buyer. Seller shall not have the authority to accept service of legal process for or on behalf of Buyer. Seller shall be solely responsible for the actions of Seller's Affiliates. In no event shall Buyer be held liable or accountable for any unauthorized or improper obligations incurred by Seller or Seller's Affiliates that relate to the Integrity Pact and Seller shall indemnify and hold Buyer harmless against any such liability or accountability related to the Integrity Pact. Seller agrees at all times to comply with all legal, fiscal and commercial obligations, which are required of Seller in its capacity as an independent contractor.

4. **Indemnification.** Seller shall indemnify and hold harmless Buyer for the amount of any loss suffered by Buyer and any penalty imposed on Buyer by the GOI as a result of Seller's conduct that constitutes a breach of Seller's obligations as provided in this IPC Clause. The Parties expressly agree that such loss suffered or penalties imposed are direct damages under this Contract.
5. **Cancellation for Default.** Seller's breach of any provision of this IPC Clause shall be grounds for cancellation of this Contract under the Cancellation for Default and/or Termination/Cancellation Articles of this Contract

**Section 2. Prime Contract Article Flowdowns:** The following prime contract articles apply to this Purchase Contract.

#### **ARTICLE 7 - QUALITY**

- 7.1 The quality of the Aircraft, Spares, and Support Equipment delivered according to this Contract shall correspond to the technical conditions and standards valid for the deliveries of the same stores in accordance with Seller's established Manufacturing and Quality Systems. Seller confirms that the stores to be supplied under this Contract shall be new, i.e. not manufactured before 2016. New stores are unused parts and materials which have never been sold, shipped, title transferred or otherwise conveyed or delivered to another operator. The parts and materials used in the stores may have been used for the purposes of inspections and testing activities for the P-8I Program. Such P-8I parts and materials include those utilized in the Seller's System Integration Laboratory (SIL) and other test facilities.
- 7.2 Spares supplied under this Contract are interchangeable with same equipment supplied by Seller in the past. In the event of part number changes, Seller shall provide Buyer with notification of approved part number changes and interchangeability.

#### **ARTICLE 15 – WARRANTY CLAIM**

- 15.1 In the case of a warranty claim, Seller shall provide Buyer the details of complete defects, reasons and remedial actions taken to address the defects.

#### **ARTICLE 16 - SHELF LIFE AND AVAILABILITY OF OIL/LUBRICANT SPECIFICATIONS**

16.1 If Seller is the Original Equipment Manufacturer (OEM) of the Goods, Seller shall provide Buyer the storage requirements, if any, associated with such Goods.

16.2 If the OEM does not provide storage requirements to the Seller that Seller can provide to Buyer, or if Seller is not the OEM, then Seller will guarantee a shelf life of (4) years ("Shelf Life Period") under the following Indian tropical conditions for Goods stored in the OEM's packing:-

- (a) Minimum temperature: -40 degree C.
- (b) Maximum temperature: +55 degree C.
- (c) Average Humidity (RH): 65%.

16.3 If oils and/or lubricants are used in the maintenance or operation of the Goods, Seller shall provide, at delivery, the detailed specifications associated with such oils and lubricants to Buyer to allow Buyer or Buyer's customer to identify, find, and develop indigenous or functional equivalents for continued use, operation, maintenance and repair of the Goods after the expiration of the Shelf Life Period.

#### **ARTICLE 28 - PATENTS AND OTHER INDUSTRIAL PROPERTY RIGHTS**

28.1 The price of this Contract shall be deemed to include all amounts payable for the use of patents, copyrights, registered trademarks, charges and payments for any other industrial property rights necessary for the operation, maintenance and repair of the Goods to be performed by Buyer's customer.

28.2 Buyer's customer shall have the license rights to use Intellectual Property embodied in data delivered to the Buyer

for the purposes as set out in this Article 28, and except for such license rights, Seller or other owner of the Intellectual Property shall retain all right, title and interest, including ownership, in such Intellectual Property and data.

- 28.3 Seller grants to Buyer's customer for use by Buyer's customer, a paid up and royalty free, world-wide, non-exclusive, non-transferable license, without the right to grant sublicenses, in Intellectual Property embodied in data that is delivered under this Contract, for purposes of operation, maintenance, and repair of the Goods under this Contract. Buyer's customer is authorized to make copies of such data (except for data bearing the copyright or restrictive legend of a third party), and all copies of such data will belong to Seller or other party as identified thereon and will be subject to an obligation of confidentiality under this Contract, whether the data bears a restrictive legend or not, and regardless of the terms of any restrictive legend appearing thereon. Buyer will preserve all restrictive legends, and all copyright notices on all delivered data and ensure the inclusion of those restrictive legends and copyright notices on all copies of such data.
- 28.4 "Malicious Code" is embedded software object code that was created or employed deliberately and purposefully without Seller's knowledge, by a person having the unlawful intent to provide a capability to themselves or others to inhibit the desired and designed function of the Goods, or to cause physical damage to the user or the Goods during the operation of the Goods.
- 28.4.1 Seller certifies that based upon Seller's present knowledge, the Goods do not contain Malicious Code that would activate procedures to:
- a) Inhibit the desired and the designed function of the Goods; or
  - b) Cause physical damage to the user or the Goods during the operation of the Goods.
- 28.4.2 In the event of nonconformance or defect attributed to Malicious Code, Seller shall promptly modify the Goods to remove the Malicious Code or to replace the Malicious Code with code that is not Malicious Code.

### **ARTICLE 30 - PRODUCT SUPPORT**

- 30.1 Seller agrees to provide Product Support for a minimum period of 20 years after the delivery of last aircraft, spares and equipment to Buyer's customer ("Product Support Period"). Throughout the Product Support Period, Seller shall provide at least two years notice to Buyer for systems closing of their product line so as to enable a Life Time buy of all spares before closure of said production line. In the event of any system becoming obsolete Seller will provide recommended alternate solutions. In addition, Seller will offer available upgrades and modifications on the equipment during this time frame.
- 30.2 In the event of any obsolescence during the Product Support Period with respect to any system, mutual consultation between Buyer and Seller will be undertaken to arrive at an acceptable solution subject to the Parties' entering into a separate contract for this effort.