

Preliminary

CUSTOMER CONTRACT REQUIREMENTS

40-0173

YAHSAT PROPOSAL

CUSTOMER CONTRACT *TBD*

CUSTOMER CONTRACT REQUIREMENTS

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

1. The following prime contract special provisions apply to this purchase order:

A. RIGHTS OF BUYER'S CUSTOMERS AND REGULATORS TO PERFORM INSPECTION, SURVEILLANCE AND TESTING.

Buyer's rights to perform inspections, surveillance and tests and to review procedures, practices, processes, program management organization and related documents related to quality assurance, quality control, flight safety and configuration control shall extend to the customers of Buyer. Seller shall cooperate with any such Buyer or Buyer's customer's inspection, surveillance, test or review without additional charge to Buyer or Buyer's customer. Nothing in this contract shall be interpreted to limit Buyer's customer's access to Seller's facilities pursuant to law or regulation. If Buyer's customer performs an inspection or test on the premises of Seller or its subcontractors, Seller shall furnish, and require its subcontractors to furnish, without additional charge, reasonable office space, facilities and assistance set forth in Buyer's customer's contract for the safe and convenient performance of these duties. This right shall extend to subcontractors at all levels.

B. CUSTOMER'S RIGHT TO ATTEND MEETINGS.

Buyer's customer may, but is not obligated to, attend meetings pertaining to the Seller's performance of work under this contract at Seller's offices or facilities or subcontractor's offices or facilities at all levels.

C. CONFIDENTIALITY.

All documents and verbal communications forming a part of the request for proposal (RFP) or the resulting contract or any clarification of the RFP or contract are confidential and shall be treated as proprietary information whether marked as such or not. In case the relevant bidder is not selected for this program, the bidder shall return all such documents to the Buyer. Neither this RFP nor any part of it shall be copied, reproduced or distributed outside of the bidder's proposal team, which includes the bidder's subcontractors, at any time without Buyer's prior written consent.

D. INSURANCE

(1) Disclosure to Insurers

(a) The Seller shall ensure that, subject to appropriate confidentiality safeguards, full disclosure is made through the brokers to those insurers providing insurance cover in respect of any risk relating to the Work or the Program of:

(i) all information which the insurers specifically request to be disclosed from time to time; information which is of a type which insurance brokers in relation to the relevant policy

(ii) advise from time to time should be disclosed to the insurers; and

(iii) such other information which the Seller acting in good faith could reasonably consider to be material to the relevant insurance coverage.

(b) Without prejudice to the foregoing, Buyer, Buyer's customer, the insurance brokers, the project insurers and the Seller shall meet prior to the issue of the Notice to Proceed to discuss a list of information to be disclosed by the Seller. The list may be amended from time to time at the written request of Buyer or the project insurers.

(c) The Seller shall put in place appropriate internal reporting procedures to ensure that full disclosure as described above is made by the management and managers of the Seller.

(2) Compliance with Insurances

The Seller shall comply and procure that all its officers, employees, agents and Sub-Contractors comply with all conditions and warranties of all project insurances, comply with the obligations set out in Clause D.1. above and meet all requirements of insurers in connection with the settlement of claims. All costs and incidental expenses incurred in relation to the preparation of claims under the policies arising out of matters for which the Seller is responsible under the Contract shall be borne by the Seller.

(3) Failure to make full disclosure

(a) The Seller shall indemnify Buyer and Buyer's customer for any amounts which Buyer and Buyer's customer is unable to recover under the project insurances as a result of any:

(i) misrepresentation;

(ii) non-disclosure of information required to be disclosed pursuant to Clause D.1. above; or

(iii) breach of any declaration, condition or warranty (including surveyors' recommendation) contained in or applicable to the relevant insurance policy, by the Seller or of any Sub-Contractor of the Seller and this indemnity shall apply notwithstanding any exclusion of liability in the Contract.