

CUSTOMER CONTRACT REQUIREMENTS
STA ENGRG/CONT/245/10
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The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

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

TBD NOTIFICATION OF DEBARMENT/SUSPENSION AND EXPORT DATA CONTROL (AUG 2009). Seller shall provide immediate notice to Buyer in the event of being debarred suspended, or proposed for debarment by any Federal Agency during the performance of this contract.

(1) For the purpose of this clause,

(A) Foreign person is any person who is not a citizen of the or lawfully admitted to the for permanent residence under the Immigration and Nationality Act, and includes foreign corporations, foreign organizations, and foreign governments;

(B) Foreign representative is anyone, regardless of nationality or citizenship, acting as an agent, representative, official, or employee of a foreign government, a foreign-owned or influenced firm, corporation, or person; and

(C) Foreign sources are those sources (vendors, subcontractors, and suppliers) owned and controlled by a foreign person.

(2) Seller shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause.

(3) Nothing in this clause waives any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export-controlled data and information.

(4) Equipment and technical data generated or delivered in the performance of this contract are controlled by the International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121 through 128. An export license is required before assigning any foreign source to perform work under this contract or before granting access to foreign persons to any equipment and technical data generated or delivered during performance (see 22 CFR Section 125). Seller shall notify Buyer and obtain the written approval of Buyer prior to assigning or granting access to any work, equipment, or technical data generated or delivered in the performance of this contract to foreign persons or their representatives. This notification shall include the name and country of origin of the foreign person or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign person is cleared to have access to technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)).

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In the following clauses, "STA" and "Authority" shall mean "Boeing", and "Contractor" shall mean subcontractor.

1. DEDUCTIONS FROM PAYMENTS DUE

(a) Without limiting either Party's rights under this Contract, any money owed by one Party to the other Party under this Contract may be deducted or set-off by the owed party from any monies payable by the owing Party pursuant to this Contract.

(b) Any Party may claim for, and the other Party must promptly pay, the balance of any money owing by a Party to the other Party after the deduction or set-off referred to above.

2. IMPORT OF SUPPLIES AND CUSTOMS ENTRY

2.1 Contractor shall not be responsible for payment of any customs duty and related Taxes applicable to any part of the System or other related equipment that it imports into France. The Contractor shall be reimbursed by STA for any such customs duty and related Taxes levied by the Government of France, if any.

2.2 STA shall provide the Contractor the required customs declarations and other documentations for the import of the System or other related equipment that the Contractor imports into France as may be required by the French tax authority.

3. INTELLECTUAL PROPERTY (IP)

3.1 Ownership

(a) Nothing in the Contract affects the ownership of, or pre-existing rights to, Background IP or Third Party IP. Ownership of all Foreground IP vests on its creation in the Contractor or subcontractor as the case may be

provided that, the Authority and the Contractor (or subcontractor, as the case may be), shall have joint ownership of the Foreground IP relating to the Training Needs Analysis (TNA) results and deliverables (the "TNA Deliverables") as defined below and created pursuant to the Supply Contract. Contractor Background IP necessary to perform under this Contract and Contractor Foreground IP are collectively the "FWC Program" IP. TNA Deliverables shall mean the course syllabi, lesson plans and other written or printed report documentation outputs of the TNA process along with the associated electronic file versions of such documentation. This documentation shall consist of, and be limited to, the following reports:

- o Task Analysis Report
- o Media Attribute Report
- o Media Type Report (Media by Learning Objective)
- o Course Report / Syllabus

The syllabus will include a description of each training event (Computer Aided Instruction/Computer Based Training lesson, simulator sortie, Aircraft sortie). This information plus event sequencing (e.g. defining the prerequisites for each event) defines a formal syllabus

For the avoidance of doubt the TNA Deliverables do not include the underlying Background IP the Contractor utilizes in assessing, analyzing, developing, formatting and producing the TNA Deliverables.

(b) Subject to any export approval limitations, the Contractor grants to STA a royalty-free, irrevocable, worldwide, perpetual, non-exclusive license, and the right to sublicense to the Authority, in respect of FWC Program IP:

1. to use, and maintain the System or perform the Services for the purposes of this Contract and for any other RSAF program
2. to complete the Services upon termination of the Contract ; and
3. to allow an STA subcontractor to use and/or modify the FWC Program IP solely for training of the RSAF on RSAF programs and for no other use, whereby STA will only release the FWC Program IP to an STA subcontractor after the STA subcontractor has agreed in writing to assign ownership of any and all subcontractor modifications to FWC Program IP to STA, whereby the Contractor will remain the owner or joint owner, as applicable, of the Foreground IP.

(c) For other than the TNA Deliverables, the Contractor shall use Best Endeavours to ensure that the Authority and/or STA is granted a licence from each subcontractor on the same terms as this clause.

(d) In no event shall STA, or the Authority acting under a sublicense from STA, be allowed to exercise any of its rights under this clause outside of the RSAF or with any third party (other than subcontractors) for the purpose of enjoyment of the rights licensed under this clause, either governmental or otherwise. For example, neither STA nor the RSAF can sell or otherwise exploit the FWC Program IP, or modifications to the FWC Program IP, for commercial purposes.

(e) STA, or the Authority acting under a sublicense from STA, shall not have the right to extend its rights under this clause.

(f) Other STA subcontractors not specifically awarded the rights by STA under this clause shall have no right to use or access the FWC Program IP, or modifications to the FWC Program IP.

(g) Notwithstanding the licenses herein, the Contractor shall at all times

maintain ownership in the Background IP and Foreground IP. In the event of termination for Default by STA , the license granted is immediately revoked and terminated.

(h) Notwithstanding the joint ownership of Foreground IP relating to the Training Needs Analysis Deliverables, the parties agree that:

(1) STA and the Authority must still fully comply with all restrictions in this clause ; and

(2) Without prejudice to Clause Confidentiality and Security Contractor may exploit the Foreground IP relating to the Training Needs Analysis results and deliverables in any manner whatsoever, without any restrictions and without any requirement to account to STA or to the Authority for any commercial benefit or amounts that it may derive from such exploitation.

4. Warranty by the Contractor

(a) The Contractor warrants to STA that:

(1) the Contractor owns, or will own, or will be authorised to use, at the relevant time, all Intellectual Property rights in any Proprietary Information provided by the Contractor and necessary for performance of the Contractor's obligations under this Contract; and

(2) the performance of the Contractor's obligations under this Contract will not infringe any other person's Intellectual Property rights.

This warranty survives the termination of this Contract, except that the warranty does not survive a termination by Contractor based upon a Default by STA.

5. GIFTS, INDUCEMENTS AND REWARDS

5.1 It is a Default by Contractor if the Contractor, a Contractor Party or any person employed by the Contractor or Contractor Party or acting on the Contractor's or the Contractor Party's behalf (whether with or without the Contractor's knowledge) has done any act or omission which contravenes any law for the suppression of corrupt practices. The Contractor shall be liable for any costs, expenses or damage incurred by STA as a result of the aforesaid actions and/or termination of this Contract under this clause.

5.2 For the purpose of this clause, the offering or payment of monetary remuneration as agency fees to the Contractor's officially appointed agents in the Republic of Singapore shall not be construed as being a contravention of this clause.

6. AUTHORITY STEP-IN

6.1 Authority Step-in Rights

(a) Authority, or its designee may, but is not obliged to, step-in and take

possession and control of the whole or part of the System and the

BFD/BFE for the purpose of operating the System and the BFD/BFE as it

deems necessary to ensure the continued provision of the Services to

Republic of Singapore Air Force (**Authority Step-in Rights**). Exercise of such Step-In Rights are subject to applicable United States Export Control approvals.

(b) Republic of Singapore Air Force is entitled to exercise the Step-in Rights when:

(1) in the reasonable opinion of Republic of Singapore Air Force, a breach by the Contractor of any provision under this Contract:

(A) may result in interruption in the provision of the services by

the Contractor;

(B) may result in an immediate and serious threat to the health

or safety of any person on the Base; or

(3) the Republic of Singapore Air Force considers the circumstances constitute a public emergency or that it is in the public interest or national security of the Republic of Singapore that it should step-in

6.2 Extent of Authority Step-in rights

(a) If Republic of Singapore Air Force becomes entitled to exercise the Step-in Rights,

(1) It may step in and take possession and control of the

whole or part of the System and BFE (and any other equipment,

spares and supplies) and operate the System and BFE as it

deems necessary in accordance with Good Standard Practice;

(2) It may enforce any of the contracts or arrangements to

which the Contractor is a party in relation to the System, the BFE

or the provision of the Services to the extent necessary to enable

Republic of Singapore Air Force to operate the System and the BFE, and to provide the Services; and

(3) It may take whatever action it considers reasonably

necessary to enable it to operate the System and BFE and provide

the Services.

(b) Republic of Singapore Air Force shall be deemed to exercise the Step-in Rights as agent of and on behalf of the Contractor. For the

avoidance of doubt, Republic of Singapore Air Force is not entitled to exercise any other rights as agent of and on behalf of the Contractor.

(c) Nothing in this clause obliges Republic of Singapore Air Force to exercise its rights under this clause or to remedy a Step-in Event.

6.3 Step-in Notice

(a) Prior to the exercise of the Authority Step-in Rights, Republic of Singapore Air Force shall give at seven (7) days written notice to the Contractor, giving particulars of the circumstances giving rise to its exercise of Step-in Rights.

(b) If Republic of Singapore Air Force in good faith and acting reasonably forms the view that it is necessary to exercise the Step-in Rights before the expiry of the notice period referred to above in order to avoid actual or potential disruption to the use of the System or the BFE, or the continued provision of the Services, then it may exercise all or any of its Step-in Rights without the need to wait for the expiry of that notice period.

(c) Immediately upon stepping-in, Republic of Singapore Air Force will inspect the System and BFE and provide the Contractor with a written report on the state, condition and operability of the System and BFE.

6.4 Access to System and BFE

(a) For the purposes of exercising the Step-in Rights:

(1) the Contractor shall provide Republic of Singapore Air Force access at all times to the System and BFE, and Republic of Singapore Air Force may take possession and control of the System and BFE, and other equipment and supplies and utilise them, to the extent that Authority reasonably considers necessary for the proper exercise of its Step-in Rights;

(2) the Contractor shall provide, and Republic of Singapore Air Force may take possession and control of any documents, information, and materials in the possession or control of the Contractor or which are kept with the System or the BFE, that Republic of Singapore Air Force reasonably considers necessary for the proper exercise of its Step-in Rights;

(3) to the extent required by Republic of Singapore Air Force, the Contractor will utilize Best Endeavors to enforce, assign or make available to Republic of Singapore Air Force or its nominees all rights and benefits of the Contractor under its existing contracts. To the extent that any of the existing contracts are not assigned or novated to Republic of Singapore Air Force as a result of the exercise by Republic of Singapore Air Force of its Step-in Rights, it will use reasonable endeavours to comply with the obligations of the Contractor under such contracts but shall not be liable to the Contractor for any failure to comply; and

(4) the Contractor shall provide reasonable assistance to Republic of Singapore Air Force or its nominees to:

(A) take possession and control of the System, the BFE, and

other equipment and supplies;

(B) operate the System and the BFE; and

(C) to perform the Services,

in the exercise of its Step-in Rights.

6.5 Step-in Rights additional to other rights

Republic of Singapore Air Force's rights to step in are in addition to, and do not limit in any way, any other rights or remedies available to it.

6.6 Subcontracts

The Contractor must utilize Best Endeavours to ensure that any contracts entered into by it contain similar clauses as this clause in order for STA to

exercise and or assign to the Republic of Singapore Air Force the Step-in Rights.

7 SUBCONTRACT

7.1 The Contractor shall not subcontract the whole of the Services under this Contract.

7.2 The Contractor, by subcontracting any part of the Services under this Contract, shall not be relieved of its liabilities or obligations under this Contract, and shall be responsible for all Subcontractors.

8 APPLICABLE LAW

This Contract and all its subsequent variations shall be deemed to be made in the Republic of Singapore and shall be subject to, governed by and interpreted in accordance with the Laws of New York for every purpose. The Parties expressly exclude and waive the application of the United Nations Convention on Contracts for the International Sale of Goods (1980) (Vienna Sales Convention), as amended.

9 LANGUAGE

All information delivered under this Contract shall be written in English. Where such documentation is a translation into the English language, such translation shall be accurate and faithful to the original. All oral communications shall be in English. The English version of this Contract prevails over any version of this Contract in another language.