

**IDS Terms and Conditions Guide
Section H**

**Clause Number: H121M
Effective 06/09/2005
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INDUSTRIAL PARTICIPATION/OFFSET.

Buyer represents that its business base consists, in part, of international orders, and that it must, from time to time, enter into international offset agreements to secure such orders. Seller agrees to cooperate with Buyer in the fulfillment of its offset obligations by engaging in such activities as may be specified by offset agreements between Buyer and its international customers. Such activities may include foreign subcontracting, co-production, co-development, technology transfers, counter-trade, investments, joint ventures, etc. Seller's obligation shall be the equivalent of twenty (20) percent of the value of orders received from Buyer, expressed in terms of offset credits earned in Buyer's customer's country or countries.