

FLYSHEET 1012
SURVEILLANCE AND WRITTEN TECHNICAL DIRECTION

- A. The work to be performed by the Seller under this Order is subject to surveillance and written technical direction from the Buyer under the conditions set out herein. Technical direction is defined as a directive to the Seller within the definitions and requirements of the Statement of Work hereof which approves approaches, solutions, designs, or refinements; fills in details or otherwise completes the general description of work or information items; shifts emphasis among work areas or tasks; or otherwise furnishes guidance to the Seller. Technical direction includes the process of conducting inquiries, requesting studies, or transmitting information or advice by the Buyer regarding matters within the definitions and requirements of the Statement of Work. Technical direction and management surveillance shall not impose tasks or requirements upon the Seller additional to or different from the general tasks and requirements stated in the Statement of Work hereof.

Technical direction to be valid:

1. Must be issued in writing consistent with the general scope of the work set forth in this Order;
 2. Shall not commit the Buyer to any adjustment of the price or other provisions of this Order; and
 3. Shall be contained on Buyer's Form and signed by an authorized member of Buyer's Engineering staff.
- B. In the event any such technical direction is interpreted by Seller to fall within the clause hereof entitled "Changes" the Seller shall not implement such direction, but shall notify the Buyer in writing of such interpretation within ten working days after the receipt of such direction. Such notice shall (i) include the reasons upon which the Seller bases its belief that the technical direction falls within the purview of the "Changes" clause; and (ii) include the Seller's best estimate as to revision in price, performance time, delivery schedules and other contractual provisions that would result from implementing the technical direction.
1. If, after reviewing the information presented pursuant to Paragraph B above, the Buyer is of the opinion that such direction is within the purview of the "Changes" clause and considers such change desirable, unilateral direction to proceed pursuant to the "Changes" clause shall be issued by duly executed Change Notice to this Order. If Buyer determines that such direction is technical direction authorized by this clause, Seller will be directed by Buyer to proceed with the implementation of such technical direction.
 2. In the event the Buyer determines that it is necessary to avoid a delay in performance of this Order, the Seller may be directed, in writing, to proceed with the implementation of the technical direction pending receipt of the information to be submitted under Paragraph B above. Should the Buyer later determine that change direction is appropriate, written direction pursuant to the "Changes" clause hereof will be issued.
- C. Failure of the Buyer and Seller to agree on whether such direction is technical direction or a Change within the purview of the "Changes" clause shall be a dispute concerning a question of fact within the meaning of the clause hereof entitled "Disputes."

The procedure set out in this clause is the only means authorized to give technical direction to the Seller under this Order. Any action taken by the Seller in response to any technical direction given by any other means or by any person other than the cognizant buyer shall be at the Seller's own risk.