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TERMINATION LIABILITY

1. The Not-To-Exceed prices set forth herein are subject to negotiation and downward adjustment only. However, Seller agrees to proceed immediately with the effort hereunder, except as expressly provided to the contrary herein, and to pursue such work with all diligence so that the supplies and services may be delivered or performed in accordance with the schedules noted herein.

2. Seller agrees to promptly provide such price and cost information as may be reasonably required to definitize the Not-To-Exceed prices herein. If this Purchase Contract/Order Letter Contract is issued under a Department of Defense prime contract or subcontract thereunder, such information shall consist of complete MD-7050, Contract Pricing Proposal Cover Sheet, substantiation in accordance with Federal Acquisition Regulations.

3. The maximum termination liability amount under this Purchase Contract/Order Letter Contract, including a reasonable amount for termination costs and for profit or fee (if any), for which Buyer shall be liable is set forth in the Purchase Contract/Order Letter Contract. This termination liability amount shall be Buyer’s total liability whatsoever to Seller, including the price of any changes (bilateral or unilateral) made under this Purchase Contract/Order Letter Contract.