



TERMS AND CONDITIONS OF PURCHASE

ALL TRANSACTIONS ARE GOVERNED BY THESE TERMS AND CONDITIONS OF PURCHASE ("TERMS"). ANY PROPOSAL OR DOCUMENT FROM SELLER THAT INCLUDES DIFFERENT OR ADDITIONAL TERMS THAT VARY FROM ANY OF VENTURI ASTROLAB, INC. ("BUYER") TERMS AND CONDITIONS OF PURCHASE ARE OBJECTED TO AND DISALLOWED. NOTWITHSTANDING THE FOREGOING, ANY SUCH COUNTERPROPOSALS BY SELLER SHALL NOT OPERATE AS A REJECTION OF THE CONTRACT OF PURCHASE, BUT AS A REJECTION OF THE ADDITIONAL OR DIFFERENT TERM(S).

- 1. Warranty.** Seller represents that with respect to all materials, supplies and equipment (herein collectively referred to as "materials") delivered and services furnished hereunder: (i) title shall be good, merchantable, rightful and the materials free of any security interest, lien or encumbrance; (ii) that materials will be new, free from defects in material and workmanship, be of quality, size, description and dimension required by Buyer, be fit for the purpose for which they are purchased and will meet the specifications, if any, and that Seller's services will be performed in a skillful and workmanlike manner; and (iii) the materials, the process by which they are made, the use for which they are designed by Seller and Buyer's use of the materials will not infringe any patent, trademark, copyright or other rights of any third parties ("Intellectual Property Rights"). This express warranty shall not be deemed waived by reason of either or both the receipt of the materials and payment therefore by Buyer. The foregoing is in addition to any and all other express or implied warranties applicable to the materials purchased hereunder.
- 2. Compliance with Laws; Standards and Testing.** Seller represents and warrants that all materials furnished hereunder, and Seller's manufacturing thereof, comply with all applicable laws, ordinances, rules and regulations ("Laws"). Seller shall treat materials prior to shipment to Buyer in accordance with testing standards requested by Buyer, and shall furnish Buyer certifications in support thereof.
- 3. Documentation.** Documented information such as Test Reports, Material Certs., and / or Certificates of Conformity shall accompany all orders.
- 4. Record Keeping.** Seller must maintain complete and accurate records of all Purchase Orders, Test Reports, Material Certs, and / or Certificates of Conformity, etc. for a period of ten (10) years, either electronically or physically.
- 5. Outside Process Providers.** When required on the Purchase Order from Buyer, Seller must use Buyer's customer-approved special process providers. This will be communicated in advance or on the individual Purchase Order.
- 6. Indemnity.** Seller will defend, indemnify and hold harmless Buyer, its affiliates, vendors, and their officers, directors, shareholders, employees, and agents from and against any and all loss, liability and expense by reason of (i) any actual or alleged violation of Laws, (ii) any actual or alleged infringement of Intellectual Property Rights, (iii) injury, death or property damage resulting, in whole or in part, from any negligent act or omission on the part of the Seller or which may result from the installation, operation or use of the materials furnished hereunder, (iv) a defect in the manufacture or design of the materials supplied hereunder, or (v) any breach or alleged breach by Seller of any representation, warranty, or other provision of these Terms.



Upon notification, Seller shall promptly assume full responsibility for the defense of any suit or proceeding which may be brought against Buyer or any of its subsidiaries, affiliated companies, agents and vendors in connection with the above, of for alleged unfair competition resulting from similarity in design, trademarks, or appearance of the materials or equipment. Seller shall further indemnify and hold Buyer, its subsidiaries, affiliated companies, agents and vendors harmless from any and all expenses, losses, claims, royalties, profits, and damages , including court costs and attorneys' fees, resulting from the bringing of such suits or proceedings or the threat thereof and from any settlement, decree or judgment therein. Buyer reserves the right to control any such suit or proceeding.

- 7. Cover; Delivery.** In case of default by Seller, Buyer may obtain materials and services from other sources and hold Seller responsible for any damages occasioned thereby. The dates of delivery and quantities specified herein are of the essence for this order and delivery must be effected within the specified time period. If deliveries are not made on time and in the quantities specified, Buyer reserves the right to cancel and to purchase the materials and/or services elsewhere and hold Seller accountable therefore. Seller shall cooperate with Buyer in respect to all customs formalities applicable to the import or export of the materials, shall be responsible for determining proper import or export classifications, and shall provide Buyer documentation to Buyer's satisfaction for such classifications.
- 8. Timely Delivery.** The Seller shall immediately notify Buyer of any circumstances which may delay the timely performance of the Purchase Order and shall continue to notify Buyer of any significant changes in the delivery status.
- 9. Prices.** Orders shall not be filled at prices higher than those quoted or charged to Buyer or specified herein. Unless otherwise agreed in writing, prices include packaging, labeling, crating, taxes, and duties. Unless otherwise agreed in writing, all prices include shipping and delivery CIF (Buyer's address).
- 10. Inspection and Rejection.** Materials are subject to inspection, test, and acceptance by Buyer and the ultimate purchaser. Buyer shall have a reasonable number of days from the date of arrival to inspect the materials and notify Seller of any non-conformity to the order specifications (including quantity and delivery dates). Such inspection may not occur until final sale of the materials to Buyer's customers. Buyer reserves the right to reject any material, even after delivery and inspection at customer's site, which does not fulfill the specifications of the order or time of delivery and (i) return rejected materials to Seller at Seller's risk and expense for full credit at the order price without prejudice to any right to other damages for such breach, (ii) to require Seller at Seller's expense to replace rejected materials at the unit price of this order, or (iii) consider this order breached as to the rejected quantity and cancelled as to any unfulfilled portion of this order, and to hold Seller liable for such breach and cancellation. Seller is not relieved of the responsibility imposed by this clause, either as to proper packaging, quantity of materials or specifications, by reason of acceptance by Buyer.
- 11. Receiving Inspections.** Inspection activities are performed by Buyer employees to ensure that purchased product meets purchase requirements. They may include but are not limited to the following



- a. Receiving inspections performed by Buyer, Verification of Authenticity of the appropriate certificate of conformity, material certificates, etc. and other accompanying documentation by review and comparison. Semi-Annually Buyer may contact a third-party to verify Certificates of Conformity.
 - b. All incoming finished parts must be boxed or protected during shipping.
 - c. Buyer has the right to refuse any shipment because of damage that may occur because of improper packaging, etc. and return it to the Seller for replacement at the Seller's cost.
- 12. Non-Conforming Material.** In the event of nonconforming material, Buyer must be contacted. Arrangements for the approval of supplier nonconforming material must be as directed by Buyer.
- 13. Prevention of Counterfeit Material:** To prevent the purchase of counterfeit products, Buyer will institute controls that include the requirement of Material Certificates, Certificates of Conformity, or other supporting documentation from its suppliers. These requirements will be specified on the Purchase Order from Buyer.
- 14. Purchase Order Compliance and Change Orders:** Seller is required to contact Buyer to inform of any changes to a product, process.
- a. Product changes: Approval must be obtained from an authorized Buyer agent prior to proceeding incorporation of changes and proper traceability must be maintained. This is applicable to the product, consumables used in in the production of the product, and processes used to make and test the product.
 - b. Qualified hardware: Seller is required to notify the Buyer if qualification test processes used to test hardware (previous orders and open orders) are determined to be insufficient, resulting in the need to change the qualification process.
- 15. Choice of Law.** This Agreement between Buyer and Seller shall be construed, and the respective rights and duties of Buyer and Seller shall be determined, according to the laws of the State of California, without giving effect to its principles of conflicts of laws. The UN Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.
- 16. Payment and Invoicing.** Invoices and bills of lading showing full routing should be dated and mailed at the time of shipment and a separate invoice must be made for each destination showing point of shipment and how shipped. Invoices bearing transportation charges must be supported with attached original receipted transportation bills and, in the case of consolidated carload shipments, must show weight and rate. The discount period, if any, stated in the face of the purchase order shall be calculated from the date of receipt by Buyer of a proper invoice from Seller.
- 17. Force Majeure.** If the manufacture, transfer or receipt or use by either party of any materials covered hereby is prevented, restricted or interfered with by reason of any event beyond the reasonable control of the party so affected, such party, upon prompt notice to the other party (and in the case of Buyer, prior to actual shipment), shall be excused from making or taking deliveries hereunder to the extent of such prevention, restriction or interference but, at Buyer's



option, deliveries so omitted shall be made upon notice thereof to Seller, upon cessation of such contingency.

- 18. Assignment.** Seller may not assign this purchase order or any of Seller's obligations hereunder without Buyer's written consent.
- 19. Insurance.** Seller shall maintain at its own expense at all times while performing hereunder occurrence-based liability insurance and product-liability insurance with a reputable and financially responsible carrier(s) satisfactory to Buyer for coverage in amounts not less than USD 1 million per occurrence, USD 2 million in aggregate, and all other insurance required by applicable law. Seller shall furnish insurance certificates as directed by Buyer, satisfactory in form and substance to Buyer, showing the above coverages, and providing for at least 10 days prior written notice to Buyer by the insurance company of cancellation or material modification.
- 20. Seller Facility Access.** Buyer, their customers, and regulatory authorities retain the right of access to all Seller facilities involved in an aerospace order. This includes access to all associated records.
- 21. Seller's Representatives.** If Seller's employees, subcontractors, consultants, or other representatives under Seller's control perform any services at Buyer's premises or at Buyer's direction at the premises of others, (i) such persons shall comply with all rules and regulations of such premises and (ii) Seller shall keep materials and the premises on which the work is performed free and clear of all liens for material and labor incident to the performance of Seller's services hereunder.

22. Termination

- a. Without Cause - Buyer may terminate for its convenience all or any part of the PO at any time by written notice to Seller. Upon notice of a termination without cause, Seller shall (i) stop work as specified in the notice; (ii) place no further subcontracts or orders, except as necessary to complete any continued portion of the PO; (iii) terminate all subcontracts to the extent that they relate to the terminated work; (iv) complete performance of any work not terminated; and (v) take reasonable efforts to mitigate costs associated with the termination. If the PO bears a U.S. government contract number and is subject to the FAR Seller will cooperate with Buyer to meet the Government's requirements under Federal Acquisition Regulations (FAR) 52.249-2 or -4 as in effect as of the date of the PO. Seller must submit a written termination claim to Buyer within ninety (90) days after the effective date of termination, or such claim shall be absolutely and unconditionally waived by Seller.
- b. With Cause: If Seller fails to (i) make delivery of the Goods/Services in accordance with the provisions of the PO or these Terms, (ii) adhere to any warranties set forth in this Agreement, (iii) perform any obligation under or adhere to any provisions of the PO or the Agreement, (iv) make progress as to endanger performance of the PO in accordance with its terms, or (v) comply with the Code of Conduct, and does not cure (to the extent curable) such failure within ten (10) days after written notice from Buyer, Buyer may (in addition to any other right or remedy provided by the PO or by law) terminate all or any part of the PO by written notice to Seller without liability. In such a case, Buyer may

purchase substitute goods elsewhere, and Seller shall be liable to Buyer for any excess cost incurred by Buyer as a result thereof. Seller shall continue performance of the PO to the extent not terminated pursuant to this Section. If the PO is terminated as provided in this Section, Buyer, in addition to any other rights provided herein or by law, may require Seller to transfer title and deliver to Buyer (A) any completed Goods/Services, and (B) such partially completed Goods/Services and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights as Seller has specifically produced or specifically acquired for the performance of the PO, including all Buyer-Supplied Equipment and Buyer-Supplied Material.

- c. No Release: Termination, with or without cause, will not release a Party from any liability that accrued to that Party before termination or expiration.
 - d. Survival: Any provisions that are expressly stated to survive the expiration or termination of the Agreement shall be enforced accordingly. Any provisions which by their language or nature could reasonably be interpreted to survive past expiration or termination of the Agreement shall survive.
- 23. Buyer's Property.** All tools, dies, patterns, designs, molds, drawings, specifications, and other data or papers, and the like furnished by Buyer to Seller in connection with this order by Buyer is the property of Buyer. In the event materials furnished by Buyer to Seller include any intellectual property of Buyer, Seller is granted a non-exclusive, non-transferable, non-sublicensable and non-assignable license required only for the production of materials under this order, and shall use Buyer's intellectual property only for that purpose. Except for this license, no right, interest, ownership or privilege of use of Buyer's intellectual property shall inure to the benefit of Seller.
- 24. Dispute Resolution.** Any dispute, controversy or claim arising out of or related in any way to this purchase order, these Terms, and/or any related contract, including but not limited to the validity, scope and enforceability of this clause, which cannot be amicably resolved by the parties shall be solely and finally settled by arbitration administered by the American Arbitration Association in accordance with its commercial arbitration rules. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitration shall take place before a panel of three (3) arbitrators sitting in Los Angeles County, California. The language of the arbitration shall be English. The arbitrators will be bound to adjudicate all disputes in accordance with the laws of the State of California. The decision of the arbitrators shall be in writing with written findings of fact and shall be final and binding on the parties. Each party shall bear its own costs relating to the arbitration proceedings irrespective of its outcome. This section provides the sole recourse for the settlement of any disputes arising out of, in connection with, or related to this Agreement.
- 25. Compliance to Terms.** Failure to comply with these Terms could result in the following actions: withholding payment until the issue is resolved, removal of the supplier from the Buyer Approved Supplier List, and legal action.
- 26. Appendix A:** LTVS Contract #80JS024DA022_Commercial Subcontract Flowdown_FTO



APPENDIX A: LTVS Contract #80JS024DA022 Commercial Subcontract Flowdown

The following clauses of the Federal Acquisition Regulations (FAR), and NASA Far Supplement (NFS) set forth in the Table below are hereby incorporated by reference in this Subcontract. Except where indicated by asterisk ("*"), the obligations of the Contractor to the Government as provided in the clauses referenced shall be deemed to be the obligations of the Subcontractor to the Contractor. Where warranted, flowdown is provided in full text after the table.

INCORPORATED BY REFERENCE:		
CLAUSE NO.	DATE	DESCRIPTION & FILL-IN (if APPLICABLE)
52.203-13	Nov-21	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT
52.203-17	Jun-20	CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
52.203-19	Jan-17	PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS
52.204-21	Dec-21	BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS (NOV 2021)
52.204-23	Nov-21	PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB AND OTHER COVERED ENTITIES
52.204-25	Nov-21	PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT
52.204-27	Jun-23	PROHIBITION ON A BYTEDANCE COVERED APPLICATION
52.204-30	Dec 23	FEDERAL ACQUISITION SUPPLY CHAIN SECURITY ACT ORDERS – PROHIBITION (DEC 2023), ALTERNATE I (DEC 2023)
52.215-2*	Jun-20	AUDIT AND RECORDS—NEGOTIATION
52.219-8	Feb-24	UTILIZATION OF SMALL BUSINESS CONCERNS
52.222-21	Apr-15	PROHIBITION OF SEGREGATED FACILITIES
52.222-26	Sep-16	EQUAL OPPORTUNITY
52.222-35	Jun-20	EQUAL OPPORTUNITY FOR VETERANS
52.222-36	Jun-20	EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES
52.222-37	Jun-20	EMPLOYMENT REPORTS ON VETERANS
52.222-40	Dec-10	NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT
52.222-50	Nov-21	COMBATING TRAFFICKING IN PERSONS
52.222-54	May-22	EMPLOYMENT ELIGIBILITY VERIFICATION
52.227-2	Jun-20	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-3	Apr-84	PATENT INDEMNITY

INCORPORATED BY REFERENCE:		
52.227-14	May-14	RIGHTS IN DATA – GENERAL (MAY 2014) (DEVIATION) (ALT I) (DEC 2007) (ALT II) (DEC 2007) (ALT III) (DEC 2007) (AS MODIFIED BY NFS 52.227-141852.227-14, RIGHTS IN DATA)
52.232-40	Mar-23	PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS
52.240-1	Nov-24	PROHIBITION ON UNMANNED AIRCRAFT SYSTEMS MANUFACTURED OR ASSEMBLED BY AMERICAN SECURITY DRONE ACT-COVERED FOREIGN ENTITIES
52.244-6	Mar-23	SUBCONTRACTS FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES.
52.246-4	Aug-96	INSPECTION OF SERVICES-FIXED-PRICE
52.246-11	Dec-14	HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT; FILL IN: SAE AEROSPACE QUALITY MANAGEMENT SYSTEM, AS9100 REV. D
52.247-64	Nov-21	PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (NOTE: APPLICABLE ONLY IF THIS ORDER IS FOR OCEAN TRANSPORTATION SERVICES, CONSTRUCTION, OR ITEMS CONTRACTOR IS RESELLING OR DISTRIBUTING TO THE U.S. GOVERNMENT WITHOUT ADDING VALUE).
1852.203-71	Aug-14	REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS
1852.204-76	Jan-11	SECURITY REQUIREMENTS FOR UNCLASSIFIED INFORMATION TECHNOLOGY RESOURCES (DEVIATION 21-01)
1852.225-71	Feb-12	RESTRICTION ON FUNDING ACTIVITY WITH CHINA (DEVIATION)
1852.228-78	Mar-24	CROSS-WAIVER OF LIABILITY FOR SCIENCE OR SPACE EXPLORATION ACTIVITIES UNRELATED TO THE INTERNATIONAL SPACE STATION AND GATEWAY (DEVIATED)(FULL TEXT PROVIDED BELOW—SUBCONTRACTOR IS OBLIGATED TO EXTEND THIS CROSS-WAIVER TO ITS RELATED THIRD PARTIES AS THAT TERM IS DEFINED IN THE CLAUSE. THE OBLIGATIONS IN (e) OF THE CLAUSE DO NOT APPLY TO SUBCONTRACTOR)
1852.246-73	Mar-97	<u>HUMAN SPACE FLIGHT ITEM:</u> FOR USE IN HUMAN SPACE FLIGHT; MATERIALS, MANUFACTURING, AND WORKMANSHIP OF HIGHEST QUALITY STANDARDS ARE ESSENTIAL TO ASTRONAUT SAFETY. IF YOU ARE ABLE TO SUPPLY THE DESIRED ITEM WITH A HIGHER QUALITY THAN THAT OF THE ITEMS SPECIFIED OR PROPOSED, YOU ARE REQUESTED TO BRING THIS FACT TO THE IMMEDIATE ATTENTION OF THE PURCHASER.

NFS 1852.228-78 CROSS-WAIVER OF LIABILITY FOR SCIENCE OR SPACE EXPLORATION ACTIVITIES UNRELATED TO THE INTERNATIONAL SPACE STATION AND GATEWAY (DEVIATED)

(a) *Applicability.* The purpose of this clause is to extend a cross-waiver of liability to NASA contracts for work done in support of Agreements between Parties involving Science or Space Exploration activities that are not related to the International Space Station (ISS) or Gateway but involve a launch. This cross-waiver of liability shall be broadly construed to achieve the objective of furthering participation in space exploration, use, and investment.

(b) *Definitions.* As used in this clause, the term:

(1) "Agreement" refers to any contract or NASA Space Act agreement that contains the cross-waiver of liability provision authorized in 14 CFR Part 1266.104.

(2) "Damage" means:

(i) Bodily injury to, or other impairment of health of, or death of, any person;

(ii) Damage to, loss of, or loss of use of any property;

(iii) Loss of revenue or profits; or

(iv) Other direct, indirect, or consequential Damage;

(3) "Launch" means the intentional ignition of the first-stage motor(s) of the Launch Vehicle intended to place or try to place a Launch Vehicle (which may or may not include any Transfer Vehicle, Payload or Crew) from Earth:

(i) in a suborbital trajectory;

(ii) in Earth orbit in outer space;

(iii) in lunar orbit; or

(iv) otherwise in outer space,

(v) including Launch Services activities involved in the preparation of a Launch Vehicle, Transfer Vehicle or Payload for launch.

(vi) "Launch Services" means: Activities involved in the preparation of a Launch Vehicle, Transfer Vehicle, Payload, or Crew (including Crew training), if any, for launch; and The conduct of a Launch.

(4) "Launch Vehicle" means an object, or any part thereof, intended for launch, launched from Earth, or returning to Earth which carries Payloads or persons, or both.

(5) "Party" means a party to an Agreement involving activities in connection with the Artemis program, including the Parties to this contract.

(6) "Payload" means all property to be flown or used on or in a Launch Vehicle, Transfer Vehicle, and/or Orion and element(s) thereof.

(7) "Protected Space Operations" means all Launch or Transfer Vehicle activities and Payload activities on Earth, in outer space, or in transit between Earth and outer space in implementation of an Agreement for Science or Space Exploration activities unrelated to the ISS or Gateway that involves a launch.

(i) Protected Space Operations includes, but is not limited to:

(A) Research, design, development, test, manufacture, assembly, integration, operation, or use of Launch or Transfer Vehicles, Payloads, or instruments, as well as related support equipment and facilities and services; and

(B) All activities related to ground support, test, training, simulation, or guidance and control equipment, and related facilities or services.

(ii) Protected Space Operations excludes:

- (A) Activities on Earth which are conducted on return from space to develop further a Payload's product or process other than for the activities within the scope of an Agreement; and
 - (B) Activities on the Lunar Surface.
 - (8) "Reentry" means to purposefully return or attempt to return, through completion of recovery, a Transfer Vehicle, Payload, or Crew from the Gateway, Earth orbit, or outer space to Earth.
 - (9) "Reentry Services" means:
 - (i) Activities involved in the preparation of a Transfer Vehicle, Payload, or Crew (including Crew training), if any, for Reentry; and
 - (ii) The conduct of a Reentry through completion of recovery.
 - (10) "Related entity" means:
 - (i) A Contractor or subcontractor of a Party at any tier;
 - (ii) A user or customer of a Party at any tier; or
 - (iii) A Contractor or subcontractor of a user or customer of a Party at any tier. The terms "Contractors" and "subcontractors" include suppliers of any kind.
 - (11) "Transfer Vehicle" means any vehicle that operates in space and transfers Payloads or persons or both between two different space objects, between two different locations on the same space object, or between a space object and the surface of a celestial body. A Transfer Vehicle also includes a vehicle that departs from and returns to the same location on a space object.
- (c) *Cross-waiver of liability.*
- (1) The Contractor agrees to a waiver of liability pursuant to which it waives all claims against any of the entities or persons listed in paragraphs (c)(1)(i) through (c)(1)(iv) of this clause based on Damage arising out of Protected Space Operations. This cross-waiver shall apply only if the person, entity, or property causing the Damage is involved in Protected Space Operations and the person, entity, or property damaged is damaged by virtue of its involvement in Protected Space Operations. The waiver shall apply to any claims for Damage, whatever the legal basis for such claims, against—
 - (i) A Party;
 - (ii) A Party to another NASA Agreement or contract that includes flight on the same Launch Vehicle;
 - (iii) A Related Entity of any entity identified in paragraphs (c)(1)(i) or (c)(1)(ii) of this clause; or
 - (iv) The employees of any of the entities identified in (c)(1)(i) through (iii) of this clause.
 - (2) The Contractor agrees to extend the cross-waiver of liability as set forth in paragraph (c)(1) of this clause to its own subcontractors at all tiers by requiring them, by contract or otherwise, to:
 - (i) Waive all claims against the entities or persons identified in paragraphs (c)(1)(i) through (c)(1)(iv) of this clause; and
 - (ii) Require that its Related Entities waive all claims against the entities or persons identified in paragraphs (c)(1)(i) through (c)(1)(iv) of this clause.
 - (3) For avoidance of doubt, this cross-waiver of liability includes a cross-waiver of claims arising from the Convention on International Liability for Damage Caused by Space Objects, entered into force on 1 September 1972, in which the person, entity, or property causing the Damage is involved in Protected Space Operations and the person, entity, or property damaged is damaged by virtue of its involvement in Protected Space Operations.
 - (4) Notwithstanding the other provisions of this clause, this cross-waiver of liability shall not be applicable to:
 - (i) Claims between the Contractor and its own Related Entities or between its Related Entities;
 - (ii) Claims made by a natural person, his/her estate, survivors, or subrogees (except when a subrogee is a Party to an Agreement or is otherwise bound by the terms of this cross-waiver)

- for bodily injury to, or other impairment of health, or death of such person;
- (iii) Claims for Damage caused by willful misconduct;
 - (iv) Intellectual property claims;
 - (v) Claims for damages resulting from a failure of the Contractor to extend the cross-waiver of liability to its subcontractors and related entities, pursuant to paragraph (c)(2) of this clause; or
 - (vi) Claims by the Government arising out of or relating to a Contractor's failure to perform its obligations under this contract.
- (d) *Waiver of claims between the Government and Contractor.*
- (1) This clause provides for a reciprocal waiver of claims between the Government and the Contractor and their Related Entities as described in paragraph (c) above, except that the Government shall waive such claims only to the extent such claims exceed the maximum amount of the Contractor's insurance or financial capability as required under paragraph (e), below. This reciprocal waiver of claims shall not apply to rights and obligations arising from the application of any of the other clauses in the contract or to rights and obligations arising from activities that are not within the scope of this contract.
 - (2) Pursuant to paragraph (c)(2), the Contractor shall extend this waiver of claims to its Related Entities by requiring them, by contract or otherwise, to waive all claims against the Government and its Related Entities.
- (e) *Insurance and financial capability requirements.*
- (i) Throughout the performance of the contract, the Contractor shall maintain insurance, or demonstrate financial capability to compensate, for damage to U.S. Government property, except for:
 - (A) Damage to Orion on-orbit;
 - (B) Damage or loss resulting from the willful misconduct of the Government or its employees; or
 - (C) Damage to U.S. Government property that is otherwise covered pursuant to the insurance required for FAA licensing.
 - (ii) The insurance required by paragraph (e)(i) shall be in the amount of \$100 million, or a lesser amount that is the maximum amount available in the market at reasonable cost, subject to approval by the Contracting Officer. Financial capability, if authorized by the Contracting Officer, shall be in the amount of \$100 million.
 - (iii) Insurance policies shall name the United States Government as an additional insured party.
 - (iv) The Contractor shall provide evidence of the insurance or financial capability to the Contracting Officer upon request, and such insurance or financial capability is subject to Contracting Officer approval. Once approved by the Contracting Officer, the Contractor shall not modify or cancel the insurance policy without the prior, written approval of the Contracting Officer.
 - (v) In the event any losses or damages are covered by insurance, the Government may, at its discretion, request that insurance proceeds be applied directly to the repair or replacement of such damage or loss, rather than paid directly to the Government. The Government may request that all insurance proceeds be made payable directly to the party making the repairs or providing a replacement. Such repair or replacement shall be to the satisfaction of the Contracting Officer. If losses or damages exceed available insurance, the Government shall have the right to prioritize the application of insurance proceeds.
- (f) *Exclusion for FAA-licensed activities.* If the Contractor is required to obtain a Federal Aviation Administration (FAA) license in accordance with 51 U.S.C. 50901 et seq., for any Launch Services or Reentry Services performed under this contract, this waiver of claims shall not be applicable to activities under this contract that are subject to the FAA license.
- (g) *Basis for a claim or suit.* Nothing in this clause shall be construed to create the basis



for a claim or suit where none would otherwise exist.

(End of Clause)
(End of Flowdown)