

**CUSTOMER CONTRACT REQUIREMENTS
AUSTRALIAN CH-47 SUPPORT
CUSTOMER CONTRACT CH-47 SPT001**

CUSTOMER CONTRACT REQUIREMENTS

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)).

CH-47 SPT001 AUSTRALIAN CH-47 SUPPORT .

1. WARRANTY

1.1 Seller warrants that Products, exclusive of Technical Data, shall be free from any defects in material and workmanship for a period of twelve (12) months from delivery, excluding the time from return of a defect part until receipt by Buyer of the repaired or replaced

part. Work performed and replacement parts and components installed in the performance of any Repair or Overhaul shall be free from any defects in material and workmanship for a period of twelve (12) months from the time of delivery in the case of an Overhaul, and through the balance of the original warranty period in the case of Repairs. This warranty shall apply only if Buyer gives written notice in the form of a Warranty Claim of the defect to Seller within forty-five (45) days of the discovery of the defect. This warranty applies only when Products are properly operated, maintained and installed in accordance with the then current written recommendations of Seller as stated in its operational and maintenance handbooks, service bulletins or other information provided by Seller to Buyer. Other than as specified above, Services and Technical Data shall bear no warranties, express or implied, whether arising by operation of law or otherwise.

1.2 No warranty is made with respect to any Products or any part thereof not manufactured by Seller unless manufactured to Seller's detail design. However, Seller shall make diligent efforts to obtain from manufacturers of such Products and parts, the manufacturers' standard warranties for the benefit of Buyer, insofar as permitted by such warranties. Buyer's remedy for breach of this warranty is limited to replacement or repair at Seller's facility of any Products which have been returned to Seller, and which Seller determines to be defective. Seller shall determine whether defective parts shall be repaired or replaced and shall notify the Buyer within a reasonable period but such period shall not exceed a maximum period of thirty (30) days of the Seller's determination and such notification shall include the delivery details for the repaired or replacement item. The Seller shall provide to the Buyer at no cost a copy of Seller's evaluation report. The return of any Products for replacement or repair shall be at Buyer's expense, with all shipping and insurance charges prepaid to Seller's facility or such other place as may be mutually agreeable.

1.3 Should Seller determine that the remedies above are inappropriate for a particular warranty claim, Seller may authorize Buyer to repair/rework the Products in question or refund to Buyer the purchase price therefor. The options for repair, rework or refund shall be subject to the mutual agreement of both parties and are contingent upon satisfaction of the following conditions: Buyer's substantiation to Seller's satisfaction that the Products in question are actually defective; Buyer's disposal of the defective Products or parts thereof in accordance with Seller's written instruction; Subject to the Buyer having the capability to repair/rework of Products or parts thereof, the parties reaching mutual agreement within a reasonable time frame, but not to exceed ninety (90) days from the date of the particular warranty claim as to any monetary amounts to be authorized by Seller to Buyer for repair/rework of Products; The refund option would not cause the Customers' Aircraft to be grounded due to the absence of critical spare parts.

1.4 All repairs, replacements and corrections described above will be performed by Seller at its expense at Seller's plant, or such other place as Seller may designate. Return to Buyer of repaired, replaced or corrected Products shall be at Seller's expense. Title to and risk of loss or damage of the Products returned to Seller pursuant to this shall at all times remain with Buyer or the Customer, as applicable, except title to such returned Products shall pass to Seller concurrently with shipment by Seller to Buyer of a replacement therefor. Seller shall have only such responsibility for such Products occasioned by Seller's ordinary negligence, but shall not be chargeable for loss of use or any other consequential damages.

1.5 Normal wear and tear and the need for regular Maintenance and Overhaul shall not constitute a defect under this warranty. This warranty does not apply to any Products which have been subject to misuse or neglect, or which have been repaired or altered in any manner outside of Seller's factory or source approved by Seller, so as to have impaired their safety, operation or efficiency, or to any Products, which have been subject to accident. Further, this warranty shall not apply to any Products, if any part not supplied by Seller for use in the operation thereof shall have been substituted and used, without Seller's prior written consent, in place of Products supplied by Seller for such use. Seller warrants that it will convey good title to all Products delivered hereunder. Seller's liability and Buyer's remedy under this warranty are limited to the removal of any title defect or at the election of Seller, to the replacement of the Products, or parts thereof, which are defective in title. The Seller warrants that all data supplied to the Buyer under this Contract shall conform to the requirements of the Contract and be free of errors within one (1) year from delivery of each item. The Seller shall notify the Buyer of the discovery that any data fails to comply with this warranty. The Buyer similarly agrees to notify the Seller of the discovery that any data fails to comply with this warranty. No warranty is made with respect to any Products or any part thereof not manufactured by Seller unless manufactured to Seller's detail design. However, Seller shall make diligent efforts to obtain from manufacturers of such Products and parts, the manufacturers' standard warranties for the benefit of Buyer, insofar as permitted by such warranties.

2. INDEMNIFICATION

2.1 During the performance of this Contract, each party shall defend, indemnify and hold harmless the other party for any damage, lawsuits, claims, liabilities, and judgments including costs, expenses and attorney's fees, for bodily injury to or death of the indemnified parties personnel at the indemnifying party's facilities pursuant to this Contract to the extent that such claim, injury or death is caused by the fault or negligence of the indemnifying party or personnel assigned by the indemnifying party.

2.2 Notwithstanding any other provisions of this Contract, the Seller's cumulative liability relating to each individual line item of this Contract shall in no event exceed the value of the defective Products, Services or other items provided under this Contract. Seller shall not be liable, whether arising in contract, *tort* (including negligence of Seller), or otherwise, for any consequential loss suffered by the Buyer or any Third Party resulting directly or indirectly from the performance or nonperformance under this Contract

2.3 The limitation set forth above will not be applicable in case of Seller's gross negligence or willful misconduct.

3. UNITED STATES GOVERNMENT LAW AND REGULATIONS

3.1 This Contract is subject to all United States laws and regulations relating to exports and to all administrative acts of the U.S. Government pursuant to such laws and regulations.

3.2 The Buyer, with reasonable assistance from the Seller as required, shall obtain US Government import or export authorizations, if necessary, and shall obtain all licenses and authorizations required to enable Seller to locate personnel and or perform services in-country without delays.

3.3 All Products and Services to be furnished under the terms of this Contract are subject to import and export restrictions cited under the US State Department International Traffic in Arms Regulations (ITAR) pursuant to the Arms Export Control Act (22 U.S.C. 2778) and the U.S. Commerce Department Export Administration Regulation (EAR) pursuant to the Export Administration Act (50 U.S.C. 2401-2420). The Buyer or Buyer's agent shall be the U.S. importer/exporter of record and shall, at its sole discretion, select U.S. agents required to ship Products and Services within the U.S. and clear such shipments through U.S. Customs.

3.4 Any use of tooling and facilities, which the US. Government owns, or to which it has the right to acquire title, must be authorized by the US. Government Contracting Officer.

3.5 All provisions of this Contract which refer to the United States Government and the Department of State will remain binding on the Parties after termination of this Contract. The Buyer and the Seller shall in performing their responsibilities and obligations under this Contract comply with all applicable laws and regulations.