

CUSTOMER CONTRACT REQUIREMENTS
E-737 Korea DM
CUSTOMER CONTRACT KD53SE09I85

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

1. FORCE MAJURE

a. In accordance with General Provisions Article, Force Majeure, Seller shall notify Buyer in writing within 10 days after the beginning of any such cause. The notification shall be attached by a written confirmation of the occurrence of the Force Majeure event issued by the Chamber of Commerce or a similar independent 3rd party in the location where the event occurred. The notification shall indicate that: the Seller could not reasonably foresee occurrences of Force Majeure event at the time of execution of the Contract, and that the Seller could not control the failure of or the delay in delivery of the deliverable(s) due to such Force Majeure event.

2. MAINTENANCE OF SECRECY

a. Regardless of whether marked with "Confidential", all documents and correspondence in relation to this contract shall not be disclosed in any way without Buyer's prior consent. The Seller is exempt from this requirement to pursue US licenses, permits or approvals for the contract.

3. SELLER'S TECHNICAL PERSONNEL

a. The personnel, referred to as On-site Technical Support Staff here forth, dispatched for the Performance of the Technical Service shall possess professional qualification, skill and experiences in the relevant field. All Subject Matter Experts (SMEs), Liaison Engineers, and Instructors shall possess at least 5 years of experience in their professional field.

b. Seller assures that its dispatched personnel shall abide by the laws and regulations of the Republic of Korea, and the local regulations with regard to safety, security and administration of the province where the Technical Service is provided.

c. In case DAPA determines that the qualification or behavior of the personnel is not appropriate, or that the method of implementation of the Technical Service is improper, DAPA may request for replacement of such personnel. Upon such request, the Seller shall assess the request and determine a counter measure via corrective action to be implemented. The Seller should have a goal of an On-site Technical Support Staff being in place for the duration of the task but may also choose to replace an On-site Technical Support Staff over the course of the contract (hard-ship, disciplinary, termination of employment or requested reassignment). The Seller will notify DAPA when a TSS is to be replaced via choice or after unsuccessful implementation of counter measure/corrective action.

d. Seller's On-site Technical Support Staff shall observe hours of duty of forty (40) hours a week (8 hours/day, 5 days/week, Mon-Fri) to perform this Contract. The maximum duty hours will be 44 hours per week. The duty period may be increased by mutual agreement between the Seller and Buyer (On-site Technical Support Staff are allowed to flex their schedule the next day when available). On-site Technical Support Staff may take holidays on the national holidays when the military of the Republic of Korea has day off, and may have leave as specified in Schedule 9 attached hereto, in the event that the Technical Service is provided on a long-term contract basis. The mutual agreement is that On-site Technical Support Staff vacation will be in accordance with the Seller's policy.

A temporary qualified substitute Technical Support Staff will be available onsite when any of the following Onsite Technical Support Staff takes more than 5 working days of scheduled vacation days:

- Aircraft Operations SME
- Aircraft Structures and Mechanical Liaison Engineer
- Mission Systems Liaison Engineer
- Radar Systems Liaison Engineer

In addition, Seller will provide a plan for the temporary qualified Technical Support Staff at least 45 days prior to substitution.

e. Any hours/day of personnel's absence from shift duty shall be recovered by working the missed work hours/day to supplement such absence hours/day, excluding time missed due to authorized/approved vacation and/or sick leave.

f. The shift times of the Technical Support Staff are as follows:

Each shift will be 9 hours, with one hour break for lunch or dinner.

Classroom Training: 08:30 -17:30 Trainers

Field Training (1st Shift): 07:00 -16:00 Trainers

Field Training (2nd Shift): 15:30 - 00:30 Trainers

1st Shift: 07:00 -16:00 Program Manager, Office Assistant, Planning Coordinator, Aircraft Operations SMEs, Technical Translator, Liaison Engineers

2nd Shift: 15:30 - 00:30 Aircraft Operations SMEs, Liaison Engineers

Note(s): Staffing and Hours can be adjusted to meet program requirements

5. INTEGRITY

Buyer has the right to restrict participation in programs as stipulated in Defense Acquisition Program Act (article 59, Enforcement Decree articles 70 & 58) in the event Seller violates the following:

- a. Promise or provision of payment or entertainment to the relevant public servants (including members of committees and/or subcommittees, as well as expert consultants in accordance with regulation 16 of Defense Program management Regulation) to influence decisions or in the course of bidding, contract award, or signing & implementing a contract.
- b. Request of certain information for a defense program.
- c. Disclosure of certain information to a third party without approval, including R&D result obtained during implementation of the contract.
- d. Taking money, wrongful action, or unfair measures against subcontractor(s) by abusing the position as the contractor in the course of signing a contract or implementing a program with a subcontractor.

6. PROPER CONTRACT PRICE

- a. Seller shall assure (via signing this contract) that all the prices specified in this Contract do not include any improper costs, and warrant that this Contract is made directly between the Seller and Buyer.
- b. Seller shall guarantee that the total Contract price stated in this Contract does not exceed the Seller's regular price offered to international customers, adjusted for time period, quantity of aircraft, flight hours and terms of sale.

7. SPECIAL PROVISION FOR PROHIBITION OF ANY DIRECT OR INDIRECT SALE OF THE TECHNICAL SERVICE TO NORTH KOREA

1. Any direct or indirect sale of the Technical Service to North Korea is prohibited. The Technical Service stated herein includes any related technical data and information.
2. Seller warrants that any service same as or similar to the Technical Service shall not be sold or transferred to North Korea, regardless of whether or not Seller is involved directly in such sale or transfer.
3. In case Buyer has obtained the information that Seller has violated these special provisions, Buyer shall:
 - a. Confiscate the whole amount of any Performance Bond,
 - b. Make a claim for recovery of all payments made to Seller, and
 - c. Make a claim for recovery of other losses incurred to Buyer.
4. The term "sale" or "transfer" used herein covers lease, release, assignment or any other possession of the Technical Service stated herein.
5. These special provisions are incorporated in and made part of this contract, and shall survive all other terms and conditions

under this contract.

6. Where the agent for the Seller is involved in this contract, these special provisions are binding upon such agent.