

CUSTOMER CONTRACT REQUIREMENTS
F-15K PBL II Contract
CUSTOMER CONTRACT KFX-DAPA-73AH04001

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

A. FORCE MAJEURE

In accordance with the Force Majeure Article of the General Provisions, Seller shall notify Buyer in writing within 10 days after the beginning of any such cause. The notification shall include a written confirmation of the occurrence of the Force Majeure event, including an explanation, the date of the Force Majeure event, and substantiation of proof. After notification of the Force Majeure event, Seller will provide a mitigation plan and provide status.

B. MAINTENANCE OF SECURITY

1. Seller warrants that any data or information related to this Contract, originally developed by the Republic of Korea, shall be held and preserved as "Confidential Matters of the Republic of Korea." Seller further warrants that any data or information related to this Contract, originally developed by Buyer shall be held and preserved as "Confidential Matters of The Boeing Company." Seller warrants that any document provided by Buyer in relation to this Contract shall be protected in accordance with the equivalent U.S. or Korean security classification.

2. Seller shall not disclose documents or communications in relation to this Contract in any way without Buyer's consent, regardless of whether marked "Confidential," except when required by either the Republic of Korea, or US Government.

3. Seller's obligations provided in this Article shall survive termination or completion of the Contract.

4. This Contract shall not restrict disclosure of proprietary information which:

- a. Was in the public domain at the time of disclosure or thereafter enters the public domain through no breach of this Contract by the receiving party; or
- b. Was otherwise known to the receiving Party at the time of disclosure without restrictions as to the disclosure or use; or
- c. Becomes known to the receiving Party from a source other than the disclosing Party without breach of this Contract by the receiving Party; or
- d. Is developed independently by the receiving Party without reliance upon proprietary information disclosed under this Contract.
- e. Is used for future Contractual framework development.

C. SPECIAL TERMS AND CONDITIONS FOR INTEGRITY PACT

1. The purpose of this clause is to stipulate what constitutes violation of the Integrity Pact and penalties for such violation.

2. Seller shall be aware of what is stipulated in the Integrity Pact, including prohibition of offering valuables or entertainment, and requesting "sensitive information," which is understood to mean confidential information related to the bidding or a "military secret", "national (security) secret," or "public official secret" as defined under the Military Intelligence Protection Law or National Security Law (Korean Laws.)

3. In the event there is any violation of the Integrity Pact in the areas listed below, the DAPA holds the right to restrict participation in programs as stipulated in Defense Acquisition Program Act (article 59, Enforcement Decree articles 70 & 58) :

- 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 sensitive information for a defense program.
- c. Disclosure of sensitive information to a third party without approval, including R&D results 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.

4. In the event there is an action that constitutes a violation of the Integrity Pact, Buyer is entitled to terminate the Contract.

D. SPECIAL PROVISION FOR PROHIBITION OF ANY DIRECT OR INDIRECT SALE OF GOODS/SERVICE TO NORTH KOREA

1. Any direct or indirect sale of the Goods/Service to North Korea is prohibited. The Goods/Services stated herein includes any related technical data and information.
2. Seller warrants that any goods/service same as or similar to the Goods/Service provided 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. Make a claim for recovery of all payments made to Seller, and (in this case, the Goods/Service delivered or in transit for delivery shall be returned to Seller at Seller's risk and expense,) and
 - b. 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 Goods/Services 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 an agent for the Seller is involved in this contract, these special provisions are binding upon such agent.

E. INVESTIGATION IN THE EVENT OF AN ACCIDENT OR FAILURE

In the event of an accident or failure for which parts or services were provided under this Contract, Seller agrees that upon request, Seller shall use best efforts to share information to the extent permissible under the relevant laws and to cooperate in any investigation in good faith to ascertain the cause of such accident or failure.

F. NON DISCLOSURE

1. Subject to the Parties' compliance with applicable laws, and subject to Buyer's and Seller's rights under this Contract, each Party shall protect as set forth herein any information received from the other Party under or in connection with this Contract that the disclosing Party considers proprietary or confidential ("Proprietary Information"). Each Party shall protect such information except to the extent disclosure is required by law, by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction. Where this exception applies, the receiving Party shall, to the extent legally permitted to do so, provide prompt written notice to the disclosing Party prior to proceeding with such disclosure and shall afford the disclosing Party the right to resist such release.
2. The receiving Party shall, at the disclosing Party's written request, return to the disclosing Party all such Proprietary Information of the disclosing Party when no longer needed for completion of this Contract, or shall, at the disclosing Party's option, destroy all such information and certify as to such destruction to the disclosing Party.
3. The receiving Party may use and copy the disclosing Party's Proprietary Information solely for the purpose of performing the receiving Party's obligations under this Contract, and such information shall remain the property of the disclosing Party or a third party as applicable. The receiving Party may disclose the disclosing Party's Proprietary Information to employees of the receiving Party who have a need-to-know the Proprietary Information for the purposes of performing the receiving Party's obligations under this Contract. Notwithstanding the restrictions set forth herein, Seller may disclose to a subcontractor Proprietary Information of the

Buyer as may be necessary to perform the subcontract, on the condition that the subcontractor agrees that such information will be used solely for the purposes of such subcontract. In addition, each receiving Party may disclose the other Party's Proprietary Information to the receiving Party's advisers, agents and contract labor for the purpose of performing the receiving Party's obligations under this Contract, provided that such advisers, agents and contract labor are subject to written obligations of confidentiality no less stringent than those set forth herein.

4. Neither Party's obligations apply to any information that:

- a. The receiving Party knew and held without restriction as to further disclosure when the disclosing Party disclosed the information under this Contract; or
- b. is publicly available from a source other than the disclosing Party other than as a result of the receiving Party's breach of its obligations under this Article; or
- c. Is or becomes known to the receiving Party from a source other than the disclosing Party who is authorized to disclose the information without restriction; or
- d. Is independently developed by the receiving Party without use of the information of the disclosing Party.

5. The receiving Party will satisfy its obligations hereunder to protect Proprietary Information from misuse or unauthorized disclosure by exercising reasonable care. Such care will include protecting such information using those practices the receiving Party normally uses to restrict disclosure and use of its own information of like importance.

6. The nondisclosure obligations set forth herein shall persist after termination or expiration of this Contract.

7. The Parties acknowledge that the disclosing Party may suffer irreparable harm if the receiving Party fails to comply with its nondisclosure obligations set forth herein, and that monetary damages in that event would be inadequate to compensate the disclosing Party. Consequently, the disclosing Party shall be entitled, in addition to any monetary relief as may be recoverable by law, to seek any temporary, preliminary or permanent injunctive relief as may be necessary to restrain any continuing or further breach by the receiving Party, without showing or proving any actual damages sustained by the disclosing Party and without the necessity of posting any bond or, if required, a bond of minimal value only.

G. INTELLECTUAL PROPERTY

1. "Goods" are the goods and services to be delivered to Buyer under this Contract.

2. "Intellectual Property Right" means all rights with respect to copyright, registered and unregistered patents, registered and unregistered trademarks, service marks, registered and unregistered designs and circuit layouts, and all other rights in relation to inventions or rights resulting from intellectual activity in industrial, scientific, literary or artistic fields (that is recognized in the domestic law of any country of the world), including any intellectual property right protected through legislation or arising from protection of information as a trade secret or as confidential information;

3. "Software" means computer programs, including those stored in integrated circuits, read-only memory or similar devices, computer program documentation, and computer databases, including modifications to any of the foregoing; and

4. "Technical Information" means information required to be delivered under this Contract of a scientific or technical nature relating to the Goods, including information related to Inventions, designs, methods, processes, techniques, interfaces, data structures, architectures, analysis tools, modeling or simulation, models, prototypes, patterns, samples, schematics, experimental data, test data, reports, drawings, plans, specifications, photographs, collections of information, manuals, and Software. Technical Information does not include data concerned with the administration of the Contract, such as financial data, business processes, or management information. Technical Information also does not include any data systems, tools or applications that are developed using non-Buyer funding and that may be used to generate, modify or deliver Goods under this Contract.

5. Seller shall own the Intellectual Property Rights attached to the design, development, manufacturing, assembling and testing process of the Goods or to any part thereof. The provision of any Technical Information or documentation under this Contract shall neither imply, nor permit, nor provide any right to manufacture or have manufactured any part, component, system or element of the Goods through licensing or otherwise. Buyer may not use, and may not license or permit others to use Intellectual Property or any Technical Information in commercial exploitation in competition with Seller. The Buyer shall have the right to use copy and reproduce Technical Information as necessary for the use, maintenance and repair of Goods.

6. If Buyer receives a claim that any service or part provided by Seller under this Contract infringes a United States or South Korean patent right, the Seller shall, at its own expense and option, conduct the following actions, provided that Seller is notified promptly in writing of the claim, Buyer has not reached any compromise or settlement of such claim or made any admissions after receipt of such

claim in respect of the same, and Seller is given the option, at its expense, to control the claim to the extent practicable and all requested reasonable assistance from Buyer regarding same:

- a. Settle the claim in an amicable way such as reconciliation with the claimant;
- b. Procure for the Buyer the right to use such service or part provided by Seller under this Contract in a manner specified in this Contract;
- c. Replace or modify the service or part provided by Seller under this Contract with an equivalent but non-infringing alternative that conforms to the specifications of this Contract; or
- d. Defend against such claims. If any court of competent jurisdiction holds such service or part provided by Seller under this Contract to constitute such infringement, the Seller shall take at its own option one of the actions described under a through c above.

Notwithstanding the foregoing provisions, Seller will have no obligation under this article with regard to any infringement arising from (i) the compliance of Seller's service or part with formal specifications issued by Buyer where infringement could not be avoided in complying with such specifications, or (ii) use of the service or part for other than their intended application, or (iii) the combination of such service or part with other item(s) when such infringement would not have occurred from the use of such service or part solely for the purpose for which they were designed or sold by Seller.