

M401

#### SURVEILLANCE AND WRITTEN TECHNICAL DIRECTION

(a) The work to be performed by Seller under this contract is subject to surveillance and written technical direction from Buyer under the conditions set out herein. Technical direction is defined as a directive to Seller within the definitions and requirements of the Statement of Work hereof that approves approaches, solutions, designs, or refinements; fills in details or otherwise completes the general description of work or information items; shifts emphasis among work areas or tasks; or otherwise furnishes guidance to Seller. Technical direction includes the process of conducting inquiries, requesting studies, or transmitting information or advice by Buyer regarding matters within the definitions and requirements of the Statement of Work. Technical direction and management surveillance shall not impose tasks or requirements upon Seller additional to or different from the general tasks and requirements stated in the Statement of Work hereof.

(b) Technical direction to be valid:

(1) Must be issued in writing consistent with the general scope of the work set forth in this contract;

(2) Shall not commit Buyer to any adjustment of the price or other provisions of this contract; and

(3) Shall be contained on Buyer's form and signed by an authorized member of Buyer's Engineering staff.

(c) In the event any such technical direction is interpreted by Seller to fall within the clause hereof entitled "Changes," Seller shall not implement such direction, but shall notify Buyer's Authorized Procurement Representative in writing of such interpretation within ten working days after the receipt of such direction. Such notice shall (i) include the reasons upon which Seller bases its belief that the technical direction falls within the purview of the "Changes" clause; and (ii) include Seller's best estimate as to the revision in price, performance time, delivery schedules, and other contractual provisions that would result from implementing the technical direction.

(d) If, after reviewing the information presented pursuant to paragraph (c), above, Buyer is of the opinion that such direction is within the purview of the "Changes" clause and considers such change desirable, unilateral direction to proceed pursuant to the "Changes" clause shall be issued by a duly executed Change Notice to this contract. If Buyer determines that such direction is technical direction authorized by this clause, Seller will be directed by Buyer's Authorized Procurement Representative to proceed with the implementation of such technical direction.

(e) In the event Buyer determines that it is necessary to avoid a delay in performance of this contract, Seller may be directed, in writing, to proceed with the implementation of the technical direction pending receipt of the information to be submitted under

paragraph (c), above. Should Buyer's Authorized Procurement Representative later determine that change direction is appropriate, written direction pursuant to the "Changes" clause hereof will be issued.

(f) Failure of Buyer and Seller to agree on whether such direction is technical direction or a change within the purview of the "Changes" clause shall be a dispute concerning a question of fact within the meaning of the "Disputes" clause of this contract.

(g) The procedure set out in this clause is the only means authorized to give technical direction to Seller under this contract. Any action taken by Seller in response to any technical direction given by any other means or by any person other than Buyer's Authorized Procurement Representative shall be at Seller's own risk.