PURCHASE ORDER TERMS AND CONDITIONS

1. SUPERSEDING EFFECT

This Purchase Order supersedes all written or oral agreements, if any, and constitutes the entire agreement between the parties hereto with respect to this Purchase Order. Any and all terms or conditions included in Seller's quote or other prior correspondence are hereby declared null and void unless incorporated into this Purchase Order and agreed to in writing by SURVICE.

In all FAR and DFARS clauses, as well as all US Government agency level clauses incorporated in this Purchase Order, including all its attachments, by reference or otherwise, unless the context of the clause requires otherwise, the term "Contractor" shall mean Seller/Subcontractor, the term "Contract" shall mean this Purchase Order, and the terms "Government", "Contracting Officer" and equivalent phrases shall mean SURVICE and SURVICE's Contractual Representative, respectively. Notwithstanding the foregoing, the term "Government" and equivalent phrases shall retain their original meaning when referring to (1) the Government's right to audit or otherwise examine Seller's books or other financial data, (2) the Government's rights in Seller's intellectual property and data, (3) Government property, or (4) a right, act, authorization or obligation that can be granted or performed only by the Government or the Prime Contract Contracting Officer or duly authorized representative. References to "disputes" or "disputes clause" shall mean the disputes clause of this Purchase Order.

2. SHIPPING TERMS

Shipping terms shall be F.O.B. Destination for domestic orders and Delivered Duty Paid (DDP) (Incoterms 2010) for international orders. Notwithstanding the foregoing, if this Subcontract or Order contains DFARS 252.225-7013, Duty-free Entry or similar requirement, Seller shall ship international orders Delivered Duty Unpaid (DDU) (Incoterms 2010) and shall cooperate with SURVICE and the US Government as necessary to obtain duty-free entry into the US.

3. AUTHORIZED REPRESENTATIVES

SURVICE's Technical Representative or his/her designee is responsible for day to day clarification and guidance as may be required within the scope of the technical work requirements. However, only SURVICE's Contractual Representative or his/her designee, will provide contractual direction, interpretations, and/or guidance or make changes to the Purchase Order or Blanket Release Order including scope, prices, terms, quantities, deliveries and/or financial adjustments. All contractual requests/notifications from the Seller and responses/direction from SURVICE will be in writing, including Change Orders or Modifications to this Purchase Order.

All commitments hereunder shall be made through the respective parties. No verbal or written request, notification, authorization, direction or order received by Seller that would serve as a basis for change to the price, or any provision shall be binding on SURVICE unless issued (or confirmed) in writing by SURVICE's Contractual Representative or his/her designee.

SURVICE's contractual representative: Kathleen Mietus, Kathleen.mietus@survice.com, 410-273-7722

4. INSPECTION AND ACCEPTANCE

Inspection and acceptance of any deliverable product or service shall be conducted by the SURVICE Technical Representative or by such other representative as SURVICE may designate. Title of goods shall not pass to SURVICE until SURVICE's inspection and acceptance is final.

5. GENERAL RELATIONSHIP

SURVICE shall be solely responsible for all liaison and coordination with SURVICE's Customer as it pertains to SURVICE's Prime Contract and this Purchase Order. Seller's communication with SURVICE's Customer with respect to this Purchase Order shall be limited to those necessary for the Seller's performance under this Purchase Order. Any other communications between Seller and SURVICE's Customer regarding performance under this Purchase Order requires the prior written approval of SURVICE.

6. WARRANTIES

Seller warrants that (1) it is free to enter into this Purchase Order; (2) in so doing, it will not violate any other agreement

or contract to which it is a party; (3) it has taken all action necessary to authorize the execution and delivery of this Purchase Order and the performance of its obligations under this Purchase Order; (4) all goods delivered shall be in strict conformance with the requirements herein; and (5) all services will be provided in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Additional, customer-driven warranties also apply if included in the clauses flowed down in this order.

In addition to the foregoing, Seller warrants that the services performed and the goods delivered under this Purchase Order will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. Seller agrees to defend, indemnify and hold harmless SURVICE and its customers from and against any claims, damages, losses, costs and expenses, including reasonable attorneys' fees, arising out of any action by a third party that is based upon a claim that the services performed or goods delivered under this Purchase Order infringe or otherwise violate the intellectual property rights of any person or entity. This indemnity and hold harmless provision shall not be considered an allowable cost under any provisions of this Contract except with regard to allowable insurance costs.

7. SURVICE'S LIABILITY

IN NO EVENT SHALL SURVICE'S TOTAL LIABILITY ARISING OUT OF THIS PURCHASE ORDER, WHETHER SOUNDING IN NEGLIGENCE OR OTHER TORT, CONTRACT, STATUTE, OR OTHER LEGAL THEORY, EXCEED THE PURCHASE ORDER PRICE.

8. NON WAIVER OF RIGHTS

The failure of either Party to insist upon strict performance of any of the terms and conditions in the Purchase Order, or to exercise any rights or remedies, shall not be construed as a waiver of its rights to assert any of the same or to rely on any such terms and conditions at any time thereafter.

9. PROPRIETARY INFORMATION

For purposes of this Purchase Order, the term "Proprietary Information" shall mean any drawings and other written data supplied under this Purchase Order which bear an appropriate stamp or legend identifying them as proprietary. Proprietary Information which is presented electronically, orally or visually will be so indicated at time of disclosure. Within ten (10) days of disclosure, the disclosing party will reduce to writing notification that the presented information was Proprietary Information. As a minimum, this notification should contain a list or summary of the electronic, orally or visually disclosed Proprietary Information.

During the term of this Purchase Order, SURVICE and Seller may exchange Proprietary Information, and each agrees that it will not use any Proprietary Information received from the other, except in connection with this Purchase Order. Such Proprietary Information may be disclosed only to those persons within the receiving party's organization who have a need to know. Notwithstanding that this Purchase Order shall have terminated or expired, each party shall use its best efforts to prevent the disclosure of the other's Proprietary Information to any person or persons outside its organization; provided, however, that neither party shall be liable for disclosure of any such proprietary Information received from the other party if the same:

a) was in the public domain at the time it was disclosed; or
b) was known to the receiving party at the time of receipt; or
c) is disclosed inadvertently despite the exercise of the same degree of care as the receiving party takes to preserve and safeguard its own proprietary information; or
d) is disclosed with the written approval of the other party; or
e) is disclosed under this Purchase Order to the contracting agency or an authorized representative thereof under the limitations permitted by applicable regulations; or
f) was independently developed by the receiving party; or
g) becomes known to the receiving party from a source other than the other party without breach of this Purchase Order by the receiving party; or
h) is disclosed in response to a subpoena or other valid legal process, provided the disclosing party is provided an opportunity to oppose such disclosure.

The standard of care for protecting Proprietary Information, imposed on the party receiving such information, will be that degree of care the receiving party uses to prevent disclosure, publication, or dissemination of its own proprietary information, but in no event less than reasonable care.

The furnishing of any information hereunder shall not be construed as granting, expressly, by implication, estoppel or otherwise, any license under any invention, patent or trade secrets now or hereafter owned or controlled by the party furnishing the information, unless otherwise required by the terms of this Purchase Order.

Without limiting the generality of the foregoing, unless otherwise provided herein or authorized by SURVICE in writing, Seller shall use all designs, processes, drawings, specifications, reports, data and other technical or proprietary information and the features of all parts, equipment, tools, gauges, patterns, and other goods furnished or disclosed to Seller by SURVICE in connection with this Purchase Order, only in the performance of this Purchase Order. Upon completion or termination of this Purchase Order, Seller shall return all such information and goods to SURVICE or make such other disposition thereof as may be directed or approved by SURVICE.

10. REPRESENTATIONS AND CERTIFICATIONS

Seller represents and warrants that it is not currently debarred, suspended, or proposed for debarment or suspension by any federal or state agency, and that any representations and certifications set forth by Seller in its proposal or otherwise submitted by Seller to SURVICE as part of this Purchase Order are current and accurate as of the date of award. Further, Seller certifies that it shall promptly disclose to SURVICE in writing should it be suspended, debarred proposed for debarment, or otherwise be declared ineligible for participation in federal or state procurement or non-procurement programs, or should there be any change in status with respect to the matters covered by and of the representations and certifications submitted by Seller to SURVICE.

11. NOTICE OF DELAY

In addition to its obligations herein with respect to notice of labor disputes, whenever any other actual or potential event is delaying or threatening to delay delivery of the goods or performance of the services under this Purchase Order, Seller shall, as soon as possible, give notice thereof to SURVICE.

12. ASSIGNMENTS AND SUBCONTRACTS (not applicable to COTS purchases)

Seller shall not assign, novate or otherwise transfer this Purchase Order or any of its rights and obligations hereunder to any third party without the prior consent in writing from SURVICE.

Seller shall not award any lower-tier subcontracts to any other firm or utilize the services of any person who is not a bona fide employee of the Seller for the performance of all or any portion of the Work covered by this Purchase Order without the written consent of SURVICE. This limitation shall not apply to the purchase of standard commercial supplies or raw materials.

13. INSURANCE (Applicable for services only and not applicable to COTS purchases)

The Subcontractor agrees that it shall carry, at its own expense, during the life of this Subcontract, the minimum amount and types of insurance and coverage as specified below. Prior to commencement of work, the Subcontractor shall provide SURVICE with Certificates of Insurance evidencing the insurance. Such certificates shall be issued by an acceptable insurance carrier, with a current A. M. Best Rating of AX or better, and shall be endorsed or contain policy language to include: i) SURVICE as an additional insured, (ii) waiver of subrogation where noted below, and (iii) a thirty (30) day prior written notice of cancellation or material change in coverage.

Subcontractor shall obtain and maintain at least the following kinds of insurance and minimum liability coverage during any period of contract performance and shall include all of its lower-tier subcontractors or consultants as insureds under its policies and/or require any subcontractors or consultants to meet the requirements cited below:

a. Workers' Compensation and occupational disease coverage as required by law except that, if this subcontract is to be performed in a State which does not require or permit private insurance, then compliance with the statutory or administrative requirements in any such State will be satisfactory. The required Workers' Compensation Insurance shall extend to cover employers' liability for accidental bodily injury or death and for occupational disease with a minimum liability limit of $1,000,000. A waiver of subrogation shall be issued in favor of SURVICE.

b. Comprehensive General Liability Insurance, with waiver of subrogation in favor of SURVICE, and in the minimum limits of:
(1) $1,000,000 per occurrence for bodily injury liability and
(2) $1,000,000 aggregate for products/completed operations

c. Comprehensive Automotive Liability Insurance, including borrowed or rented automobiles, with a minimum limit of:
(1) $1,000,000 per occurrence for bodily injury,
(2) $1,000,000 per occurrence for property damage, and
(3) $1,000,000 per occurrence for uninsured motorist.

d. All-risk property insurance, insuring all of Subcontractor's own property and/or property/equipment owned by SURVICE and/or SURVICE's customer in its care, custody and control. Limit – value of personal property.

e. Defense Base Act insurance, statutory limits, if the work is to be performed outside of the United States.

14. APPLICABLE LAW AND DISPUTES

A. SURVICE and Seller agree to enter into negotiations to resolve any dispute arising under or relating to this Subcontract. Both parties agree to negotiate in good faith to attempt to reach a mutually agreeable settlement within a reasonable amount of time.

B. Subject to the disputes provision set forth in paragraph C, if negotiations are unsuccessful, either Party may initiate litigation only in the United States District Court for the District of Maryland. In the event that federal court jurisdiction cannot be established, the parties agree to litigate in any other court of competent jurisdiction within the state of Maryland. Each Party hereby submits to the exclusive jurisdiction of the courts referenced in this paragraph for purposes of any such proceeding.

C. Both Parties agree that this Subcontract shall be governed, interpreted and enforced under the federal common law of contracts as interpreted by the Boards of Contract Appeals and the U.S. Court of Federal Claims. For matters not covered by the federal common law, the laws of the State of Maryland shall apply excluding its conflict of law principles.

D. The United Nations Convention on Contracts for the International Sale of Goods ("CISG") shall not govern or apply to this Contract, and the Parties hereby exclude application of the CISG.

15. COMPLIANCE WITH LAWS / EXPORT COMPLIANCE

Seller agrees to comply with all applicable federal, state, or local law or ordinance and all Work, rules and regulations issued there under, and Seller shall bear all risks, costs, damages or liabilities that may result from any non-compliance.

Information disclosed by either Party may include technical data subject to export restrictions. Each Party is responsible for complying with all export regulations of the U.S., including the U.S. Department of State International Traffic In Arms Regulations (Title 22, CFR Parts 120-130), the U.S. Department of Commerce Export Administration Regulations (Title 15, CFR 730-774), and any other U.S. Government regulation applicable to the export, re-export, or disclosure of such controlled technical data (or the products thereof) to Foreign Persons, whether within or outside of the U.S., including those employed by, or otherwise associated with, such Party. This duty of compliance under this paragraph does not expire with the expiration of the Purchase Order. Any Party supplying export controlled technical data or articles to the other Party shall provide advance written notice.

16. INDEMNIFICATION

Seller shall defend, indemnify, save and hold harmless, SURVICE, Government, SURVICE's Customer, and all their respective members, affiliates, parents, subsidiaries, divisions, directors, officers, agents, heirs, assigns, successors in interest, representatives, and employees ("Indemnitees"), from and against all claims, liabilities, demands, damages, losses, costs and expenses, including reasonable attorney's fees, awards, fines and judgments (in law or in equity), of every kind and nature whatsoever ("Claims"), arising out of or relating to any claims, causes of action, lawsuits or other proceedings, regardless of legal theory, that result, in whole or in part, from Seller's (or any of Seller's, suppliers, employees, agents or representatives): a) negligence, recklessness, intentional misconduct, or fraud, b) breach of any

representation, warranty or covenant made herein, c) breach of the confidentiality or any other intellectual property right, or d) infringement of any patent, trademark, copyright, trade secret, or any other intellectual property right, or e) violation of any law or regulation. Notwithstanding the foregoing, Seller's obligations under this provision shall not apply to the extent that a claim is finally determined by a court of competent jurisdiction to be caused by the negligence, recklessness, or willful misconduct of SURVICE.

SURVICE shall notify Seller of any claim that is covered by this indemnification provision and may authorize representatives of Seller to settle or defend any such claim or suit and to take charge of any litigation in connection therewith.

If the sale or use of any item delivered under this Purchase Order is enjoined as a result of Seller's infringement of any patent, trademark, copyright, trade secret, or any other intellectual property right, Seller shall obtain, at no expense to SURVICE, the right for SURVICE and its customers to use and sell said item or shall substitute an equivalent item acceptable to SURVICE.

17. SEVERABILITY
If any provision, or portion thereof, of this Purchase Order is or becomes void or unenforceable by force or operation of law, the remaining portions of the provision and all other provisions shall remain valid and enforceable.

18. ORDER OF PRECEDENCE
The following order of precedence will govern in the event of any conflict among the documents of this Purchase Order:

Purchase Order
Attachment "Part II" if included ("Subcontractor" shall mean "Seller)
Attachment "Part III" if included ("Subcontractor" shall mean "Seller")
Attachment A, Statement of Work/Specifications, if included