

Appendix "V"
Dated 12/22/97

Attachment F-2 - Production
Additional Appendix "X" Terms and Conditions

The clauses of Appendix "X" Standard Commercial Purchase Order Terms and Conditions dated March 29, 1996, are modified as follows below. In the event of conflict between the modifications and the clauses of Appendix "X", the modifications shall control.

1. Modify Clause 7, "Warranty," as follows:

Substitute "six months" for "one year" in the first and last sentences of the clause.

2. Add the following to Clause 12, "Data Rights," at the end of the clause:

Whenever any invention resulting from work performed under this PO is made or conceived by Seller, Seller shall promptly notify Buyer of the fact that such invention has been made and the contents thereof.

3. Modify Clause 16, "Force Majeure," as follows:

(a) In the third sentence, after the word "fact," insert "but in no event later than thirty days after being affected by any of the aforementioned causes."

(b) Substitute "sixty (60) days" for "six (6) months" in the penultimate sentence of the clause.

4. Add the following new Clause 32, "Audit Rights."

Seller agrees that the Japanese Defense Agency ("JDA") may conduct an audit of Seller's accounting records through the United States Government Defense Contract Audit Agency ("DCAA"). Seller shall use its best efforts to incorporate this article in all of Seller's subcontracts issued under this PO.

5. Add the following new Clause 33, "United States Government Regulations:"

The export to Buyer's customers or the Government of Japan of information and hardware supplied to Buyer under this PO may be subject to control under the U.S. Arms Export Control Act (22 USC 2778) and

associated implementing regulations. Seller acknowledges its understanding of such law and regulations and warrants its compliance therewith if Seller undertakes to export such information or hardware directly to Buyer's customers or Government of Japan. Seller shall indemnify and hold harmless Buyer from all claims, demands, damages, costs, fines, penalties, attorney's fees, and all other expenses arising from failure of Seller to comply with such law or regulations.

6. Add the following new Clause 34, "Transfer of Technology:"
 - (a) With respect to information and data required to be delivered under the Statement of Work or other provisions of this PO pursuant to Article 2, "Delivery" herein, as well as any other information and data developed as a result of work performed under this PO, Seller agrees to maintain reasonably detailed records of such data and information during the term of this PO and for five (5) years after the completion or termination thereof. During this period, Buyer may periodically require Seller to submit to Buyer information and data not otherwise required under the Statement of Work or other provision of this PO, provided that Seller shall be entitled to any reasonable costs associated with assembling and reproducing such information and data. The ownership of such information and data shall be in accordance with Clause 12, "Data Rights," of this PO.
 - (b) During the term of this PO and for five (5) years after its completion or termination, Buyer may, when necessary in connection with supervision, inspection, test, assessment of a test result or any other similar work with Seller, and with the prior consent of Seller, inspect, reproduce or use additional information or data proprietary to Seller that is directly related to data or information previously submitted to Buyer under the requirements of this PO.
 - (c) In the event Buyer or Buyer's customer requires technical assistance from Seller in perfecting its intellectual property rights obtained under Clause 12 "Data Rights" of this PO, or in utilizing any inventions, discovery, proprietary information, maskwork,

7. Add the following new Clause 35, "Political Contributions and Sales Commissions or Fees:"

Seller certifies that the PO price (including any subcontracts awarded hereunder) does not include any direct or indirect costs of political contributions and sales commissions or fees for Seller's sales representatives for the solicitation or promotion or otherwise to secure the conclusion of the sale of any of the supplies or services called for by this PO.

8. Add the following New Materials clause:

Seller represents that the products to be provided under this purchase order are new, not used or reconditioned, unless such articles are sold as overhauled or repaired goods.

9. Add the following clause regarding the filing of any claims:

If Buyer terminates this purchase order and Seller intends to submit a claim, Seller must file notice of intent to file such claim within 20 days of receipt of Buyer's notice of termination. In no event shall Seller fail to submit its claim, if any, within 45 days following notice of its intent to file such claim.