

**ELECTRONIC COMMERCE
TRADING PARTNER AGREEMENT
(Dated 10 November 2016)**

This ELECTRONIC COMMERCE TRADING PARTNER AGREEMENT ("Agreement") is made between Northrop Grumman Systems Corporation ("Buyer" or "NGSC"), having its principal place of business at 2980 Fairview Park Drive Falls Church, VA 22042, and operating through NGSC sectors at various locations, and the Supplier ("Trading Partner" or "Seller").

RECITALS

WHEREAS, Buyer desires to purchase goods or services from Trading Partner and Trading Partner wishes to transact business with Buyer using electronic commerce ["E-business"] enabling technologies, including electronic transmission of purchase orders and other communications in substitution for conventional paper-based documents; and

WHEREAS, the Buyer and Trading Partner desire to establish procedures which will apply to their E-business transactions; and

WHEREAS, the Buyer and Trading Partner wish to ensure that their E-business transactions are legally valid and enforceable.

NOW, THEREFORE, Buyer and Trading Partner mutually agree as follows:

SECTION 1. PURPOSE

The purposes of this Agreement are:

- A. To specify the procedures for Electronic Transmission of Buyer's purchase orders and other documents related to purchase transactions.
- B. To specify the agreed-on format for Electronic transmissions.
- C. To ensure that the electronic transactions covered by this Agreement are as legally valid and enforceable as if performed through paper-based documents and transmission.

SECTION 2. DEFINITIONS

- A. "Archive" or "Archiving" means the procedure by which Electronic Communications are stored unchanged for record keeping purposes.
- B. "Document" or "Documents" means Purchase Orders, Purchase Order Acknowledgements, Purchase Order Change Requests or Purchase Order Change Request Acknowledgements.
- C. "Electronic Communications" mean the communication of text or documents between Buyer and Seller by electronic means.
- D. "Electronic Transmissions" mean the movement of transactions between the Buyer and Seller, in a format prescribed by the Buyer.
- E. "Accessible" means that a Document can be opened by the recipient.
- F. "My Purchase Order" means Buyer's electronic data interchange (refer to Appendix 1).
- G. "Functional Acknowledgement" means an electronic message that verifies the receipt of a Document, and is sent automatically when the document is opened.

- H. "Order" means the instrument of contracting, including Buyer's purchase order and all referenced documents, exhibits and attachments.
- I. "Product(s)" means those goods, supplies, materials, articles, items, parts, components or assemblies, and any related services required in producing such product(s), as described in an Order placed by Buyer.
- J. "Electronic Signature" means the electronic identification adopted by Buyer or Seller which is unique to the user, capable of verification, and under the sole control of the user.

SECTION 3. MEANS OF TRANSMISSION

- A. Except as otherwise provided within this Agreement, the Buyer and Seller will transmit electronic data only through My Purchase Order.
- B. Seller will provide and maintain equipment, software and services, and perform testing necessary to effectively and reliably transmit, and receive electronic communications in accordance with the requirements of this Agreement, and will provide and maintain Internet access.
- C. Buyer and Seller shall have no liability to the other for any loss or damage directly arising from the acts or omissions of the Internet carrier with which it contracts.

SECTION 4. TRANSMISSIONS

- A. No transaction or Electronic Transmission will give rise to any obligation until it is accessible at the Seller's computer.
- B. Upon receipt of email notification of a pending transaction, Seller agrees to promptly retrieve transactions from My Purchase Order.
- C. Upon Seller's opening of a transmitted Document, a Functional Acknowledgement will be automatically transmitted to the Buyer. This acknowledgment will be conclusive evidence that the Document has been properly received and opened.
- D. If any Electronic Communication transmitted in accordance with the provisions of this Agreement is received as an unreadable transmission, the Seller shall notify the Buyer (if identifiable) in a prompt and reasonable manner. A garbled transmission shall have no force or effect between the Buyer and Seller.
- E. Buyer may electronically transmit Purchase Orders and Purchase Order Change Requests, and Seller will electronically transmit Purchase Order Acknowledgements and Purchase Order Change Request Acknowledgements.
- F. In the event Buyer or Seller receives an Electronic Transmission or document mistakenly transmitted to the receiving party and not intended for that party, including but not limited to the proprietary information of a 3rd party, competition sensitive information, or source selection information, the receiving party shall immediately notify the transmitting party, shall not further transmit or disseminate the transmission or document, and shall request direction from the transmitting party on the disposition of the transmission or document.

SECTION 5. SECURITY

- A. Buyer and Seller must implement and adhere to security procedures that are reasonably sufficient to ensure:
 - 1. All transmissions of Electronic Communications are authorized by the transmitting party, and are protected from loss, alteration, destruction, or access by unauthorized individuals or entities.
 - 2. The performance of its security products, tools and procedures are monitored to confirm that the security system ensures the integrity of all transmissions at all times.

- B. Buyer and Seller's security system shall:
1. Require authorization for use of computing systems and specify the limits of such use.
 2. Control access on the basis of authenticated individual user identification and ensure that access to the systems is not granted through anonymous, shared or guest accounts.
 3. Ensure passwords used for identification, authentication and access control are limited, not obvious, used by authorized individuals, canceled/reassigned upon termination of need, and changed immediately if inadvertently disclosed.
 4. Have the capability to grant or terminate access privileges on a timely basis.
 5. Monitor system transactions.
 6. Provide for continuing education of employees concerning use of Electronic Communications and security precautions.
 7. Maintain physical and personnel access security.
 8. Maintain backup and disaster recovery preparedness.
 9. Detect and report loss or misuse.
 10. Provide appropriate reports in response to security investigations.
- C. Buyer and Seller acknowledge each may be unable to transmit electronically from time to time. At such times, communication will be by other appropriate alternative methods of communication, including facsimile, U.S. Postal Service, Federal Express, United Parcel Service, or telephone.

SECTION 6. APPLICABLE TERMS AND ACCEPTANCE

- A. The general terms and conditions and special notes applicable to and incorporated into Buyer's Orders shall be as set forth on Buyer's OASIS Internet site. The order will incorporate by reference applicable terms, conditions, standard notes, technical specifications and other requirements. Upon request, Buyer will furnish a copy of any such documents not accessible on the Buyer's Internet site and not in Trading Partner's possession.
- B. Seller's exceptions to Buyer's terms and conditions shall be separately forwarded in writing to the Buyer via email, fax, or U.S. mail prior to the electronic transmission of any Documents.

SECTION 7. PROPRIETARY INFORMATION

- C. Any Electronic Transmission of data, information or Documents that are marked, or otherwise designated as Proprietary Information, must be made from a source computer to a destination computer in end-to-end encrypted form.
- D. The receiving party shall not remove, delete or modify any legends or notices associated with any of the information supplied under this Agreement that identify such data, information or Documents as proprietary to the disclosing party. Such legends and notices shall be reproduced on all copies in any form, including any modifications to the original information and any translations to another medium.

SECTION 8. COST RESPONSIBILITY

Buyer and Seller shall each be responsible for its own costs incurred under this Agreement including, without limitation, the costs of equipment, software, services, and Internet access.

SECTION 9. MISCELLANEOUS

A. Record Retention

1. Records of Electronic Communications must be retained in accordance with applicable Federal, State and local laws and regulations and as required by the terms and conditions of individual orders.
2. Documents will be retained or archived so as to ensure the document will not be altered or modified in any manner. Computer data retention and transfer procedures shall maintain the integrity, reliability and security of the original computer data. Buyer and Seller shall also retain an audit trail describing any data transfer.

B. Validity and Enforceability

1. Any Documents properly transmitted pursuant to this Agreement shall be considered to be “written” or “in writing”, and any such Document containing, or to which there is affixed an Electronic Signature, shall be deemed for all purposes to have been signed. Unless a date of the Electronic Signature is specified in the document, the date of Electronic Signature shall be deemed the date the electronically signed document is transmitted.
2. Any Document or transaction properly transmitted pursuant to this Agreement shall be deemed to constitute a record established and maintained in the normal course of business, and an original record when printed from electronic files. Such paper copies or “print outs”, if introduced as evidence in any judicial, arbitration, mediation or administrative proceeding, will be admissible as between the Buyer and Seller to the same extent and under the same conditions as other business records originated and maintained in documentary form. Buyer and Seller shall not contest the admissibility of copies of Electronically Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Electronically Signed Documents were not originated or maintained on paper.

C. Modification: This Agreement will not be modified except by a written agreement signed by Buyer and Seller.

D. Term and Termination: This Agreement will remain in full force and effect until terminated by either Buyer or Seller with not less than thirty (30) days prior written notice, which notice will specify the effective date of the termination. Any termination will not alter the rights and duties of the Buyer or Seller with respect to Orders transmitted before the effective date of the termination.

E. Severability: Any provision of this Agreement which is determined to be invalid or unenforceable will be ineffective to the limited extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

F. Non-Waiver: Buyer’s failure at any time to enforce any provision of this Agreement will not constitute a waiver of such provision or prejudice Buyer’s right to enforce such provision at any subsequent time.

G. Governing Law: This Agreement in all respects will be governed by and interpreted in accordance with the applicable laws of the state from which the Purchase Orders governed by this Agreement are issued; except, however, the choice of law provisions shall not apply.

H. Export Control Laws: Seller shall comply with the rules and regulations set forth within the International Traffic in Arms Regulation (ITAR), 22 CFR 120 – 130, or the Export Administration Regulations (EAR). Any Information transmitted by Buyer to Seller will not

be exported, released, or disclosed to foreign nationals inside or outside the United States without first complying with the export authorization requirements of the ITAR and/or the EAR.

SECTION 10. LIMITATION OF LIABILITY

Neither Buyer or Seller shall be liable to the other for any special, incidental, exemplary, or consequential damages arising from, or as a result of, any delay, omission or error in the Electronic Transmission or receipt of any transactions pursuant to this Agreement, even if either Buyer or Seller has been advised of the possibility of such damages.

SECTION 11. COMPLETE AGREEMENT

This Agreement constitutes the full and complete agreement between the Buyer and Seller relating to the matters specified herein and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. No obligation to enter into any transaction is to be implied from this Agreement.

APPENDIX 1. My Purchase Order (WEB EDI)

- A. To use My Purchase Order, the Trading Partner must possess:
1. Internet access.
 2. Internet browser (128-bit encrypted).
 3. Email capability.
 4. Prior to accessing secure data from the My Purchase Order web site, Seller shall provide Northrop Grumman's My Purchase Order Administration with the following information: Seller's point of contact, phone number, email address and DUNS (Dun and Bradstreet) Number.
 5. My Purchase Order administration will then supply the Seller with a User ID and password and provide access instructions. Note: Once Seller has been accessed to My Purchase Order, hard copy transmission will be suspended.
 6. Buyer may change its My Purchase Order Administrator, e-mail contact or telephone contact by written notice furnished individually or posted on the Buyer's OASIS web site.
 7. The system will automatically generate a Functional Acknowledgment (997) as soon as Seller has accessed a specific purchase order/change order from the My Purchase Order Web Site. The 997-transaction code indicates opening of an My Purchase Order document.
 8. Upon acceptance, Seller shall enter their authorized representative's name and phone number and click on the "Accept" button. If Seller elects to reject the order Seller shall enter their authorized representative's name and phone number and click the "Reject" button. A comments dialog box is provided to facilitate communication back to the Northrop Grumman buyer.