



A Textron Company

## Bell Standard Services Terms and Conditions

### TABLE OF CONTENTS

1 – Definitions	22 – Gratuities
2 – Orders/Change Orders	23 – Compliance with Laws
3 – Agreement/Acceptance/Modifications	24 – Insurance, Defense of Claims, and Indemnification
4 – Changes	25 – Applicable Law and Venue
5 – Stop Work	26 – Partial Invalidity; Waiver
6 – Termination for Convenience	27 – Order of Precedence
7 – Termination for Default	28 – Offset Credit & Industrial Participation
8 – Excusable Delay	29 – Outsourcing
9 – Buyer Furnished Manufacturing Materials	30 – Electronic Data Interchange and Supplier Portal
10 – Quality of Work	31 – Government Regulations Relating to the Export/Import of Goods and Technical Data
11 – Warranty	32 – Product Classification and Origin
12 – Intellectual Property Rights & Indemnity	33 – Entire Agreement/ Severability/ Survival
13 – Books And Records	34 – Independent Contractor
14 – Prices, Payment, and Discount	35 – Information on Political Contributions and Fees or Commissions in Connection With the Sale of Defense Services
15 – Invoicing, Packing, and Shipping	36 – Buyer Information
16 – Delivery	37 – Rescission, Adjustment, and Termination for Illegal or Improper Activity
17 – Assignment & Change of Control	38 – Federal Acquisition Regulation (FAR)
18 – Public Release of Material	39 – IT Data Security
19 – Set-Off & Withholding	
20 – Drawings & Data	
21 – Disputes	

### Clause 1 – DEFINITIONS

The following definitions apply unless otherwise specifically stated:

“Buyer” or “Bell”:	The legal entity issuing the Order: Bell Textron Inc. (“BTI”), Fort Worth, TX, and/or Bell Textron Canada Limited (“BTCL”), Mirabel, Canada;
“Buyer Furnished Material”	Government property or Buyer property furnished to or acquired by the Seller under the Order;
“Buyer Specifications”:	Requirements and specifications, requirements and specification control documents, interface data, interface control documents, schematics, item definitions and configurations, certification data, and all intellectual property rights therein, that are used or intended to be used by Buyer: (1) to define technical architecture descriptions and requirements for Work and associated processes, system specifications, service and maintenance requirements, configuration control, and certification; or (2) to procure and certify Work or similar goods and to ensure integration of Work within a Bell product, or within systems incorporated in a Bell product;
“Contracting Officer”:	U.S. Government Contracting Officer for the Prime Contract;
“FAR”:	Federal Acquisition Regulation;
“DFARS”:	Department of Defense Federal Acquisition Regulation Supplement
“Materials”:	Supplies, documents, information, materials, samples, tooling, dies, jigs, fixtures, plans, designs, specifications, software, drawings, technical information, and contract rights used in the processing, refining, making, and/or in the completion of the Order;



A Textron Company

## **Bell Standard Services Terms and Conditions**

“Material Adverse Change”:	Any event, occurrence, fact, condition or change that is or could reasonably be expected to become, individually or in the aggregate, materially adverse to: (a) the business, results or operations, financial condition, assets, liabilities, or prospects, or (b) the ability of the Seller to consummate the Order as contemplated on a timely basis;
“Offset”:	A benefit or obligation agreed to by a contractor and a government or international organization as an inducement or condition to purchase supplies or services pursuant to a foreign military sale (FMS);
“Order”:	Purchase order, change order, subcontract or contract for the Work;
“Parties”:	Buyer and Seller collectively;
“Prime Contract”:	U.S. Government contract under which an Order may be issued;
“Seller”:	Person or Company providing the Work;
“Small Business”:	A business determined by the Small Business Administration to meet the requirements under FAR Part 19;
“Work”	All of the activities, services, and tasks required to be performed, along with all results, outputs, reports, and other materials required to be produced or delivered by the Seller under an Order.

### **Clause 2 – ORDERS/CHANGE ORDERS**

These Terms and Conditions are a part of each Order that Buyer may issue to Seller. Each Order must contain a description of the Work to be performed and identify the number of hours, prices, delivery schedule, terms, and place of performance and/or delivery (if any deliverables are required under the Order.) EACH ORDER OR CHANGE TO AN ORDER MUST BE SIGNED (OR AUTHENTICATED IF THIS IS AN ELECTRONIC ORDER) BY BUYER'S AUTHORIZED PROCUREMENT REPRESENTATIVE TO BE VALID.

### **Clause 3 – AGREEMENT/ACCEPTANCE/MODIFICATIONS**

An Order is Buyer's offer to Seller, and acceptance is expressly limited to the Buyer's terms contained in the Order, without additions, deletions, or other modifications. Evidence of acceptance by Seller shall include, but is not limited to: Seller's commencement of performance, delivery, or acknowledgment of the Order or electronic signature. NO CHANGE OR MODIFICATION TO THE ORDER (INCLUDING ANY ADDITIONAL OR DIFFERENT TERMS IN SELLER'S ACCEPTANCE) WILL BE BINDING ON BUYER UNLESS SIGNED (OR AUTHENTICATED IF THIS IS AN ELECTRONIC ORDER) BY BUYER'S AUTHORIZED PROCUREMENT REPRESENTATIVE.

### **Clause 4 – CHANGES**

Notwithstanding any other provisions of the Order, Buyer may by written notice make changes within the general scope of the Order at its discretion. Such changes shall only be communicated by Buyer's authorized procurement representative. Seller shall proceed immediately to perform the Order as changed. If any such change causes a material increase or decrease in the cost of, or the time required for the performance of any part of the Work in the Order, Buyer will make an equitable adjustment in the purchase price or delivery schedule or both. Seller shall provide written notice of its intent to assert a claim within ten (10) calendar days from the date of receipt by Seller of such written notice of change. Seller shall



A Textron Company

## **Bell Standard Services Terms and Conditions**

substantiate its claim with evidence provided to Buyer no later than fourteen (14) days after providing written notice. Buyer shall use commercially reasonable efforts to adjudicate Seller's claims within one hundred and eighty (180) days from receipt of sufficient data to substantiate its claims for adjustment. Seller's failure to substantiate claim will result in denial of equitable adjustment claim. Seller shall proceed with the change pending resolution of any claim for adjustment.

### **Clause 5 – STOP WORK**

- (A) Notwithstanding any other provision of the Order, when directed by written notice from Buyer, Seller will immediately stop all or part of the Work relating to the Order to the extent specified in the notice for a period of up to one hundred-eighty (180) calendar days or longer if extended by mutual agreement. Seller shall take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Order during the period of the stop work.
- (B) Within such period, Buyer may either terminate or continue the Work by written order to the Seller. If a Stop Work notice is cancelled or the period of the Stop Work notice or any agreed extension thereof expires, Seller must resume work and Buyer and Seller will agree upon a reasonable adjustment in the schedule. In no event will such adjustment exceed the period of time in which the Stop Work notice was in effect. Except as otherwise provided herein, the total Order price will not be adjusted, and Buyer will not incur any liability by the issuance of a Stop Work notice.

### **Clause 6 – TERMINATION FOR CONVENIENCE**

- (A) Notwithstanding any other provisions of the Order, the Buyer may by written notice terminate for its convenience the whole or any part of an Order upon providing ten (10) calendar days' notice thereof, except that the Buyer may immediately terminate for its convenience the whole or any part of the Order in those instances in which such action is reasonably required as a result of Buyer's customer taking action affecting all or part of the performance of any Work under the Prime Contract, or Buyer's decision to terminate the program. Upon receipt of such notice, the Seller must immediately cease work, including but not limited to the manufacture and procurement of materials for the fulfillment of the terminated portion of the Order.
- (B) Buyer's only obligation shall be to pay Seller a percentage of the price reflecting the actual work performed prior to the notice of termination based on data submitted by Seller. Seller shall not be paid for any work performed or costs incurred that reasonably could have been avoided.
- (C) Buyer shall not be liable for lost or anticipated profits, unabsorbed indirect costs or overhead, or any amount in excess of the total Order price.
- (D) Seller shall continue all work not terminated.
- (E) In the event Seller has a claim for adjustment, it must notify Buyer in writing of its intent to file a claim within twenty-one (21) calendar days from the effective date of termination. Seller's final termination claim must be submitted to Buyer within ninety (90) calendar days from the date that Seller's intent to file a claim was submitted to Buyer. Failure to substantiate Seller's final claim will result in denial of Seller's adjustment claim. Seller shall have no other remedies after this period.

### **Clause 7 – TERMINATION FOR DEFAULT**

- (A) Notwithstanding any other provision of the Order, if the Seller fails to comply with any of the terms of the Order, fails to make progress so as to endanger performance of the Order, fails to provide adequate assurance of future performance, files or has filed against it a petition in bankruptcy, or becomes insolvent or suffers a Material Adverse Change in financial condition, the Buyer shall, prior to termination of the whole or part of the Order, give the Seller notice of default. The Seller shall have ten (10) calendar days (or more if authorized in writing from the Buyer) from the date of receipt of such notice in which to either cure the default or provide a recovery plan satisfactory to the Buyer. Upon failure to cure the default, Buyer may give the Seller written notice of Termination for Default.
- (B) Upon termination, the Seller will have no claim for further payment other than as provided in this Clause. Additionally, Seller will be liable to the Buyer for all direct losses and direct damages which may be suffered by the Buyer by reason of the default, including any substantiated increase in the costs incurred by the Buyer in procuring the Work from another source. Nothing in this Clause affects any obligation of the Buyer under the law to mitigate damages and Seller must proceed with the portion of the Order not terminated under the provisions of this Clause.



A Textron Company

### **Bell Standard Services Terms and Conditions**

- (C) If the Order is terminated for default, the Buyer may require the Seller to transfer the title and deliver, as directed by the Buyer any:
  - (i) Completed Work, including any Work in progress , and
  - (ii) Materials that the Seller and its subcontractors have specifically produced or acquired for the portion of the Order under notice of Termination for Default. Upon direction of the Buyer, the Seller shall also protect and preserve property, information, or data in its possession in which the Buyer has any interest.
- (D) The Buyer shall pay the Order price for completed Work that have been delivered and accepted. The Seller and Buyer will agree on the payment for Work delivered and accepted. The Buyer may withhold from these amounts any sum the Buyer determines to be necessary to protect the Buyer against loss because of outstanding liens or claims of former lien holders and Buyer's estimate of re-procurement costs due Buyer.
- (E) If, after termination, it is determined that the Seller was not in default, or that the default was excusable, as defined in the Excusable Delay clause herein, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of the Buyer and the provisions of the Termination for Convenience clause, will apply.

#### **Clause 8 – EXCUSABLE DELAY**

- (A) Notwithstanding any other provision of the Order, a delay in the performance by the Seller of any obligations under the Order that is caused by an event which:
  - (i) is an act of God, act of Government, fire, riot, war, terrorism, pandemic, epidemic, or any other event which constitutes a superior force and is beyond the reasonable control of the Seller; and
  - (ii) is without any fault on the part of the Seller;
  - (iii) interferes with the performance of Seller's obligations; and
  - (iv) the effects of which could not reasonably have been avoided by the Seller.
- (B) In addition to the events described in paragraph (A), a delay caused by the default of a subcontractor of the Seller may constitute an Excusable Delay if the event causing the default of such subcontractor is an event that meets the criteria set out in paragraph (A) and such delay has not been contributed to by the Seller, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Seller to meet the required delivery schedule.
- (C) Except as otherwise provided herein, the following will not be considered as events beyond the reasonable control of the Seller:
  - (i) lack of financial resources of the Seller or its subcontractors; or
  - (ii) any labor disturbances including strikes/lock-outs experienced by the Seller or its subcontractors;
- (D) To claim an Excusable Delay, the Seller must, by written notice to the Buyer, describe in detail any excusable delay and provide the Buyer with an acceptable "work-around" plan within ten (10) calendar days of such facts coming to the attention of Seller. The Buyer may accept or reject such "work-around" plan in writing and, if accepted, the Seller must promptly implement such "work-around" plan at Seller's expense.
- (E) In the event of an Excusable Delay, any affected delivery date will be postponed for such period as is reasonably necessary to offset the effects of the Excusable Delay. In no event will the delivery date be extended by a time period longer than the time period in that the Excusable Delay was in effect. No adjustment will be made to the Order price; adjustment to the delivery schedule is the exclusive remedy of the Seller in the case of an Excusable Delay.
- (F) Notwithstanding the above, after an Excusable Delay has continued for a period of thirty (30) calendar days in the aggregate the Buyer may, in the Buyer's absolute discretion, terminate the Order. In the event of such termination, the rights and obligations of Buyer and Seller shall be determined in accordance with the provisions of the Termination for Convenience clause herein.

#### **Clause 9 – BUYER FURNISHED MATERIALS**

The restrictions in this section do not apply to the Seller's performance of U.S. Government contracts to the extent the U.S. Government has unlimited rights in the Materials pursuant to DFARS 252.227-7013 "Rights in Technical Data-Other Than Commercial Products and Commercial Services."



A Textron Company

### **Bell Standard Services Terms and Conditions**

- (A) Except as otherwise provided herein, Seller must not use, reproduce, or disclose for the benefit of any party other than Buyer, any Materials furnished by Buyer. Seller must not use the Materials to perform any work, other than those required by the Order, without prior written authorization from Buyer.
- (B) Seller is responsible for importing Buyer Furnished Materials, if shipped from a location outside their country.
- (C) Seller must include a line item on each invoice identifying the value of all Buyer Furnished Manufacturing Materials used to perform the services. The value of tooling and engineering is to be included on the invoice for the services.
- (D) Title to Materials furnished by Buyer will remain with Buyer or the U.S. Government, as applicable, at all times. Seller must bear the risk of loss, damage, or destruction of the Materials furnished by Buyer and shall promptly replace or repair, without expense to Buyer, any of the Materials which are lost, damaged, or destroyed unless such loss, damage or destruction is solely and directly caused by Buyer's negligence.
- (E) Seller is responsible for care, maintenance, use, and records of Buyer Furnished Materials. Physical Inventories shall be performed by Seller when requested by Buyer.
- (F) At the completion or termination of the Order, the Buyer Furnished Materials must be returned to the Buyer unless otherwise directed by the Buyer. When Buyer approves Materials to be furnished to Seller's subcontractors for use in the performance of Buyer's Order, Seller must insert the substance of this clause in its subcontracts.
- (G) Seller acknowledges that Buyer's Materials are unique and proprietary and that monetary damages will be inadequate to compensate Buyer for Seller's breach of this provision. The parties agree that, in addition to any other remedies available to Buyer under the Order, or at law or in equity, Buyer will be entitled to seek injunctive relief to enforce the terms of this clause.

#### **Clause 10 – QUALITY OF WORK**

Seller shall establish and maintain a quality control system acceptable to Buyer for the services provided hereunder. All services performed hereunder shall be subject to the inspection of an engineer, manager or other representative designated by Buyer and shall be in strict accordance with the requirements of the Order and/or Statement of Work. Seller shall maintain records of compliance traceable to the Order for a period of ten years. Seller shall perform any required corrective actions or deficiencies identified by Buyer within a commercially reasonable timeframe. Seller shall permit Buyer, the U.S. Government, or other regulatory authorities access to review applicable procedures, practices, processes, and related documents for compliance as necessary.

#### **Clause 11 – WARRANTY**

- (A) Seller warrants that it is free to enter into this Order, and has no obligations or requirements under any other contract contrary to any of the terms and conditions contained herein: the Work will be performed by qualified personnel, in a professional and workmanlike manner in accordance with applicable professional standards and applicable laws; the Work will be original to Seller and will not misappropriate any United States intellectual property rights of third parties or violate any confidentiality obligations applicable to Seller; and any and the Work will conform to the specifications agreed to by the parties. THIS WARRANTY SHALL BE IN ADDITION TO ALL WARRANTIES ARISING AS A MATTER OF LAW AND SHALL SURVIVE ACCEPTANCE AND PAYMENT.
- (B) Seller's express warranties must be enforceable by Buyer's customers as well as Buyer and will begin at commencement of Work and be valid for twelve (12) months after acceptance of the Work.
- (C) Buyer's remedy for Seller's breach of warranty under this Clause includes, but is not limited to, for Seller to correctly reperform any substandard Work without further cost to Buyer within the time limits proscribed by Buyer. If Seller fails to perform the Work pursuant to the scope and time defined by Buyer, Buyer shall be entitled to terminate the Order pursuant to these Terms and Conditions. Buyer's rights and remedies under this clause are in addition to any other rights and remedies provided by law, regulation, or under the Order.

#### **Clause 12 – INTELLECTUAL PROPERTY RIGHTS & INDEMNITY**

- (A) If this Order is for Work in connection with a U.S. Government Prime Contract or subcontract, then this Clause does not change the rights in technical data and computer software that the U.S. Government obtains pursuant to: (1) any FAR or DFARS clauses incorporated into this Order; or (2) any attachments to this Order flowing down additional obligations, or defining additional rights belonging to the U.S. Government, that relate to technical data or computer software.



A Textron Company

### **Bell Standard Services Terms and Conditions**

- (B) Except for Orders funded by the U.S. Government, any copyright, trademark, trade secret, software, data, idea, concept, process, formula, invention, system, report, or other intellectual property resulting from any Seller Work performed for the Order, or conceived or reduced to practice by Seller using Buyer's funds, will be the sole property of Buyer. Seller agrees to assign and upon acceptance of this Order assigns to Buyer any interest Seller may have in such intellectual property right or invention(s) conceived by Seller or reduced to practice by Seller.
- (C) For all Orders, irrespective of funding source, any copyright, trademark, trade secret, software, data, idea, concept, process, formula, invention, system, report, or other intellectual property that modifies or is derived from information provided by Buyer—including any modifications or suggestions to modify Buyer Specifications—will be exclusively owned by Buyer.
- (D) Seller retains ownership of all of its intellectual property that is developed independently of the Order and is not otherwise assigned to Buyer under Subsections (B) or (C), above. Seller grants to Buyer an irrevocable, non-exclusive, sublicensable, perpetual, fully-paid, royalty-free, worldwide license to use all such Seller-owned intellectual property to the extent necessary to enable Buyer, its agents, customers, and users of Buyer's products to use and fully enjoy the Work, Buyer Specifications, and intellectual property assigned to Buyer under Subsections (B) and (C).
- (E) With respect to Work delivered under the Order, Seller shall save and hold harmless Buyer, Buyer's agents, customers, and users of Buyer's products from all loss, damage, and liability arising from any infringement or alleged infringement of a Patent, copyright, or trademark or misappropriation of a trade secret or other violation of an intellectual property right of a third party, arising out of the manufacture, sale, or use of such Work by Seller, Buyer, Buyer's agents, customers, or users of Buyer's products. Seller shall, at its own expense, defend all claims, suits and actions against Buyer, Buyer's agents, customers, or users of Buyer's products in which such infringement or other violation of an intellectual property right of any third party is alleged, provided Seller is notified of such claims, suits, and actions. This indemnification does not apply to articles manufactured to detailed designs developed and furnished by Buyer.

#### **Clause 13 – BOOKS AND RECORDS**

For new Orders, or for any related follow-on efforts or proposals submitted by the Seller, including but not limited to Changes, Termination for Default, or Termination for Convenience, Seller will provide authorized representatives of Buyer, reasonable access to books, records, and other relevant cost and pricing data which will permit the adequate evaluation of the sellers proposed values.

#### **Clause 14 – PRICES, PAYMENT, AND DISCOUNT**

Payment by Buyer will be made net sixty (60) days from the later of the following: (i) the date of acceptance of the Work; or (ii) from Buyer's receipt of an acceptable invoice as described in Clause 17 below. Any payment discounts will be calculated from the same date. Discount terms shall be clearly stated on the face of each invoice. Buyer shall make payments to Small Businesses net thirty (30) days.

#### **Clause 15 – INVOICING, PACKING, AND SHIPPING**

- (A) Separate invoices indicating Order number, line item number(s), quantity, description of Work, unit price (if applicable), travel and associated costs (as applicable) and extended value are required for each Order unless Pay Upon Receipt has been established with the Seller. Seller shall include supporting documentation with any invoice.
- (B) Seller shall invoice in accordance with the instructions in the Order and/or Statement of Work. If applicable, for shipments in fulfillment of BTI issued Orders, on date of shipment(s) Seller shall mail or email one copy of each invoice to the address below, unless a different address is provided in the face of the Purchase Order:

Textron Finance Shared Services Center  
ATTN: Bell Accounts Payable  
P.O. Box 77090  
Fort Worth, TX 76177-0090  
[APBell@textron.com](mailto:APBell@textron.com)



A Textron Company

## Bell Standard Services Terms and Conditions

If applicable, for shipments in fulfillment of BTCL issued Orders, on date of shipment(s) Seller shall mail one copy of each invoice to the address below:

Textron Finance Shared Services Center  
ATTN: Mirabel Accounts Payable  
P.O. Box 77036  
Fort Worth, TX 76177-0036  
[APBellMirabel@textron.com](mailto:APBellMirabel@textron.com)

- (C) Where applicable, Seller must ship orders in compliance with Buyer's routing instructions, to be found via [www.routingguides.com](http://www.routingguides.com), and in the Order. In the case of noncompliance of those instructions, Seller can be subject to a freight debit, representing the cost difference between Buyer's endorsed carrier code and the one used by the Seller, and/or as well as the mode of transport, and/or transit time service used. Seller will be subject to a tariff debit should Buyer incur additional tariffs due to noncompliance with those instructions. Seller must not prepay, insure, or declare value of any shipment made FCA shipping point.
- (D) Unless otherwise specified, the price stated in the Order includes the costs of preparing and packing for shipment, container marking, and furnishing packing lists and test reports (where applicable).
- (E) In addition to the above, for orders issued by BTI to Sellers outside of the United States or by BTCL to Sellers outside of Canada:
- (i) Seller shall be the importer into, and exporter from, Seller's country for any property furnished by Buyer (technical data, software, Buyer Furnished Materials, components, or tooling). Seller shall pay all taxes, tariffs, or import/export duties of any kind, including those taxes, tariffs, or duties that may be imposed or assessed on these import or export shipments by its government. All such taxes, tariffs, and duties, existing, new, or increased, are included in the price stated in the Order. Buyer shall be the importer into and exporter from its country for all property furnished by them to the Seller. Buyer shall pay all taxes, tariffs or import/export duties imposed on these import or export shipments by its government.
  - (ii) The Buyer and Seller acknowledge that licenses and/or permits may be required for the export or import of certain "controlled" Materials as is understood under the import/export laws of Buyer's country. These licenses or permits may impose restrictions on use of the controlled Materials, technical data, and/or software subject to the Order. Each Party shall comply with all applicable export and import laws and regulations controlling the import and/or export of the controlled Materials, technical data, and/or software. Each Party will, at its expense, obtain all necessary licenses and/or permits required for its import or export responsibilities described in (i). The Parties will cooperate with each other to obtain these licenses/permits in a timely manner and will notify each other, without delay, of any obstacles that may delay performance of this Order.
  - (iii) Each package in the shipment shall contain the following, in English, on the outside of the container, for the purposes of clearing Customs: (1) A packing list listing the contents of that package; (2) The commercial invoice as detailed in Clause 17 (A); (3) Certificates of origin as described in Clause 36 (A), if applicable. If the Seller requires assistance in determining the Harmonized Tariff Schedule number for Buyer Furnished Materials, they may request assistance from Buyer's Global Trade Compliance Department at [GTCMaterialMaster@bellflight.com](mailto:GTCMaterialMaster@bellflight.com) prior to preparing the invoice and shipping documents to ensure the correct information is placed on these documents, as required by U.S., Canada, and international law.

For broker information and routing instructions, please consult [www.routingguides.com](http://www.routingguides.com)

### Clause 16 – DELIVERY

- (A) Work shall be performed at the specified place of performance in the Order unless otherwise agreed by the Parties in writing. If any deliverables are required under the Order, Seller shall comply with delivery instructions listed on the Order. For the avoidance of doubt, if any physical goods are to be delivered by Seller, Seller agrees to ship FCA Seller's Dock (Incoterms © 2020) unless otherwise agreed by the Parties.



A Textron Company

### **Bell Standard Services Terms and Conditions**

- (B) Time is of the essence in performing the Work under the Order. Should Seller experience or anticipate any delay in performing the Order, Seller must immediately notify Buyer in writing of such delay, its expected duration, and the reasons thereof. Neither such notification nor an acknowledgment by Buyer will constitute a waiver of the Order's specified delivery schedule. Seller shall be liable for any direct or indirect damages resulting from a delay in the delivery.
- (C) In the event that the delivery of Seller's Work is delayed for a period in excess of thirty (30) calendar days, the Buyer has the right to Terminate the Order, in full or in part, for Default, in accordance with Clause 7 of these Terms and Conditions, at its sole discretion.
- (D) Neither the Buyer's right to not accept defective Work from Seller in accordance with the Quality of Work provision herein, nor any delay in Buyer issuing the demand for payment to Seller, constitutes a waiver of any rights.
- (E) This clause does not limit the rights and remedies of the Buyer in any other clause of the Order provided by the law or under these Terms and Conditions.

#### **Clause 17 – ASSIGNMENT & CHANGE OF CONTROL**

- (A) Seller may not assign (by operation of law, merger, consolidation or otherwise (whether or not Seller is the surviving entity)), transfer or delegate the Order or any of its rights or obligations under the Order and Seller may not undergo, directly or indirectly, a Change of Control (as defined herein) without the prior written consent of Buyer, which consent shall not be unreasonably withheld. Any purported assignment, delegation or transfer by Seller in violation of this Clause 17 shall be null and void.
- (B) A Change of Control shall mean (a) a transaction or series of related transactions in which any person, entity, or group of persons or entities, acting individually or in concert, becomes the beneficial owner of more than 30% of the combined voting power of Seller; or (b) the sale of all or substantially all of Seller's assets.
- (C) If, without Buyer's prior written consent, Seller assigns, delegates or transfers this Agreement or any of its rights or obligations hereunder or Seller undergoes a direct or indirect Change of Control, Buyer shall have the right (in its sole discretion) to terminate the Order for Seller's default under Clause 7. If Seller requests Buyer's consent to the assignment, delegation or transfer of the Order or to the Change of Control of Seller, the Seller must provide the Buyer:
  - i. Written notification of the request;
  - ii. Detailed description of any impact on the Order; and
  - iii. Transition plan, if needed
- (D) No changes in pricing or terms and conditions will be allowed, except through a mutually acceptable modification to the Order, signed by both Parties.
- (E) Any costs associated with Buyer's efforts to approve an assignment including, but not limited to, Quality Assurance or financial audits, shall be borne by the Seller. Should the assignment be unacceptable to the Buyer, this Order will be terminated and the provisions of the Termination for Default clause 7 will apply.

#### **Clause 18 – PUBLIC RELEASE OF MATERIAL**

Seller shall not advertise or publicize without Buyer's prior written consent, in any medium, including, without limitation, any print, broadcast, direct mailing, or any internet web site maintained by or for Seller, the fact that Seller is a supplier of services to Buyer. Neither Seller nor its subcontractors, suppliers or agents shall without Buyer's prior written consent (i) use Buyer's name, photographs, logos, trademarks, or any other identifying information in any such medium; (ii) use (except to communicate with Buyer or its affiliates) any internet domain names, metatags, or electronic mail addresses containing the names, "Bell," "Bell Helicopter," "Bell Flight," "Textron," or the names of any product or service for which Buyer owns the trademark; or (iii) provide a link to any domain name or internet address registered to Buyer or any of its affiliates.

#### **Clause 19 – SET-OFF AND WITHHOLDING**

Buyer has the right of set-off against any payments due or at issue under the Order or any Order between Buyer and Seller. Buyer may withhold from payment to Seller in an amount sufficient to reimburse Buyer for any loss, damage, expense, cost or liability relating to or arising from Seller's failure to comply with any requirements of the Order.



A Textron Company

## **Bell Standard Services Terms and Conditions**

### **Clause 20 – DRAWINGS & DATA**

- (A) All drawings, models, specifications, and data furnished by the Buyer to the Seller shall remain the property of the Buyer and shall not be disclosed to others by the Seller and shall be used by Seller only as and to the extent required for the performance of the Order, unless otherwise approved by Buyer in writing.
- (B) No review or approval by the Buyer of any work hereunder or of any drawings, models, specifications, and data prepared by Seller will be construed to relieve Seller, in any way from any design responsibility for the Work to be performed hereunder, or from responsibility to comply with the requirements of the Order.

### **Clause 21 – DISPUTES**

- (A) In the event of a dispute arising between Buyer and Seller, which is not disposed of by agreement, Seller must request a final written decision from Buyer's Procurement Manager. If the parties cannot agree on a dispute resolution process or otherwise resolve a dispute, the said dispute may be filed in the court of proper jurisdiction for disposition pursuant to the Applicable Law and Venue clause hereof.
- (B) Pending final resolution of any dispute or appeal hereunder, the Seller shall proceed diligently with the performance of the Order as directed by the Buyer.

### **Clause 22 – GRATUITIES**

- (A) Seller (or any agent or representative of Seller) will not offer or provide gratuities to any employee of Buyer. Failure of Seller to honor this commitment may, at Buyer's option, result in immediate termination of the Order in accordance with the Termination for Default clause, without provision for cure.
- (B) Seller is prohibited from providing, offering, or attempting to offer kickbacks or soliciting or accepting kickbacks. Seller must have and follow procedures designed to prevent and detect possible violations, shall report in writing and telephonically any violation to the Buyer's Ethics Department (800) 94-ETHICS, and shall cooperate fully with any Government agency investigating a possible violation. The substance of this clause shall be included in all subcontracts issued under the Order.
- (C) For orders issued by BTI, Seller, by accepting the Order or any long-term contract from Buyer or performing against such Order or contract, hereby certifies, to the best of their knowledge and belief, that:
  - (i) No United States Government ("Federal") appropriated funds have been paid or will be paid, by or on behalf of the Seller to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.
  - (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, Seller shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.
  - (iii) Seller shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under subgrants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
  - (iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.

### **Clause 23 – COMPLIANCE WITH LAWS; TEXTRON CODE OF CONDUCT FOR SUPPLIERS AND OTHER BUSINESS PARTNERS**

- (A) Seller shall comply with all applicable federal (U.S. or Canada), state, provincial and local laws, including, but not limited to, laws with respect to the protection of the environment, and Seller hereby certifies that it is in compliance with all such laws and regulations in the performance of the Work. Seller will indemnify and hold Buyer harmless



A Textron Company

### **Bell Standard Services Terms and Conditions**

to the full extent of any loss, damage or expense, including lost profit, attorneys' fees and court costs, for any failure or alleged failure of Seller to comply with the requirements of this clause or for any release or threat of release of any hazardous substance, hazardous or solid waste, pollutant or contaminate from any site now, or in the past, owned or operated by Seller, or any site where Seller disposed of or arranged for the disposal of any hazardous substance, hazardous or solid waste, pollutant or contaminate.

- (B) Seller shall comply with the Textron Code of Conduct for Suppliers and Other Business Partners, available at [http://www.textron.com/assets/resources/Textron\\_Code\\_of\\_Conduct\\_Suppliers\\_Business\\_Partners.pdf](http://www.textron.com/assets/resources/Textron_Code_of_Conduct_Suppliers_Business_Partners.pdf).

#### **Clause 24 – INSURANCE, DEFENSE OF CLAIMS, AND INDEMNIFICATION**

- (A) During the term of this Agreement, Seller shall maintain at its own expense, insurance of the type and in the amounts specified: (i) Commercial General Liability in the amount of \$1,000,000.00; (ii) Professional Liability in the amount \$1,000,000; and (iii) Property Insurance against loss of or damage to any materials or tools in an amount equivalent to replacement cost value of the material and/or tools in the event the aforesaid material and/or tools are furnished by Buyer to Seller.
- (B) All such insurance shall be placed with reputable companies, Seller shall name Bell Textron Inc. as an additional insured on each certificate, and Seller shall furnish Certificates of Insurance to Bell upon award or signing of the Contract or start of production, and within 15 days of the expiration date of each insurance renewal thereafter as long as the Contract shall remain in effect. All such insurance shall not be canceled without thirty (30) days prior written notice to Buyer.

Certificate(s) of Insurance and any endorsements are to be mailed to:

Bell Textron Inc.  
P.O. Box 482  
Attn: Risk Mgmt. - Plant 1 Drop 1104  
Fort Worth, Texas 76101

- (C) In the event a claim or claims are made against the Buyer resulting from incidents, accidents, injuries or deaths to any person and/or losses to property, and defense of the Buyer has not been accepted under the insurance contract(s) specified in subparagraph A, above, Seller agrees to pay the defense costs of the Buyer for any claims which result in whole or in part or are alleged to have resulted in whole or in part from (a) any act or omission of Seller with respect to the Work provided to Buyer hereunder; (b) any claimed defect in the goods or services supplied to Buyer by Seller; or (c) any claim by a third party alleging negligent supervision on the part of Buyer regarding (i) the Work provided by Seller; (ii) the other activities of Seller in making or providing the Work. Seller further agrees to indemnify Buyer to the extent Buyer is vicariously liable for the acts, omissions, or strict product liability of Seller.
- (D) If Seller does not have actual notice of a claim, Buyer agrees to give Seller prompt notice of any such claim and legal action within a reasonable period of time, after Buyer receives written notice thereof; to tender to Seller the defense and handling of any such claim and legal action, including the right to settle or compromise such claim or action at Seller's sole expense, however, Seller will not consent to the entry of a judgment with respect to any claim or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releasing the Buyer from all liability with respect thereto, without the written consent of Buyer and to reasonably cooperate with Seller in the defense of every such claim or legal action at the sole expense of Seller.

#### **Clause 25 – APPLICABLE LAW AND VENUE**

- (A) If the Order is issued by BTI:
- i. Pursuant to a U.S. Government Prime Contract, the Order including these terms and conditions will be construed and applied in accordance with the Federal common law of Government contracts. To the extent that the Federal common law of Government contracts is not dispositive or applicable, choice of law shall be determined in accordance with paragraph (ii) below.



A Textron Company

### **Bell Standard Services Terms and Conditions**

- ii. Except as set forth in (i) above, Seller and Buyer agree that this Order shall be deemed made and entered into the State of Kansas, and any dispute arising under, out of, or related in any way to this Order, the legal relationship between Seller and Buyer, or the transaction that is the subject of this Order shall be governed and construed exclusively under the laws of the State of Kansas, USA, exclusive of conflicts of laws. Any dispute arising under, out of, or related in any way to this Order or the legal relationship between Seller and Buyer shall be adjudicated solely and exclusively in (a) the Courts of General Jurisdiction of the State of Kansas in the County of Sedgwick, or (b) the Federal District Court for the District of Kansas, Wichita Division. The Seller and Buyer agree that this forum selection is mandatory and exclusive of all other forums.
- (B) If the Order is issued by BTCL, Seller and Buyer agree that this Order shall be deemed made and entered into within the Province of Quebec, Canada, and any dispute arising under, out of, or related in any way to this Order, the legal relationship between Seller and Buyer, or the transaction that is the subject of this Order shall be governed and construed exclusively under the laws of the Province of Quebec and Canada, exclusive of conflicts of laws. Any dispute arising under, out of, or related in any way to this Order or the legal relationship between Seller and Buyer shall be adjudicated solely and exclusively in the Courts of the Province of Quebec.
- (C) The Seller and Buyer agree that the rights and remedies of the Buyer in this Order or in any other clause of the Order are in addition to any other rights and remedies provided to Buyer by the law or under these Terms and Conditions. The Seller and Buyer agree that this forum selection is mandatory and exclusive of all other forums. The parties agree that these Terms and Conditions and any document referenced herein or attached hereto be drafted in English. Les parties aux présentes ont convenu que ces termes et conditions et tout document s'y rapportant ou y étant joint soient rédigés en anglais seulement.

#### **Clause 26 – PARTIAL INVALIDITY; WAIVER**

If any provisions of the Order including these Terms and Conditions become void or unenforceable, the other provisions will remain valid and enforceable. Waiver of one or more provisions of these Terms and Conditions by Buyer will in no way act as a waiver of any other provision herein.

#### **Clause 27 – ORDER OF PRECEDENCE**

In the event of any inconsistency among the provisions of the Order hereunder, such inconsistency will be resolved by giving precedence in the following sequence:

- (A) Provisions typed on the face of the Order including any applicable flow-downs in Buyer's Prime Contract
- (B) Long Term or Multiyear Agreement/Contract (including attachments) between Buyer and Seller (If applicable)
- (C) Terms and Conditions referenced in the Order
- (D) Statement of Work
- (E) Specifications
- (F) Other documents, exhibits, and attachments to the Order
- (G) Proprietary Information Exchange Agreement ("PIEA")

#### **Clause 28 – OFFSET CREDIT & INDUSTRIAL PARTICIPATION**

- (A) Buyer represents that its business base consists of international orders, and that it must, from time to time, enter into agreements resulting in Offset or Industrial Participation ("Offset") Obligations to secure such orders. Seller agrees to support Buyer in fulfillment of Offset obligations for all foreign sales determined by the Buyer directly related to this Order to the extent that the Work performed hereunder:
  - (i) are components of Buyer's products or systems sold to a foreign nation or concern, or
  - (ii) contain non-US content, or
  - (iii) are non-recurring activities, tooling, equipment, engineering, etc. associated with the Buyer's products or systems sold to a foreign nation or concern.
- (B) Where deemed appropriate by Buyer, Seller and Buyer shall enter into good faith discussions to determine Seller's proportionate scope of supporting activities and/or share of Buyer's Offset Obligation(s).



A Textron Company

### **Bell Standard Services Terms and Conditions**

- (C) Seller agrees to provide all reasonable documentation, information or assistance which Buyer or its assignees may request to substantiate claims for Offset credit in relation to Buyer's Offset Obligation(s). Reasonable information includes, but is not limited to, any information required by international offset authorities to document offset credit claims including information confirming local content value.
- (D) Buyer expressly claims the first right to all Offset credits arising with respect to any goods and services subcontracted by the Seller to non-US sources as a result of this Order. Buyer is, at least in part, placing this Order for the purpose of earning Offset credits to satisfy current or future Offset obligations.
- (E) If the Canada Industrial and Technological Benefits (ITB) requirements are applicable, Buyer expressly claims the right to any and all ITB credits for work undertaken by Seller in Canada as a result of this Order, as well as any related subcontracts issued by the Seller to, or other eligible transactions undertaken by the Seller with, Canadian entities. The Seller shall return the Canadian Content Certificate (CCC), duly completed, via e-mail to Buyer as soon as possible and no later than two (2) weeks after the first delivery under this Order. The CCC form is available from the Sell2Bell portal or via Buyer. It is the Seller's responsibility to provide an updated CCC to Buyer, should there be any changes to its content, during the period of performance of the Order. Unless otherwise directed by Buyer, Seller shall keep on file, for a period of a minimum of ten (10) years from receipt of final payment from Buyer under this Order, all proper records and all documentation relating to the determination of Canadian Content Value (CCV) for ITB credit claims resulting from this Order. Other transactions that may qualify for ITB credit include, but are not limited to, subcontracting, purchase of equipment/tools, labor, research and development expenses, training and qualification activities, and investments. All records and documentation pertaining to such activities shall at all times during the CCV retention period stated above, be open to verification, inspection and examination by Buyer or by the Innovation, Science and Economic Development Canada (ISED) ITB Authority or his/her delegate(s), who may make copies thereof and take extracts therefrom.

#### **Clause 29 – OUTSOURCING**

Notwithstanding any other provision of the Order, Seller must not procure any of the Work described in the Order from another source without the prior written consent of Buyer.

#### **Clause 30 – ELECTRONIC DATA INTERCHANGE AND SUPPLIER PORTAL**

- (A) The Parties agree that if an Order is transmitted electronically, neither Party shall contest the validity of the Order, or any acknowledgement thereof, on the basis that the Order or acknowledgement contains an electronic signature. If an electronic Order or acknowledgment contains an electronic signature, both Parties agree that the Order is valid. Any terms or conditions that conflict with the terms and conditions herein in any acknowledgement are expressly rejected.
- (B) Buyer and Seller agree that in the event any part of the purchase and sale of the Work covered by these Terms and Conditions will hereafter be effected using electronic data interchange, these Terms and Conditions shall continue to apply thereto.
- (C) Supplier Portal [www.sell2bell.com](http://www.sell2bell.com):  
Supplier shall use the Sell2Bell supplier portal to conduct business with Buyer.
- (D) Seller will use the Supplier Network Collaboration (SNC) application in Sell2Bell to confirm acceptance of the Order. This includes delivery quantity, delivery dates, acknowledge of Defense Priority & Allocation System (DPAS) rating (if applicable) and any relevant comments regarding quantity and delivery dates. If SNC is unavailable, Seller will confirm acceptance of purchase orders and changed orders via email.

#### **Clause 31 – GOVERNMENT REGULATIONS RELATING TO EXPORT/IMPORT OF GOODS AND TECHNICAL DATA**

- (A) Work, technical data, and software provided under the Order may be subject to the export control laws of the United States, Canada and other applicable jurisdictions. The Parties acknowledge that the export control laws of the U.S. impose restrictions on the import, export, re-export, or transfer to third countries certain categories of services, technical data, and software. Neither Party shall export, transfer, re-export, or re-transfer any Work, Materials, technical data, and software to any entities or countries prohibited under U.S., Canadian, or other



A Textron Company

### **Bell Standard Services Terms and Conditions**

applicable laws. These restrictions apply to Seller, its employees, and any third party including, but not limited to Seller's suppliers and subcontractors. All relevant location(s) subject to the Order during Seller's performance shall be compliant with all applicable U.S. and other relevant export and/or import laws and regulations.

- (B) All technical data and software subject to the International Traffic in Arms Regulations (ITAR) (22 CFR 120-130) or the Export Administration Regulations (EAR) (15 CFR 730-774) shall be clearly marked with their applicable export classification(s) and any subsequent information identified by either Party impacting the classification of the subject Work shall be communicated to the other Party within a reasonable time. Upon completion of performance or termination of the Order, Buyer Furnished Material, technical data, and software shall, at Buyer's option, be returned to Buyer.
- (C) **Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.**

#### **Clause 32 – PRODUCT CLASSIFICATION AND ORIGIN**

- (A) If Work delivered includes physical goods, technical data, or software, Seller shall provide Buyer with a statement specifying country of origin, a description, part number, Harmonized (Tariff) Schedule (HTS/HS) number, the Export Control List number, and manufacturer name and location. These statements should be sent to Buyer's Global Trade Compliance Department at: [GTCMaterialMaster@bellflight.com](mailto:GTCMaterialMaster@bellflight.com).
- (B) Upon request, Seller shall provide any required information or documentation to [importcompliance@bellflight.com](mailto:importcompliance@bellflight.com), whether procured directly or from a third-party source, to support any Government compliance agency as necessary. Non-responses to these inquiries within five (5) days will result in returns at the Seller's expense.
- (C) If the Work delivered includes physical goods that qualify for preferential duty treatment under a Free Trade Agreement, Seller will provide Buyer's Global Trade Compliance Department with certificates or other documentation needed to enable Buyer to claim preferential duty treatment at the time of entry. Seller acknowledges that the certificate will be used by Buyer as proof of eligibility for preferential duty treatment, and agrees to provide full cooperation to Buyer for any U.S., Canadian or other foreign Customs inquiries into preferential duty claims that arise out of any physical Work furnished under the Order. Unless Buyer requests individual certificates for each shipment, Seller may provide annual blanket Certificates to cover multiple shipments during the calendar year.

#### **Clause 33 – ENTIRE AGREEMENT/SEVERABILITY/SURVIVAL**

- (A) The Order, including attachments hereto, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations and understandings, whether oral or written. However, nothing herein will be construed as a limitation or exclusion of any right or remedy available to Buyer by law. Buyer and Seller agree that the U.N. Convention on Contracts for the International Sale of Goods will not apply to any purchase and sale of the Work governed by these Terms and Conditions.
- (B) If any provision of the Order is invalid or is prohibited by applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions, terms or conditions or of such Order.
- (C) The provisions of the Order which by their nature are intended to survive the termination, cancellation, completion or expiration of the Order, including any indemnities, warranties and expressed limitations of or releases from liability, shall continue as valid and enforceable obligations of the parties notwithstanding any such termination, cancellation, completion or expiration.

#### **Clause 34 – INDEPENDENT CONTRACTOR**

Seller is an independent contractor in all its operations and activities under the Order and all personnel furnished by Seller or used by Seller in the performance of the Order will be Seller's employees exclusively without any relation whatsoever to Buyer. Seller is responsible for all obligations and reporting requirements covering social security, unemployment insurance, worker's compensation, income tax, and any other reports, payments or deductions required by local, state, or



A Textron Company

## **Bell Standard Services Terms and Conditions**

federal law or regulation. Seller is not granted, expressly or impliedly, any right or authority to create any obligation or liability on behalf of or in the name of Buyer.

### **Clause 35 – INFORMATION ON POLITICAL CONTRIBUTIONS AND FEES OR COMMISSIONS IN CONNECTION WITH THE SALE OF DEFENSE SERVICES**

Seller agrees to report any payment, offer or agreement to pay "political contributions" or "fees or commissions" (as those terms are defined at 22 C.F.R. § 130) in excess of USD \$1,000.00 made in connection to any purchases by the Buyer of "defense articles or services" (as those terms are defined in paragraphs (3), (4), and (7) of Section 47 of the Arms Export Control Act (22 U.S.C. 2794). Such reports should be sent to Buyer's Global Trade Compliance Department at [GTCMaterialMaster@bellflight.com](mailto:GTCMaterialMaster@bellflight.com) and reference the Order number.

### **Clause 36 – BUYER INFORMATION**

Seller agrees to comply with the terms of any Proprietary Information Exchange Agreement(s) (PIEA) with Buyer and to comply with all proprietary information markings and restrictive legends on information provided hereunder by Buyer to Seller. Seller agrees not to use any Buyer-provided information for any purpose except to perform the Order and agrees not to disclose such information to third parties without the prior written consent of the Buyer.

### **Clause 37 – RESCISSION, ADJUSTMENT, AND TERMINATION FOR ILLEGAL OR IMPROPER ACTIVITY**

For Orders in fulfillment of a U.S. Government contract:

- (A) If the Government pursues action under FAR 52.203-8, "Cancellation, Rescission and Recovery of Funds for Illegal or Improper Activity" and cancels the solicitation or rescinds the Prime Contract to which the Order relates, and such action results from Seller's violation of the Procurement Integrity Act, 41 U.S.C. 423, Buyer may 1) rescind the Order; 2) recover from Seller all amounts paid by Buyer to Seller related to the Order; 3) recover from Seller any amounts including any penalty prescribed by law, which Buyer is required to pay; and 4) recover from Seller any other costs, expenses, and/or liabilities incurred by Buyer in connection with Seller's violation of the Procurement Integrity Act.
- (B) Seller agrees to pay Buyer the amount that Buyer's price or fee is reduced pursuant to FAR clause 52.203-10, "Price or Fee Adjustment for Illegal or Improper Activity" to extent such reduction results from Seller's violation of the Procurement Integrity Act and as such act is implemented in the FAR. In the event the Government terminates for default any Buyer prime contracts under which the Order is issued, as a result of Seller's violation of the Procurement Integrity Act, Buyer shall have the right to terminate the Order in whole or part.
- (C) Buyer's rights and remedies under this clause are in addition to any other rights and remedies provided by law, regulation, or under the Order.

### **Clause 38 – FEDERAL ACQUISITION REGULATION (FAR)**

- (A) If the Order is placed in support of a U.S. Government Prime Contract the FAR and DFARS clauses applicable to such Prime Contract are incorporated by reference and made a part of these Terms and Conditions.
- (B) If, and when, Buyer determines the Work to be a Commercial Service, then those incorporated FAR/DFARS clauses applicable to Commercial Services will apply to all Orders for that particular Work. Unless specified otherwise, Buyer agrees that Work provided to BTCL are Commercial Services.
- (C) The dates of these clauses are the dates in effect in the U.S. Government Prime Contract issued to Buyer. Unless specified otherwise, the term "Contractor" will mean "Seller," the term "Contract" will mean "Order," and the term "subcontractor" will mean Seller's subcontractors. "Government", "Contracting Officer", or "United States" shall mean Buyer. The terms "Government", "Contracting Officer", or "United States" do not change to reference the Buyer when a right, act, authorization, or obligation can be granted or performed only by the United States Government or a Contracting Officer or his/her duly-authorized representative. Seller agrees to negotiate with Buyer to incorporate additional provisions beyond those identified in the Flow-Downs or to change provisions as Buyer reasonably deems necessary to comply with the applicable Prime Contract, or with amendments or modifications to the applicable Prime Contract. Seller shall accept mandatory flow-down clauses in Buyer's Prime Contract or modifications thereto at no additional cost to Buyer.



A Textron Company

## Bell Standard Services Terms and Conditions

### Clause 39 – IT DATA SECURITY

- (A) Seller shall notify Buyer upon any actual, potential or suspected breach of security of Buyer's data. A "breach of security" shall mean the acquisition of, or access to, computerized data by an unauthorized person that compromises the security, confidentiality, or integrity of such data. The notification of a breach of security of data shall be sent to Bell IT Security at [scmcyberrisk@bellflight.com](mailto:scmcyberrisk@bellflight.com) within 72 hours after other mandatory notifications obligations are met. Buyer may conduct an audit in the event of a breach of security of Seller data.
- (B) When DFARS clause 252.204-7012 "Safeguarding Covered Defense Information and Cyber Incident Reporting" is applicable, Seller shall report cyber incidents to the Department of Defense (DoD) at <https://dibnet.dod.mil> within 72 hours of discovery, and Seller shall provide the incident report number to Buyer promptly. Seller shall maintain a System Security Plan(s) (SSPs). Buyer reserves the right to request confirmation of the existence of Seller's SSP.
- (C) Seller will indemnify, hold harmless and defend Buyer against, and compensate Buyer for, any and all liabilities, damages, losses, costs, expenses, claims, demands, suits, fines or judgments (including reasonable attorneys' fees and costs and expenses incidental thereto) resulting from or arising out of the failure by Seller or its third-party service providers to safeguard Buyer data. Seller shall be liable for all costs and expenses of incident remediation.