

Real Time Logic, Inc.

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SECTION I: GENERAL PROVISIONS

1. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS

- (a) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the Parties.
- (b) SELLER's acknowledgement, acceptance of payment, or commencement of performance, shall constitute SELLER's unqualified acceptance of this Contract.
- (c) **Additional or differing terms or conditions proposed by SELLER or included in SELLER's acknowledgement hereof are hereby objected to by RT LOGIC and have no effect unless accepted in writing by RT LOGIC.**

2. APPLICABLE LAWS

- (a) This Contract shall be governed by the laws of the State of Colorado, except that any provision in this Contract that is (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR) or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to federal common law of government contracts as enunciated and applied by federal judicial bodies, Boards of Contracts Appeals, and quasi-judicial agencies of the federal Government.

- (b) (1) SELLER agrees to comply with all applicable laws, orders, rules regulations, and ordinances.
- (2) If: (i) RT LOGIC's contract price or fee is reduced; (ii) RT LOGIC's costs are determined to be unallowable; (iii) any fines, penalties or interest are assessed on RT LOGIC; or (iv) RT LOGIC incurs any other costs or damages; as a result of any violation of applicable laws, orders, rules, regulations, or ordinances by SELLER, its officers, employees, agents, suppliers, or subcontractors at any tier, RT LOGIC may proceed as provided for in (3) below.

Where submission of cost or pricing data is required or requested at any time prior to or during performance of this Contract, if SELLER or its lower-tier subcontractors: (i) submit and/or certify cost or pricing data that are defective; (ii) with notice of applicable cutoff dates and upon RT LOGIC's request to provide cost of pricing data, submit cost or pricing data, whether certified or not certified at the time of submission, as a prospective subcontractor, and any such data are defective as of the applicable cutoff date on RT LOGIC's Certificate of Current Cost or Pricing Data; (iii) claim an exception to a requirement to submit cost or pricing data and such exception is invalid; (iv) furnish data of any description that is inaccurate; or (v) the U.S. Government alleges any of the foregoing; and, as a result, (1) RT LOGIC's contract price or fee is reduced; (2) RT LOGIC's costs are determined to be unallowable; (3) any fines, penalties, or interest are assessed on RT LOGIC; or (4) RT LOGIC incurs any other costs or damages; RT LOGIC may proceed as provided in (4) below.

- (3) Upon the occurrence of any if the circumstances identified in (2) above, RT LOGIC may make a reduction of corresponding amounts (in whole or in part) in the price, or in the costs and fees, of this Contract or any other contract with SELLER, or may demand payment (in whole or in part) of the corresponding amounts. SELLER shall promptly pay amounts so demanded.

- (4) These rights and obligations shall survive the termination or completion of this Contract.

- (c) SELLER represents that each chemical substance constituting or contained in Work sold or otherwise transferred to RT LOGIC hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C Sec. 2601 et seq.) as amended.

- (d) SELLER shall provide to RT LOGIC with each delivery any Material Safety Data Sheet applicable to the Work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its state approved counterpart.

3. ASSIGNMENT

Any assignment of SELLER's contract rights or delegation of duties shall be void, unless prior written consent is given by RT LOGIC. However, SELLER may assign rights to be paid amounts due, or to become due, to a financing institution if RT LOGIC is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned to an assignee shall be subject to setoffs or recoupment for any present or future claims of RT LOGIC against SELLER. RT LOGIC shall have the right to make settlements and/or adjustments in price with SELLER without notice to the assignee.

4. COMMUNICATION WITH RT LOGIC CUSTOMER

- (a) RT LOGIC shall be solely responsible for all liaison and coordination with the RT LOGIC customer, including the U.S. Government, as it affects the applicable Prime Contract, this Contract, and any related contract.
- (b) Unless otherwise directed in writing by the authorized RT LOGIC Procurement Representative, all documents requiring submittal to, or action by, the Government or the Contracting Officer shall be routed to,

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or through, the RT LOGIC Procurement Representative, or as otherwise permitted by this Contract.

5. CONTRACT DIRECTION

- (a) Only the RT LOGIC Procurement Representative has authority to make changes in or amendments to this Contract. Such changes or amendments must be in writing.
- (b) RT LOGIC engineering and technical personnel may from time to time render assistance or give technical advice or discuss or effect an exchange of information with SELLER's personnel concerning the Work hereunder. Such actions shall not be deemed to be a change under the "Changes" clause of this Contract and shall not be the basis for equitable adjustment.
- (c) Except as otherwise provided herein, all notices to be furnished by the SELLER shall be sent to the RT LOGIC Procurement Representative.

6. DEFINITIONS

The following terms shall have the meanings set forth below:

- (a) "Contract" means the instrument of contracting, such as "PO", "Purchase Order", or other such type designation, including all referenced documents, exhibits and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a purchase order or other such document) the term "Contract" shall mean the release document for the Work to be performed.
- (b) "FAR" means the Federal Acquisition Regulation, issued as Chapter 1 of Title 48, Code of Federal Regulations.
- (c) "RT LOGIC", means REAL TIME LOGIC CORPORATION, as identified on the face of the Contract.
- (d) "RT LOGIC Procurement Representative" means the person authorized by RT LOGIC's cognizant procurement organization to administer this Contract.
- (e) "PO" or "Purchase Order" as used in any document constituting a part of this Contract shall mean this "Contract."
- (f) "SELLER" means the party identified on the fact of the Contract with whom RT LOGIC is contracting.
- (g) "Work" means all required articles, materials, supplies, goods and services constituting the subject matter of this contract.

7. DISPUTES

All disputes under this Contract which are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, SELLER shall diligently proceed with the performance of this contract as directed by RT LOGIC.

8. EXPORT CONTROL

Export of technical data from the United States or disclosure to any foreign person may require some form of Export License from the United States Government. Failure to obtain necessary Export Licenses may result in criminal liability.

- (a) SELLER agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C.2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations 15 C.F.R. 730-774; including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, SELLER

agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contracts to SELLER or SELLER's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception.

- (b) SELLER agrees to notify RT LOGIC if any deliverable under this Contract is restricted by export control laws or regulations.
- (c) SELLER shall immediately notify the RT LOGIC Procurement Representative if SELLER, is, or becomes, listed in any Denied Parties List or if SELLER's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.
- (d) IF SELLER is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, SELLER represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.
- (e) Where SELLER is a signatory under a RT LOGIC export license or export agreement (e.g., TAA, MLS), SELLER shall provide prompt notification to the RT LOGIC Procurement Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the ITAR, and the initiation or existence of a U.S. Government investigation, that could affect the SELLER's performance under this Contract.
- (f) SELLER shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, 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.

9. EXTRAS

Work shall not be supplied in excess of quantities specified in the Contract. SELLER shall be liable for handling charges and return shipment costs for any excess quantities.

10. FURNISHED PROPERTY

- (a) RT LOGIC may provide to SELLER property owned by either RT LOGIC or its customer (Furnished Property). Furnished Property shall be used only for the performance of this Contract.
- (b) Title to Furnished Property shall remain in RT LOGIC or its customer. SELLER shall clearly mark (if not so marked) all Furnished Property to show its ownership.
- (c) Except for reasonable wear and tear, SELLER shall be responsible for, and shall promptly notify RT LOGIC of, any loss or damage. Without additional charge, SELLER shall manage, maintain, and preserve Furnished Property in accordance with good commercial practice.
- (d) At RT Logic's request, and/or upon completion of this Contract the SELLER shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by RT LOGIC.
- (e) With respect to Government-furnished property, or property to which the Government may take title under this Contract:
 - (1) If this is a fixed price contract the clause at FAR 52.245-2 shall apply. Said clause is incorporated by reference, except as used therein "Government" means "RT LOGIC" except in the phrases "Government Furnished Property" and "Government Property" and in references to Government title to property. "Contracting Officer" means "RT LOGIC".
 - (2) If this is a cost-reimbursement contract, the clause at FAR 52.245-5 shall apply and is incorporated by reference, in addition to the modifications under 1 above, Paragraph (g)(1), (g)(2) and (g)(3) of

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FAR 52.245-5 are deleted and replaced with the following: "Seller assumes the risk of, and shall be responsible for, any loss or destruction, or damage to, Government property upon its delivery to Buyer or upon passage of title to the Government under paragraph (c) if this clause. However, Seller shall not be liable for reasonable wear and tear to Government property or for government property properly consumed in the performance of this contract.

11. GRATUITIES/KICKBACKS

- (a) No gratuities (in the form of entertainment, gift or otherwise) or kickbacks shall be offered or given by SELLER, to any employee of RT LOGIC with a view toward securing favorable treatment as a supplier.
- (b) **By accepting the Contract, SELLER certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (41 USC 51-58), both of which are incorporated herein by this specific reference, except that paragraph (c)(1) of FAR 52.203-7 shall not apply.**

12. INDEPENDENT CONTRACTOR RELATIONSHIP

- (a) SELLER, is an independent contractor in all its operations and activities hereunder. The employees used by SELLER to perform Work under this Contract shall be SELLER'S employee exclusively without any relation whatsoever to RT LOGIC.
- (b) SELLER shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses including attorneys' fees, all expenses 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 Contract.

13. INFORMATION OF REAL TIME LOGIC

Information provided by RT LOGIC to SELLER remains the property of RT LOGIC. SELLER agrees to comply with the terms of any proprietary information agreement with RT LOGIC and to comply with all proprietary information and markings and restrictive legends applied by RT LOGIC to anything provided hereunder to SELLER. **SELLER agrees not to use any RT LOGIC provided information for any purpose except to perform this Contract and agrees not to disclose such information to third parties without the prior written consent of RT LOGIC.**

14. INFORMATION TO SELLER

SELLER shall not provide any proprietary information to RT LOGIC without prior execution by RT LOGIC of a proprietary information agreement.

15. INSURANCE/ENTRY ON REAL TIME LOGIC'S PROPERTY

- (a) In the event that SELLER, its' employees, agents, or subcontractors enter RT LOGIC's or its' customer's premises for any reason in connection with this Contract, SELLER, its subcontractors and lower-tier subcontractors, shall procure and maintain worker's compensation, comprehensive general liability, bodily injury and property damage insurance in reasonable amounts, and such other insurance as RT LOGIC may require and shall comply with all site requirements. SELLER shall indemnify and hold harmless RT LOGIC, its officers, employees, and agents from any losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees all expenses of litigation and/or settlement, and court costs by reason of property damage or personal injury to any person caused in whole or in part by the actions or omissions of SELLER, its officers, employee, agents, suppliers, or subcontracts at any tier. SELLER shall provide to RT LOGIC thirty days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of SELLER required insurance. If requested, SELLER shall send a "Certificate of Insurance" showing SELLER's compliance with these requirements. SELLER shall name RT LOGIC as an additional insured for the duration of this Contract. Insurance maintained pursuant to this

clause shall be considered primary as respects the interest of RT LOGIC and is not contributory with any insurance which RT LOGIC may carry.

- (b) SELLER shall indemnify and hold harmless RT LOGIC, its officers, employees, and agents from any losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expenses of litigation and/or settlement, and court costs, by reason of property damage or loss or personal injury to any person caused in whole or in part by the actions or omissions of SELLER, its officers, employees, agents, suppliers, or subcontractors.

16. INTELLECTUAL PROPERTY INFRINGEMENT

- (a) SELLER warrants that the Work performed and delivered under this Contract 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 RT LOGIC 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 Work performed or delivered under this Contract infringes or otherwise violates the intellectual property rights of any person or entity.
- (b) SELLER's obligation to defend, indemnify, and hold harmless RT LOGIC and its customers under Paragraph (a) above shall not apply to the extent FAR22.227-1 "Authorization and Consent" applies to RT LOGIC's Prime Contract for infringement of a U.S. patent and RT LOGIC and its customers are not subject to any actions for claims, damages, losses, costs, and expenses, including reasonable attorneys' fees by a third party.
- (c) In addition to the Government's rights in data and inventions SELLER agrees that RT LOGIC in the performance of its Prime Contract obligation, shall have an unlimited, irrevocable, paid-up, royalty-free right to make, have made, sell, offer for sale, use, execute, reproduce, display, perform, distribute (internally or externally) copies of, and prepare derivative, and authorize others to do any, some or all of the foregoing, any and all, inventions, discoveries, improvements, maskworks and patents as well as any and all data, copyrights, reports, and works of authorship, conceived, developed, generated or delivered in performance of this Contract.
- (d) All reports, memoranda or other materials in written form, including machine readable form, prepared by SELLER pursuant to the Contract and furnished to RT LOGIC by SELLER hereunder shall become the sole property of RT LOGIC.

17. NEW MATERIAL

The Work to be delivered hereunder shall consist of new materials, as defined in FAR 52.211-5 (not used, or reconditioned, remanufactured, or of such age as to impair its usefulness or safety.)

18. OFFSET CREDIT/COOPERATION

All offset or countertrade credit value resulting from this Contract shall accrue solely to the benefit of RT LOGIC. SELLER agrees to cooperate with RT LOGIC in the fulfillment of any foreign offset/countertrade obligations.

19. PACKING AND SHIPMENT

- (a) Unless otherwise specified, all Work is to be packed in accordance with good commercial practice.
- (b) A complete packing list shall be enclosed with all shipments. SELLER shall mark containers or packages with necessary lifting, loading, and shipping information, including the RT LOGIC contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this contract number.
- (c) Unless otherwise specified, delivery shall be FOB Destination.

20. PARTS OBSOLESCENCE

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- (a) RT LOGIC may desire to place additional orders from items purchased hereunder. SELLER shall provide RT LOGIC with a "Last Time Buy Notice" at least twelve (12) months prior to any action to discontinue any item purchased under this contract.

21. PAYMENT, TAXES, AND DUTIES

- (a) Unless otherwise provided, terms of payment shall be net 30 days from the latest of the following: (i) RT LOGIC's receipt of the SELLER's proper invoice; (ii) Scheduled delivery date of the Work; or (iii) Actual delivery of the Work. RT LOGIC shall have a right of setoff against payments due or at issue under this Contract or any other Contract between the parties.
- (b) Payment shall be deemed to have been made as of the date of mailing RT LOGIC's payment or electronic funds transfer.
- (c) Unless otherwise specified, prices include all applicable federal state and local taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice.
- (d) All taxes, assessments and similar charges levied with respect to or upon any such products or Work owned by RT LOGIC while in SELLER's possession or control, and for which no exemption is available, shall be borne by SELLER.

22. PRECEDENCE

For any inconsistencies in the Contract shall be resolved in accordance with the following descending order of precedence: (1) Face of the Purchase Order, Release document or Schedule, (which shall include continuation sheets), as applicable, including any Special Provisions; (2) these General Provisions; (3) Statement of Work.

23. PRIORITY RATING

- (a) If so identified, this contract is a "rated order" certified for national defense use, and the SELLER shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700).

24. QUALITY CONTROL SYSTEM

Unless this Contract contains other specific quality requirements,

- (a) SELLER shall provide and maintain a quality control system to an industry recognized Quality Standard for the Work covered by this Contract.
- (b) Records of all quality control inspection work by SELLER shall be kept complete and available to RT LOGIC and its customer during the performance of this Contract and for such longer periods as may be specified.

25. RELEASE OF INFORMATION

Except as required by law, no public release if any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, will be made by SELLER without the prior written approval of RT LOGIC.

26. TIMELY PERFORMANCE

- (a) SELLER's timely performance is a critical element of this contract.
- (b) Unless advance shipment has been authorized in writing by RT LOGIC, RT LOGIC may store at SELLER's expense, or return, shipping charges collect, all Work received in advance of the scheduled delivery date.
- (c) If SELLER becomes aware of difficulty in performing the Work, SELLER shall timely notify RT LOGIC, in writing, giving pertinent details. This notification shall not change any delivery schedule.
- (d) In the event of a termination for convenience or change, no claim will be allowed for any manufacture or procurement in advance of

SELLER's normal flow time unless there has been prior written consent by RT LOGIC.

27. WAIVER, APPROVAL, AND REMEDIES

- (a) Failure by RT LOGIC to enforce any provision(s) of this Contract shall not be construed as a waiver of the requirement(s) of such provision(s), or as a waiver of the right of RT LOGIC thereafter to enforce each and every such provision(s).
- (b) RT LOGIC's approval of documents shall not relieve SELLER from complying with any requirements of this contract.
- (c) The rights and remedies of RT LOGIC in this Contract are in addition to any other rights and remedies provided by law or in equity.

28. WARRANTY

SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to applicable specifications, drawings, samples, and descriptions, and other requirements of this Contract and be free from defects in design, material, and workmanship. The warranty shall be upon final acceptance and extend for a period of (i) the manufacturer warranty period or six months, whichever is longer, if SELLER is not the manufacturer and has not modified the Work or, (ii) one year or the manufacturer's warranty period, whichever is longer, if the SELLER is the manufacturer of the Work or has modified it. If any non-conformity with Work appears within that time, SELLER shall promptly repair, replace, or re-perform the Work. Transportation of replacement Work and return of non-conforming Work and repeat performance of Work shall be at SELLER's expense. If repair or replacement or re-performance work is not timely, RT LOGIC may elect to return the non-conforming Work or repair or replace Work or re-procure the Work at SELLER's expense. All warranties shall run to RT LOGIC and its customer(s). *Any implied warranty of merchantability and fitness for a particular purpose is hereby disclaimed.*

29. ELECTRONIC CONTRACTING

The parties agree that if this Contract is transmitted electronically neither party shall contest the validity of this Contract, or any acknowledgement thereof, on the basis that this Contract or Acknowledgement contains electronic signature.

30. SEVERABILITY

Each paragraph and provision of the Contract is severable, and if one or more paragraphs or provisions are declared invalid, the remaining paragraphs or provisions of this Contract will remain in full force and effect.

31. SUVIVABILITY

- (a) If this Contract expires, is completed or is terminated, SELLER shall not be relieved of those obligations in the following provisions:

Applicable Laws
Electronic Contracting
Export Control
Independent Contractor Relationship
Information of RT LOGIC
Insurance/Entry or RT LOGIC Property
Intellectual Property
Release of Information
Warranty

- (b) Those U.S. Government flowdown provisions that by their nature should survive.

SECTION II: FAR FLOWDOWN PROVISIONS

A. INCORPORATION OF FAR CLAUSES

The Federal Acquisition Regulation (FAR) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, during the performance of this Contract. If the date of substance of any of the clauses listed below is different than the date of substance of the clause actually incorporated in the Prime Contract reference by number herein,

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the date or substance of the clause incorporated by said Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Dispute Act shall have not application to this Contract. Any reference to a "Disputes" clause shall mean the "Disputes" of this Contract.

B. GOVERNMENT SUBCONTRACT

This Contract is entered into by the Parties in support of a US Government Contract.

As used in the FAR clauses referenced below and otherwise in this Contract:

1. "Commercial Item" means a commercial item as defined in FAR 2.101.
2. "CONTRACTOR" AND "OFFER" means the SELLER, as defined in this document, acting as the immediate (first-tier) subcontractor to RT LOGIC.
3. "Prime Contract" means the contract between RT LOGIC and the US Government or between RT LOGIC and its higher-tier contractor who has a contract with the US Government.
4. "Contract" means this contract.
5. "Subcontract" means any contract placed by the CONTRACTOR or lower-tier subcontractors under this contract.
6. "Contracting Officer" shall mean the U.S. Government Contracting Officer under which this Contract is entered.

C. NOTES:

1. Substitute "RT LOGIC" for Government or "United States" as applicable throughout this clause.
2. Substitute "RT LOGIC Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.
3. Insert "and RT LOGIC" after "Contracting Officer", as appropriate, throughout this clause.
4. Insert "or RT LOGIC" after "Government" throughout this clause.
5. Communication/notification require under this clause from/to the CONTRACTOR to/from the Contracting Officer shall be through RT LOGIC.
6. Communication/notification required under this clause from/to the Contractor to/from the Contracting Officer shall be through RT LOGIC.

D. AMENDMENTS REQUIRED BY PRIME CONTRACT

CONTRACTOR agrees that upon the request of RT LOGIC it will negotiate in good faith with RT LOGIC relative to amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as RT LOGIC may reasonably deem necessary in order to comply with the provisions of the applicable prime contract or with the provisions of amendments to such prime contract. If any such amendment to this Contract causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work under this Contract, an equitable adjustment shall be made pursuant to the "Changes" Clause of this Contract.

E. PRESERVATION OF THE GOVERNMENT'S RIGHTS

If RT LOGIC furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) to which the U.S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that RT LOGIC, acting on its own behalf, may modify or limit any rights the Government may have to authorize the Contractor's use of such Furnished Items in support of other U.S. Government prime contracts.

F. FAR FLOWDOWN CLAUSES

REFERENCE TITLE

1. The following FAR clauses apply to this Contract:

- (a) 52.211-5 MATERIAL REQUIREMENTS (AUG 2000) (Note 2 applies)
- (b) 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997) (Note 2 applies)
- (c) 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 1997) (Note 2 applies)
- (d) 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2004)
- (e) 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)
- (f) 52.222-26 EQUAL OPPORTUNITY (APR 2002) (Only subparagraphs (b)(1)-(11) applies.)
- (g) 52.223-11 OZONE-DEPLETING SUBSTANCES (MAY 2001) (Applicable if the Work was manufactured with or contains ozone-depleting substances.)
- (h) 52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (MAR 2005)
- (i) 52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (DEC 1994) (Notes 1 and 2 apply.)
- (j) 52.242-13 BANKRUPTCY (JUL 1995) (Notes 1 and 2 apply.)
- (k) 52.242-15 STOP-WORK ORDER (AUG 1989) (Notes 1 and 2 apply.)
- (l) 52.243-1 CHANGES-FIXED PRICE (AUG 1987) (Notes 1 and 2 apply.)
- (m) 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2004)
- (n) 52.246-2 INSPECTION OF SUPPLIES – FIXED PRICE (AUG 1996) (Note 2 applies. Note 3 applies, except in paragraph (b) the second tie "government" appears; (f), (h), (j) and (l) where Note (1) applies.)
- (o) 52.246-4 INSPECTION OF SERVICES – FIXED PRICE (AUG 1996) (Note 3 applies, except in paragraphs (e) and (f) where Note 1 applies.)
- (p) 52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S. FLAG COMMERCIAL VESSELS (APR 2003)
- (q) 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (MAY 2004) (Applicable only for fixed price contracts. See note 1 and 2 "Government" and "Contracting Officer" mean "RT LOGIC" except in paragraph (n) where "Government" means RT LOGIC and the "Government" and "Contracting Officer" means "RT LOGIC" or the "Contracting Officer." In paragraph (c) "120 days" is changed to "60 days." In paragraph (d) "15 days" is changed to "30 days," and "45 days" is changed to "60 days." In paragraph (e) "1 year" is changed to "6 months." Paragraph (j) is deleted. In paragraph (l) "90 days" is changed to "45 days." Settlements and payments under this clause may be subject to the approval of the Contracting Officer.)
- (r) 52.249-8 DEFAULT (FIXED PRICE SUPPLY AND SERVICE) (APR 1984) (Notes 1 and 2 apply, except

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Note 1 is not applicable to paragraph ©. Note 4 applies to the second and third time "Government" appears in paragraph (d). Timely performance is a material element of this Contract.)

2. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$10,000:

(a) 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUNE 1998)

3. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$25,000:

(a) 52.222-35 AFFIRMATIVE ACTION FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (DEC 2001)

(b) 52.222-37 EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (DEC 2001)

4. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$100,000:

(a) 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)

(b) 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEP 2005)

(c) 52.215-2 AUDIT AND RECORDS-NEGOTIATION (JUN 1999) (Applicable if: (1) Contractor is required to furnish cost or pricing data, or (2) the Contract requires Contractor to furnish cost, funding, or performance reports. Note 3 applies.)

(d) 52.215-14 INTEGRITY OF UNIT PRICES (Oct 1997) (Delete paragraph (b) of the clause.)

(e) 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT – OVERTIME COMPENSATION (JUL 2000)

(f) 52.223-14 TOXIC CHEMICAL RELEASE REPORTING (AUG 2003) (Note 2 applies. Delete paragraph (e).)

(g) 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996) (Notes 2 and 4 apply.)

(h) 52.248-1 VALUE ENGINEERING (FEB 2000) (Note 1 applies, except in subparagraphs (c)(5) and (m), where Note 3 applies and except in (b) (3) where Note 4 applies, and where "Government" precedes "cost" throughout. Note 2 applies.)

5. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$500,000:

(a) 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (JUL 2005) (Applicable if the CONTRACTOR is not a small business; Note 2 is applicable to paragraph (c) only; the CONTRACTOR's subcontracting plan is incorporated herein by reference.)

6. The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$500,000:

(a) 52.215-12 SUBCONTRACT COST OR PRICING DATA (OCT 1997) (Applicable if not otherwise exempt under FAR 15.403.)

(b) 52.215-13 SUBCONTRACT COST OR PRICING DATA – MODIFICATIONS (OCT 1997) (Applicable for modifications if not otherwise exempt under FAR 15.403.)

7. The following FAR clauses apply as indicated:

(a) 52.204-2 SECURITY REQUIREMENTS (AUG 1996) (Applicable if the Work requires access to classified information.)

(b) 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS (OCT 1997) (Applicable if submission of cost or pricing data is required. Notes 2 and 4 apply except the first time "Contracting Officer" appears in paragraph (c)(1). Rights and obligations under this clause shall survive completion of the work and final payment under this Contract.)

(c) 52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS (OCT 1997) (Applicable if submission of cost or pricing data is required for modifications. Notes 2 and 4 apply except the first time "Contracting Officer" appears in paragraph (d)(1). Rights and obligations under this clause shall survive completion of the work and final payment under this Contract.)

(d) 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2004) (Applicable if this Contract meets the Applicability requirements of FAR 15-408(g); see note 5.)

(e) 52.215-16 FACILITIES CAPITAL COST OF MONEY (JUN 2003) (Applicable only if the Contract is subject to the Cost Principles at FAR Subpart 31.2 and the CONTRACTOR proposed facilities capital cost of money in its offer.)

(f) 52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997) (Applicable only if the Contract is subject to the cost of principles at FAR 31.2 for Contracts with commercial organizations, and the CONTRACTOR did not propose facilities capital cost of money in its offer.)

(g) 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (OCT 1997) (Applicable if this Contract meets the applicability requirements of FAR 15.408(j); see note 5.)

(h) 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997) (Applicable if this Contract meets the applicability requirements of FAR 15.408(k); see note 5.)

(i) 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (Applicable if this Contract involves hazardous material. Notes 2 and 3 apply, except for paragraph (f) where Note 4 applies.)

(j) 52.223-7 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997) (Applicable to Work containing covered radioactive material. In the blank insert "30"; see notes 1 and 2.)

(k) 52.223-11 OZONE-DEPLETING SUBSTANCES (MAY 2001) (Applicable if the Work was manufactured with or contains ozone depleting substances.)

(l) 52.225-1 BUY AMERICAN ACT – SUPPLIES (JUN 2003) (Applicable if the Work contains other than domestic

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- components. Note 2 applies to the first time "Contracting Officer" is mentioned in paragraph (c).)
- (m) 52.225-5 TRADE AGREEMENTS (JAN 2005) (Applicable if the Work contains other than U.S. made, designated county, Caribbean or NAFTA country end products.)
 - (n) 52.225-8 DUTY FREE ENTRY (FEB 2000) (Applicable if supplies will be imported into the Customs Territory of the United States. Note 2 applies.)
 - (o) 52.227-1 AUTHORIZATION AND CONSENT (JUL 1995) (Applicable only if the Prime Contract contains this clause.)
 - (p) 52.227-9 REFUND OF ROYALTIES (APR 1984) (Applicable when reported royalty exceeds \$250; Note 1 applies except for the first two times "Government" appears in paragraph (d). Note 2 applies.)
 - (q) 52.227-10 FILING OF PATENT APPLICATIONS – CLASSIFIED SUBJECT MATTER (APR 1984) (Applicable if the Work or any patent application may contain classified subject matter.)
 - (r) 52-227-11 PATENT RIGHTS – RETENTION BY THE CONTRACTOR (SHORT FORM) (JUN 1997) (Applicable if this Contract includes, at any tier, experimental, developmental, or research Work and CONTRACTOR is a small business concern or a domestic nonprofit organization. Reports required by this clause shall be filed with the agency identified in this Contract. If no agency is identified, contact the RT LOGIC Procurement Representative identified on the face of this Contract.)
 - (s) 52-227-12 PATENT RIGHTS – RETENTION BY THE CONTRACTOR (LONG FORM) (JAN 1997) (Applicable if this Contract includes, at any tier, experimental, developmental, or research Work and CONTRACTOR is a large business concern. Reports required by this clause shall be filed with the agency identified in this Contract. If no agency is identified, contact the RT LOGIC Procurement Representative identified on the face of this Contract.)
 - (t) 52-228-5 INSURANCE – WORK ON A GOVERNMENT INSTALLATION (JAN 1997) (Applicable if this Contract involves Work on a Government installation. Note 2 applies. Note 4 applies to paragraph (b). Unless otherwise specified by this Contract, the minimum kinds and amount of insurance shall be as described in FAR 28.307-2.)
 - (u) 52.230-2 COST ACCOUNTING STANDARDS (APR 1998) (When referenced in the Contract, full CAS Coverage applies. "United States" means "United States or RT LOGIC". Delete paragraph (b) of the clause.)
 - (v) 52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (APR 1998) (When referenced in the Contract, modified CAS Coverage applies. "United States" means "United States or RT LOGIC". Delete paragraph (b) of the clause.)
 - (w) 52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (APR 2005) (Applicable if FAR 52.230-2 or FAR 52.230-3 applies.)
 - (x) 52.233-3 PROTEST AFTER AWARD (AUG 1996) (In the event RT LOGIC's customer has directed RT LOGIC to stop performance of the work under the prime contract under which this Contract is issued pursuant to Far 33.1, RT LOGIC may, by written order to SELLER, direct SELLER to stop performance to the work called for by this Contract; "30 days" means "20 days" in paragraph (b)(2); Note 1 applies except the first time it appears in paragraph (f); in paragraph (f) add after "33.104(h)(1)" "and recovers those costs from RT LOGIC".)
 - (y) 52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984) (Applicable if work performed on Government installation. Note 2 applies. Note 4 applies to the second time "Government" appears in this clause.)
 - (z) 52.243-6 CHANGE ORDER ACCOUNTING (APR 1984) (Applicable only if Prime Contract requires Change Order Accounting. See note 2.)
 - (aa) 52.245-2 GOVERNMENT PROPERTY (FIXED PRICE CONTRACTS) (MAY 2004) (Applicable if Government property is furnished in the performance of this Contract. Except for paragraph (i) and (j), Note 1 applies except in the phrases "Government property," "Government-furnished property," and in references to title to property. Note 2 applies. The following is added as paragraph (m) "Seller shall provide to RT LOGIC immediate notice of any disapproval, withdrawal of approval, or non-acceptance by the Government of property control system." Disposition of property under paragraphs (i) and (j) shall be coordinated with RT LOGIC.
 - (bb) 52.245-17 SPECIAL TOOLING (MAY 2004) (Applicable if this Contract involves the use of Special Tooling. Note 2 applies, except paragraph (b). Note applies to paragraph (d)(1) and (d)(3) and (m) where "Government" appears the last time and in paragraph ((f)(1). In paragraph (j) change "180 days" to "240 days" and "90 days" to "150 days". In (j)(ii) remove "prime" before "Contractor" in the last sentence.)
 - (cc) 52-245-18 SPECIAL TEST EQUIPMENT (FEB 1993) (Applicable if this Contract involves the acquisition or fabrication of Special Test Equipment. Note 2 applies to paragraphs (b) and (d). Note 5 applies. In paragraphs (b) and (c), change "30 days" to "60 days".)
 - (dd) 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JUN 2003) (Applicable if this Contract involves international air transportation.)
- G. CERTIFICATIONS AND REPRESENTATIONS**
- (a.) This clause contains certifications and representations that are material representations of fact upon which RT LOGIC will rely in making awards to CONTRACTOR. By submitting its written offer, or providing oral offers/quotations at the request of RT LOGIC, or accepting any Contract, CONTRACTOR certifies to the representations and certifications as set forth below in this clause. These certifications shall apply whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation oral or written, request for proposal or solicitation (oral or written), issued by RT LOGIC. CONTRACTOR shall immediately notify RT LOGIC of any changes of status with regard to these certifications and representations.
 - (1) **FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions** (Applicable to solicitations and contracts exceeding \$100,000)
 - a) The definitions and prohibitions contains in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions are hereby incorporated by reference in paragraph (b) of this certification.

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- b) Contractor certifies that to the best to its knowledge and belief that on and after December 23, 1989—
- 1) No 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 on his or her behalf 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;
 - 2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to a person for influencing 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 on his or her behalf in connection with the solicitation or order, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, in accordance with its instructions, and
 - 3) Contractor will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
- c) Submission of this certification and disclosure is a prerequisite for making or entering into a contract as imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000 for each such failure.
- (2) **FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters.**
- a) CONTRACTOR certifies that, to the best of its knowledge and belief, that CONTRACTOR and/or any of its Principals, (as defined in FAR 52.209-5,) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency.
 - b) CONTRACTOR shall provide immediate written notice to RT LOGIC if, any time prior to award of any contract, it learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (3) **FAR 52.222-22 Previous Contracts and Compliance Reports.** CONTRACTOR represents that if CONTRACTOR has participated in a previous contract or subcontract subject either to Equal Opportunity clause (FAR 52.2222-26) (i) CONTRACTOR has filed all required compliance reports and (ii) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtain before subcontract awards.
- (4) **FAR 52.222-25 Affirmative Action Compliance.** CONTRACTOR represents (1) that CONTRACTOR has developed and has on file at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (2) that in the event such a program does not presently exist, CONTRACTOR will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of this Contract.
- (5) **FAR 52.223-13 Certification of Toxic Chemical Release Reporting** (Applicable to competitive solicitation/PO's which exceed \$100,000)
- a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.
 - b) Seller certifies that—
 - 1) As the owner or operator of facilities that will be used in the performance of this PO that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), Seller will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) if EPCRA and section 6607 of PPA; or
 - 2) None of its owned or operated facilities to be used in the performance of this PO is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons:
 - (i) The facility does not manufacture, process or otherwise use any toxic chemicals listed under section 313(c) of EPCRA 42 U.S.C. 11023(c);
 - (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of the EPCRA 42 U.S.C. 11023(b)(1)(A);
 - (iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate threshold at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);
 - (iv) The facility does not fall within Standard Industrial Classification Code (SIC) codes or their corresponding North American Industry Classification System (NAICS):
 - a. Major group code 10 (except 1011, 1081 and 1094).
 - b. Major group code 12 (except 1241).
 - c. Major group codes 20 – 39.
 - d. Industry code 4911, 4931 or 4939 (limited to facilities that combust coal and/or oil for the purpose of generating power for distribution in commerce.)
 - e. Industry code 4953 (limited to facilities regulated under the Resource Conservation and Recovery Act, Subtitle C(42 U.S.C. 6921, et seq.), 5169 5171, or 7389 (limited to facilities primarily engaged in solvent recovery services on a contract or fee basis); or
 - (v) The facility is not located in the United States or its outlying areas.