

APPENDIX A (GOVERNMENT REQUIREMENTS & FLOWDOWN)

<p>1. INCORPORATION OF FAR AND DFAR CLAUSES 1.1. As used herein, Government contract clauses incorporated by reference are those in effect on the date of the latest Government prime contract under which this Contract is issued; however, if JCB does not enter into a Contract with its Customer until after the date of this Agreement, such clauses are those in effect on the date of this Contract and Supplier agrees to comply with any revised versions of the Government contract clauses cited that are set forth in JCB's Contract with its Customer. The applicable Government clauses are the FAR and DFARS clauses cited.</p> <p>2. COST OR PRICING DATA 2.1. If JCB was required to submit certified cost or pricing data, Supplier shall indemnify and hold harmless JCB to the full extent of any loss, damage or expense (excluding JCB's overhead and profit) resulting from Supplier's failure to provide JCB or the Government with accurate and complete cost or pricing data.</p> <p>3. COST ACCOUNTING STANDARDS 3.1. If the value of this Contract exceeds the Truthful Cost or Pricing Data ("TCPD"); formerly referenced as Truth in Negotiations Act ("TINA"), and unless the face of this Agreement indicates it is exempt from Cost Accounting Standards provisions, the following provisions apply: I. In accordance with the applicability criteria in the FAR Appendix, 48 CFR Chapter 99, Supplier shall comply with the provisions of FAR clause 52.230-2, "Cost Accounting Standards" (Oct 2008) (excluding subparagraph (b)), or FAR clause 52.230-3, "Disclosure and Consistency of Cost Accounting Practices" (Oct 2008) (excluding subparagraph (b) thereof); provided, however, that in lieu of submission of a Disclosure Statement to JCB as may be required by either of said clauses, Supplier may, as appropriate, submit a Certificate of Previously Submitted Disclosure Statement or a Certificate of Submittal of Disclosure Statement Containing Privileged Information as contained in JCB's form approved for that purpose. 3.2. Supplier shall comply with the provisions of FAR clause 52.230-6, "Administration of Cost Accounting Standards" (Jun 2010). 3.3. The Cost Accounting Standards applicable shall be those in effect on the date of this Contract or the date of final agreement on price as shown on SELLER's "Certification of Current Cost or Pricing Data" if applicable, whichever is earlier. 3.4. Supplier agrees to indemnify and hold JCB harmless from and against any loss, damage, liability or expenses caused by any failure of Supplier or Supplier's lower-tier subcontractors or suppliers to comply with any of the foregoing provisions.</p> <p>4. DISPUTES RELATED TO A GOVERNMENT CONTRACT 4.1. In addition to the provisions in Clause 26.6 (Disputes), if a dispute relates to a matter that would give JCB recourse against the federal Government under its contract, the following provisions apply: 4.1.1. Supplier will give JCB a fully supported written claim within five (5) years after the claim accrues, but no later than final payment under this Contract. Supplier will fully cooperate with JCB in prosecuting any such dispute and will be bound by the outcome unless JCB discontinues its prosecution of the dispute or does not afford Supplier an opportunity to continue to prosecute the dispute in JCB's name; and/or 4.1.2. For any claim that exceeds \$100,000, Supplier shall provide a certification in the form and signed by the appropriate official of the Supplier as set forth in the "Disputes" clause, FAR 52.233-1 (July 2002), as directed by JCB; and/or 4.1.3. Supplier shall indemnify and hold harmless JCB for any liability or reduction in JCB's claim or request for adjustment to its customer resulting from any false or fraudulent statement or certification submitted by Supplier in connection with this Agreement. 4.2. To the extent such provisions therein Clause 26 conflicts with this clause, this clause prevails.</p> <p>5. SUPPLIER BUSINESS PRACTICES AND RESPONSIBILITY 5.1. The provisions in FAR Parts 3 and 9 require persons doing business with the federal Government to comply with certain laws and regulations. Supplier agrees to indemnify and hold JCB harmless from and against any loss, damage, liability or expenses caused by any failure of Supplier or Supplier's lower-tier subcontractors or suppliers to comply with any of the requirements of those laws and regulations.</p> <p>6. AMENDMENTS REQUIRED BY PRIME CONTRACT 6.1. Supplier agrees that upon request of JCB it will negotiate in good faith with JCB relative to amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as JCB 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 cost of, or the time required for, performance of any part of the Goods under this Contract, an equitable adjustment shall be made pursuant to the "Modifications" clause (Clause 19) of this Contract. Supplier understands equitable adjustment is not guaranteed to Supplier or JCB by JCB's Customer.</p> <p>7. PRESERVATION OF THE GOVERNMENT'S RIGHTS 7.1. If JCB furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information ("Furnished Items") which the Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that JCB, acting on its own behalf, may modify or limit any rights the Government may have to authorize the Supplier's use of such Furnished Items in support of other U.S. Government prime contracts.</p> <p>8. INTELLECTUAL PROPERTY SPECIFIC TO CONTRACT W56HZV-17-D-0003 8.1. Notwithstanding provisions aforementioned in Clause 12 (Intellectual Property), Supplier further warrants that the Goods performed or delivered under this Agreement will not infringe or otherwise violate the intellectual property rights of any third party in the United States or any foreign country. Except to the extent that the U.S. Government assumes liability therefore, Supplier agrees to defend, indemnify, and hold harmless JCB and its customers from and against any claims, losses, costs, and expenses, including reasonable attorney fees, arising out of the action by a third party that is based upon a claim that the Goods performed or delivered under this Agreement infringes or otherwise violates the intellectual property rights of any person or entity. This indemnity and hold harmless shall not be considered an allowable cost under and provisions of this Agreement except with regards to allowable insurance costs. 8.2. Supplier's obligation to defend, indemnify, and hold harmless JCB and its customers under Clause 19.1 above shall not apply to the extent FAR 52.227-1 "Authorization and Consent" applies to JCB's prime contract for infringement of a U.S. patent and JCB and its customers are not subject to any actions for claims, damages, losses, costs, and expenses, including reasonable attorney's fees by a third party. 8.3. Supplier certifies the originality of all delivered Goods and states that no portion is protected by any copyright or similar right vested in any third party. Supplier further agrees; in context to the Customer's rights to data invention; that JCB in the performance of its prime contract obligations shall have the same rights as its Customer as defined in FAR 27. All reports, memoranda or other materials in written form, including machine readable form, prepared by Supplier pursuant to this Agreement and furnished to JCB by Supplier hereunder shall become the sole property of JCB. 8.4. The provisions of this Clause shall survive completion or termination of this Contract.</p> <p>9. PROVISIONS OF THE FEDERAL ACQUISITION REGULATIONS INCORPORATED BY REFERENCE 9.1. The following provisions are applicable to this Contract. In addition, Supplier shall include in all subcontracts and purchase orders that it issues, any clause that by its terms is required to be included in lower-tier subcontracts and purchase orders. Supplier shall indemnify and hold harmless JCB to the full extent of any loss, damage or expense resulting from Supplier's failure to include a required clause in its subcontracts and purchase orders. 9.2. The following FAR/DFAR clauses are applicable to this Contract:</p>	<p>52.227-1 Authorization and Consent (DEC 2007) 52.245-1 Government Property (APR 2012) 52.203-3 Gratuities (APR 1984) 52.204-4 Printed or Copied Double-Sided on Postconsumer Fiber Content Paper (MAY 2011) 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (OCT 2015) 52.209-4 First Article Approval-Government Testing (SEPT 1989) 52.211-8 Time of Delivery. (JUN 1997) 52.211-15 Defense Priority and Allocation Requirements (APR 2008) 52.212-4 Contract Terms and Conditions- Commercial Items (MAY 2015) 52.217-9 Option to Extend the Term of the Contract (MAR 2000) 52.219-4 Notice of Price Evaluation Preference for HUBZone Small Business Concerns (OCT 2014) 52.219-16 Liquidated Damages-Subcontracting Plan (JAN 1999) 52.222-1 Notice to the Government of labor Disputes (FEB 1997) 52.222-19 Child Labor-Cooperation with Authorities and Remedies (JAN 2014) 52.223-3 Hazardous Material Identification and Material Safety Data (JAN 1997) 52.223-11 Ozone-Depleting Substances (MAY 2001) 52.232-17 Interest (MAY 2014) 52.233-3 Protest After Award (AUG 1996) 52.245-9 Use and Charges (APR 2012) 52.247-1 Commercial Bill of Lading Notations (FEB 2006) 52.247-29 F. O. B. Origin (FEB 2006) 52.247-52 Clearance and Documentation Requirements-Shipments to DoD Air or Water Terminal Transshipment Points (FEB 2006) 52.247-58 Loading, Blocking, and Bracing of Freight Car Shipments (APR 1984) 52.247-60 Guaranteed Shipping Characteristics (DEC 1989) 52.247-65 F. O. B. Origin, Prepaid Freight-Small Package Shipments (JAN 1991) 52.249-2 Termination for Convenience of the Government (Fixed-Price) (MAY 2004) 52.252-2 Clauses Incorporated by Reference (FEB 1998) 252.204-7000 Disclosure of Information (AUG 2013) 252.204-7015 Disclosure of Information to Litigation Support Contractors (FEB 2014) 252.211-7003 Item Unique Identification and Valuation (DEC 2013) 252.223-7008 Prohibition of Hexavalent Chromium (MAY 2011) 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (JUN 2011) 252.225-7033 Waiver of United Kingdom Levies (APR 2003) 252.226-7001 Utilization of Indian Owned Organizations, Indian- Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (SEPT 2004) 252.227-7013 Rights in Technical Data--Noncommercial Items (FEB 2014) 252.244-7000 Subcontracts for Commercial Items (JUN 2013) 252.247-7023 Transportation of Supplies by Sea (APR 2014) 252.203-7000 Requirements Relating to Compensation of Former DoD Officials. (SEPT 2011) 252.209-7004 Subcontracting with Firms that are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism (OCT 2015) 252.211-7005 Substitutions for Military or Federal Specifications and Standards (NOV 2005) 252.211-7006 Passive Radio Frequency Identification (SEPT 2011) 252.211-7007 Reporting of Government-Furnished Property (AUG 2012) 252.211-7008 Use of Government-Assigned Serial Numbers (SEPT 2010) 252.223-7001 Hazard Warning Labels (DEC 1991) 252.225-7012 Preference for Certain Domestic Commodities (FEB 2013) 252.225-7015 Restriction on Acquisition of Domestic Hand or Measuring Tools (JUN 2005) 252.225-7021 Trade Agreements - Basic (OCT 2015) 252.246-7000 Material Inspection and Receiving Report (MAR 2008) 252.246-7001 Warranty of Data (MAR 2014) 252.247-7028 Application for U.S. Government Shipping Documentation/ Instructions (JUN 2012) 52.212-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders-Commercial Items (OCT 2015) 52.219-8 Utilization of Small Business Concerns (OCT 2014) 52.219-9 Small Business Subcontracting Plan (OCT 2015) 52.222-17 Nondisplacement of Qualified Workers (MAY 2014) 52.222-21 Prohibition of Segregated Facilities (APR 2015) 52.222-26 Equal Opportunity (APR 2015) 52.222-35 Equal Opportunity for Veterans (OCT 2015) 52.222-36 Affirmative Action for Workers with Disabilities (JUL 2014) 52.222-37 Employment Reports on Veterans (OCT 2015) 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) 52.222-51 Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration or Repair of Certain Equipment- Requirements (MAY 2014) 52.222-53 Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services - Requirements (MAY 2014) 52.222-54 Employment Eligibility Verification (OCT 2015) 52.222-55 Minimum Wages Under Executive Order 13658 (DEC 2014) 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011)</p>
--	---