



QWEST GOVERNMENT SERVICES, INC. PURCHASE ORDER STANDARD TERMS AND CONDITIONS

These Qwest Government Services, Inc. dba CenturyLink QGS ("CenturyLink"), Purchase Order ("Order") Standard Terms and Conditions consist of this paragraph, the General Terms and Conditions below, and the applicable Specific Terms and Conditions. The Order constitutes CenturyLink's offer to Supplier for the Purchases specified in the Order and does not include any terms or conditions contained in any quote from Supplier, which the parties agree are specifically excluded from CenturyLink's offer and shall have no force or effect. The prices for such Purchases shall be as specified in Supplier's quote to CenturyLink, as specified in a master agreement between CenturyLink and Supplier, or as otherwise agreed in the Order. Supplier's acceptance of an Order from CenturyLink and the sale contemplated thereby are governed by the terms and conditions of any master agreement between CenturyLink and Supplier, which master agreement shall take precedence over these Purchase Order Standard Terms and Conditions ("Terms"). If no such master agreement exists, then the Order is covered solely by the terms of the Order and by the terms contained herein. If Supplier uses its own form or any other form to accept the Order, said form shall be used for convenience only and any terms and conditions therein shall be of no force or effect.

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS; APPLICATION:

"Documentation" means tangible or intangible information necessary for the use, planning, engineering, installation, operation and maintenance of Purchases, including: user manuals, test data, flow charts, data file listings, loading and unloading procedures, machine configuration information, routines, subroutines, training materials, product release information, or related information.

"Purchases" means, collectively or individually, the products or services purchased, or software licensed, pursuant to an Order.

"CenturyLink" means Qwest Government Services, Inc. dba CenturyLink QGS, the entity who placed the Order.

"Supplier" means the entity to which an Order is issued.

2. SPECIFICATIONS:

Supplier will provide all Purchases in accordance with the following requirements (collectively, "Specifications"): these Terms; the Order; any Documentation; applicable requirements and specifications in any written materials published or provided by Supplier; and industry standards.

3. ORDERS:

Except as otherwise provided in the Order, the prices stated in the Order shall include (a) all applicable sales, use and other taxes, and (b) all charges for Supplier's packing and crating, and for transportation to the FOB point stated in the Order. After Supplier's acceptance of an Order, CenturyLink may delay the scheduled date for delivery, performance, customization or assembly of any or all Purchases without penalty. All other modifications or amendments to the Order must be agreed to in writing by both parties. CenturyLink Purchases are valid only if accompanied by an Order. Any Purchase fulfilled without an Order or a properly modified Order will be at the sole risk of the Supplier.

4. INVOICES AND PAYMENTS:

a. Invoices. Supplier will invoice CenturyLink by a mutually agreeable method within the time period and upon the triggering event described in the Specific Terms and Conditions. Each invoice will contain an itemized description of the Purchases and all applicable charges and taxes (exclusive of taxes based on Supplier's income). CenturyLink will be liable only for undisputed and correct taxes itemized on the invoice for Purchases to which the taxes relate. Supplier is responsible for charging the correct taxes on the applicable invoice. If any tax claim arises based on a Supplier invoice, Supplier will be responsible for any penalties and interest associated with any additional tax assessment. Supplier must be registered by the taxing jurisdictions to collect sales and/or use taxes within the states to which Purchases are provided.

b. Payment Due Date. CenturyLink will pay each undisputed invoice in U.S. dollars within 60 days of CenturyLink's receipt of the invoice. Payment will not constitute acceptance of the applicable Purchases.

c. Dispute. CenturyLink will notify Supplier of any dispute with respect to an invoice in writing within 10 days of receipt of the invoice. Each party will use commercially reasonable efforts to resolve any payment dispute within 180 days of notice of the dispute.

d. Offset. CenturyLink may deduct or offset any amount due or to become due to Supplier against any claim CenturyLink has against Supplier, including claims not relating to the Order.

e. Overpayment and Credits. Supplier will return overpayments to CenturyLink within 15 days after receipt. Credits not taken by Purchases by CenturyLink within 90 days will be remitted by check or electronic-funds transfer ("EFT") to the remittance address on CenturyLink's Order.

5. ACCEPTANCE:

The time period and criteria for acceptance will be set forth in the Specific Terms and Conditions for specific categories of Purchases. Supplier will, at its expense, repair, re-perform or replace the Purchases, as applicable, within 15 days after receipt of CenturyLink's notice of rejection. The foregoing procedure will be repeated until CenturyLink accepts or finally rejects the Purchases in its sole discretion. If CenturyLink accepts any Purchases that contain a defect or nonconformity not apparent on examination, CenturyLink reserves the right to revoke acceptance. If CenturyLink finally rejects or revokes acceptance, Supplier will refund to CenturyLink all amounts paid by CenturyLink for such Purchases.

6. REPRESENTATIONS AND WARRANTIES:

a. Supplier represents and warrants that:

- i. Supplier has all requisite ownership, rights and licenses to perform fully its obligations arising in connection with the Order and to grant to CenturyLink all rights to the Purchases, including good and marketable title for tangible products, free and clear from any and all liens, adverse claims, encumbrances and interests of any third party;



- ii. for a period of twelve (12) months from acceptance, all Purchases will: (a) conform with all Specifications; (b) be new and merchantable; and (c) be free from deficiencies and defects in materials, workmanship, design and/or performance;
 - iii. there are no pending or, to Supplier's knowledge, threatened lawsuits, claims, disputes or actions: (a) alleging that any Purchases infringe, violate or misappropriate any third-party rights; or (b) adversely affecting any Purchases or Supplier's ability to perform its obligations under the Order; and
 - iv. use of any Purchases as permitted under the Order will not infringe, violate, or misappropriate a patent, copyright, trademark, trade secret or other intellectual property or proprietary right of any third party.
- b. All warranties granted under the Order shall pass through to CenturyLink or CenturyLink's customer, at CenturyLink's choice. Supplier shall assist CenturyLink or its designated customer with claims under the applicable warranty. Warranties will not be affected by removal, relocation or resale of such Purchases and warranties will survive inspection, acceptance and payment. Warranties will run to CenturyLink, its agents, successors in interest, assigns and its customers. If Supplier is not the manufacturer of any Product or Software (as defined in the Specific Terms and Conditions below), Supplier will obtain the same warranty as specified under the Order from the manufacturer, will pass such warranty on to CenturyLink and its customer, and will assist CenturyLink and its customer in making claims under such warranty.
- c. Defective Purchases will, at CenturyLink's option, either be returned to Supplier for repair or replacement with risk of in-transit loss and damage borne by Supplier and freight paid by Supplier, or be repaired, replaced or re-performed by Supplier on site. Any replacement, repair modifications, installation or other service performed by Supplier shall be warranted as herein provided.

7. CENTURYLINK DATA; PROPERTY:

Any items furnished by CenturyLink to Supplier in connection with an Order, including CenturyLink Data (as defined below), are and will remain the property of CenturyLink. While in Supplier's possession, Supplier will maintain such property in good condition (ordinary wear and tear excepted) and will bear the risk of loss while such property is or was in the custody and control of Supplier. No media on which CenturyLink Data is stored may be used or re-used to store data of any other customer of Supplier's or to deliver data to a third party, unless all CenturyLink Data has been securely erased. "CenturyLink Data" means any data or information of CenturyLink's that is provided to or obtained by Supplier in connection with the Order, including data and information with respect to the business, employees, customer, operations, facilities, products, rates, regulatory compliance, competitors, consumer markets, assets, expenditures, mergers, acquisitions, divestitures, billings, collections, revenues and finances of CenturyLink. CenturyLink Data shall also mean any data or information created, generated, collected or processed by Supplier in the performance of its obligations arising in connection with the Order.

8. CONFIDENTIAL INFORMATION:

a. **Definition of Confidential Information.** "Confidential Information" means any and all business, technical or third party information (including, without limitation, CenturyLink Data, trade secrets, customer information, business contacts, marketing and business plans, financial data, techniques, methods, processes, specifications, drawings, sketches, models, samples and computer programs) provided, disclosed or made accessible by CenturyLink to Supplier in connection with the Order that is identified as confidential and/or proprietary. Confidential Information does not include information that Supplier can clearly establish by written evidence: (i) is or becomes known to Supplier from a third party without an obligation to maintain its confidentiality; (ii) is or becomes generally known to the public through no act or omission of Supplier; or (iii) is independently developed by Supplier without the use of Confidential Information of CenturyLink.

b. **Use and Disclosure of Confidential Information.** Except as expressly provided herein or with CenturyLink's prior written consent, Supplier will: (i) not use Confidential Information for any purpose other than the fulfillment of its obligations arising in connection with the Order; (ii) not disclose Confidential Information to any third party (other than affiliates of itself or CenturyLink); (iii) except as necessary to fulfill its obligations arising in connection with the Order, not make any copies of Confidential Information without CenturyLink's prior consent; and (iv) protect and treat all Confidential Information with the same degree of care as it uses to protect its own confidential information of like importance, but in any event not less than reasonable care. Supplier will only disclose Confidential Information to its employees and affiliates who have a "need to know" for purposes of the Order. Supplier will notify and inform such employees and affiliates of its obligations arising in connection with the Order, and Supplier will be responsible for any breach of these Terms by its employees, affiliates and/or agents. If Supplier is required to disclose Confidential Information pursuant to law or court action, Supplier will notify CenturyLink of the required disclosure with sufficient time for CenturyLink to seek relief, will cooperate with CenturyLink in taking appropriate protective measures, and will make such disclosure in a manner to best protect the Confidential Information from further disclosure. Supplier will not bring onto CenturyLink premises any proprietary or confidential information of any third party without CenturyLink's consent.

c. **Return or Destruction.** At the completion or termination of the Order, or any time at the specific request of CenturyLink, Supplier will (i) promptly return to CenturyLink any and all Confidential Information (including CenturyLink Data, customer information and customer proprietary network information (CPNI)), including copies of any notes, reports, or other descriptive materials of any kind, or (ii) at CenturyLink's written direction and at CenturyLink's sole discretion, timely destroy all Confidential Information of whatever format, provided that immediately after such destruction, Supplier shall certify in writing that all Confidential Information has been so destroyed.

9. SUPPLIER PERSONNEL; SUBCONTRACTING:

a. **Independent Contractor.** Supplier certifies that it is engaged in an independent business and will perform its obligations arising in connection with the Order as an independent contractor and not as the agent or employee of CenturyLink. The Order does not create a partnership, joint venture or similar relationship between the parties and neither party will have the power to obligate the other in any manner whatsoever.

b. **Agents and Employees.** Any persons who perform services for CenturyLink will be solely the employees or agents of Supplier under its sole and exclusive direction and control. Supplier is solely responsible for: (i) the hours of work, methods of performance and compensation of its employees and agents; (ii) compliance with all federal, state and local rules and regulations including those governing worker's compensation, unemployment, disability insurance and social security



withholding for its employees and agents; and (iii) all federal and state income taxes for its income derived in connection with the Order. Supplier shall indemnify and reimburse CenturyLink for any sums withheld from CenturyLink by its U.S. Government customers on account of liabilities for unpaid wages and associated liquidated damages of the Supplier or its subcontractors under this Order.

c. Subcontracting. Supplier will not subcontract any of its obligations arising in connection with the Order without CenturyLink's prior written consent, which consent CenturyLink will not unreasonably withhold. CenturyLink may delegate or subcontract any of its rights or obligations without Supplier's prior written consent. If CenturyLink so consents, Supplier shall provide a copy of the Order and these Terms to the subcontractor.

d. Safety and Health. The safety and health of Supplier's employees and agents while on CenturyLink's or CenturyLink's customer's premises will be Supplier's sole responsibility. While on CenturyLink's or CenturyLink's customer's premises, Supplier and its employees and agents will comply with all applicable rules and regulations, as well as all local, state and federal environmental, health and safety requirements, including those relating to the use and handling of hazardous materials. Supplier will immediately report to CenturyLink any accidents, injuries or property damage arising from Supplier's performance of the Order. Supplier will provide CenturyLink with copies of any safety, health or accident reports that Supplier files with any third party with respect to Supplier's performance of the Order.

e. Affordable Care Act: If Supplier personnel will be providing Services on behalf of CenturyLink, then Supplier must offer Affordable Care Act (ACA) compliant medical coverage to all of its Supplier personnel who are assigned to perform Services under this Order for 30 hours a week or more no later than 90 days after the start of the Order in accordance with ACA. Such medical coverage shall be "affordable" and "minimum value" as those terms are defined in the ACA. If Supplier ceases to provide such medical coverage, it must provide written notice to CenturyLink within 30 days.

10. INDEMNIFICATION:

a. Intellectual Property Indemnification. Supplier will, at Supplier's expense, indemnify, defend and hold harmless CenturyLink (including its officers, directors, employees and agents) and its affiliates and customers against any loss, cost, expense or liability (including without limitation attorneys' fees and costs and awarded damages) arising out of any claim that Purchases, or their use, infringe, violate or misappropriate a patent, copyright, trademark, trade secret or other intellectual property or proprietary right of any third party (a "Claim").

i. Supplier's obligation to indemnify CenturyLink pursuant to the preceding will not apply to the extent any infringement was directly caused by any combination of Purchases with any other product, system or method unless: (a) CenturyLink would be reasonably expected to use the Purchases in combination with such product, system or method; or (b) the product, system or method is (i) provided by Supplier or its affiliates, (ii) specified by Supplier to work with the Purchases, or (iii) reasonably required to use the Purchases in their intended manner.

ii. If Supplier determines that any Claim is likely to result in an injunction affecting CenturyLink's ability to continue to use any of the Purchases, Supplier will promptly, at its expense, either (a) obtain the right for CenturyLink to continue using the Purchases, or (b) replace or modify them to be non-infringing and of equivalent functionality. If (a) or (b) is not reasonably possible, then Supplier will refund a pro-rata portion of the amounts paid under the Order for the Purchases (and, where applicable, based on the expected life thereof) and reimburse CenturyLink for all reasonable expenses for removal and replacement of the Purchases.

b. General Indemnification. Each party (for purposes of this Indemnification Section, "Indemnifying Party") will indemnify, defend and hold harmless the other (including its officers, directors, employees and agents) and its affiliates and customers against any loss, cost, expense or liability (including without limitation reasonable attorneys' fees and costs) arising from the negligence, gross negligence or willful misconduct by the Indemnifying Party (including its affiliates, agents, employees and others under its direction or control).

c. Notice and Defense. The party to be indemnified under this Section 10 will notify the Indemnifying Party within a reasonable time after receiving notice of a claim. Provided that the Indemnifying Party promptly and reasonably investigates and defends any such claim, the Indemnifying Party will have control over the defense and settlement thereof. However, the indemnified party may participate in the defense at its option and expense. The party to be indemnified will furnish, at the Indemnifying Party's reasonable request and expense, information and assistance necessary for such defense.

11. WORK PRODUCT; DOCUMENTATION:

a. Definition of Work Product. All materials, prototypes, drawings and any ideas, designs, techniques, inventions, discoveries, improvements, information, creations, software, methods, algorithms, architectural elements, subroutines, and any other items discovered, prepared or developed by or for Supplier in the course of or resulting from performance of the Order ("Work Product") will be fully and promptly disclosed and furnished to CenturyLink. All right, title and interest in the Work Product will vest in CenturyLink and the Work Product will be deemed to be a work made for hire. To the extent it may not be considered a work made for hire, Supplier assigns to CenturyLink all right, title and interest in the Work Product, including all copyrights, patent rights, patents and applications therefor. Supplier will provide all assistance reasonably requested by CenturyLink to document and perfect these rights.

b. Rights to Work Product. Supplier will retain ownership of its previously developed items. If the Work Product includes previously developed items, Supplier hereby grants to CenturyLink a worldwide, unrestricted, royalty-free, perpetual, irrevocable license to make, have made, use, market, import, distribute, copy, modify, prepare derivative works of, perform, display, disclose and sublicense such items. This license grant shall apply to CenturyLink's third-party contractors and agents. CenturyLink may allow third parties, including customers, contractors, or the public, to use the previously developed items.

c. Assistance to Convey Rights to Work Product. Supplier represents and warrants that it has all necessary agreements with its employees, contractors and others in order to convey the ownership and license rights granted herein. Upon request, and without charge, Supplier agrees to reasonably assist CenturyLink (including by executing assignments and other documents) as may be required to protect, convey and enforce the rights of CenturyLink in and to the Work Product.

d. License Rights to Documentation. Supplier grants to CenturyLink a license to use, modify, and make copies of Documentation for Purchases at no cost.



12. LIMITATION OF LIABILITY:

Except for each party's obligations under Section 8 Confidential Information and Section 10 Indemnification, neither party is or shall be liable to the other for consequential, incidental, indirect, punitive or special damages, including commercial loss and lost profits, however caused and regardless of legal theory or foreseeability, arising under or relating to the Order, even if such party has been apprised of the possibility of such damages. Notwithstanding the foregoing, there shall be no limitation on Supplier's liability to CenturyLink for claims that ordinarily would be covered by any Professional or Errors and Omissions Liability insurance required to be maintained by Supplier pursuant to these Terms.

13. INSURANCE:

a. Supplier will at all times while it has obligations outstanding under the Order, at its own cost and expense, carry and maintain the insurance coverage listed herein with insurers having at a minimum an A.M. Best rating of A - VII. Supplier will not commence any work under the Order until Supplier has fulfilled all insurance requirements herein. Supplier will require its subcontractors and agents to maintain the same insurance coverage listed herein. If the Order states higher insurance requirements than those listed herein, the Supplier and its subcontractors and agents must maintain the higher coverage.

b. **Workers' Compensation Insurance.** Workers' compensation insurance with statutory limits as required in the State(s) of operation and providing coverage for any employee entering onto CenturyLink premises, even if not required by statute. Employer's Liability or "Stop Gap" insurance with limits of not less than \$1,000,000 each accident.

c. **Commercial General Liability Insurance.** Commercial general liability insurance covering claims for bodily injury, death, personal injury or property damage occurring or arising out of the performance of the Order, including coverage for independent contractor's protection (required if any work will be subcontracted), premises-operations, products/completed operations, and contractual liability with respect to the liability assumed by Supplier under the Order. The limits of insurance will not be less than:

\$1,000,000 Each Occurrence

\$2,000,000 General Aggregate Limit

d. **Automobile Liability Insurance.**

Comprehensive Automobile Liability Insurance covering the ownership, operation and maintenance of all owned, non-owned and hired motor vehicles used in connection with the performance of the Order, with limits of at least \$1,000,000 combined single limit per occurrence for bodily injury and property damage.

e. **Pollution Liability Insurance.** If the Purchases include the use of any hazardous materials, Supplier will maintain Pollution

Liability insurance covering liability arising out of Supplier's operations performed under this Order. The limits of insurance shall not be less than \$1,000,000 each occurrence and \$2,000,000 aggregate. If Supplier will transport or store hazardous material, the policy shall include pollution coverage related to the transportation and long-term storage of hazardous material. If the policy is a claims made form, such insurance shall provide a retroactive date prior to the start of performance under this Order and an extended claims reporting period continuing coverage for two (2) years after termination or completion of the work required under the Order.

f. **Errors and Omissions Liability Insurance.** If Supplier will be providing any design services, software or software development, installation, or support, or other use consulting or professional services for CenturyLink or its Affiliates' internal use or for Customers' use, Supplier will maintain Errors and Omissions Liability insurance covering acts, errors and omissions arising out of Supplier's operations or services, and if applicable, including loss arising from unauthorized access or use that results in identity theft or fraud, with limits of not less than \$2,000,000 per claim. Such insurance shall provide a retroactive date prior to the date of the Order and either (a) continuous insurance coverage for a period of two (2) years after termination or completion of the Order, or (b) an extended reporting period of not less than two (2) years after termination or completion of the Order.

g. **Excess/Umbrella Liability Insurance.** \$2,000,000 each occurrence. **Commercial Crime, Employee Dishonesty Insurance or Fidelity Bond.** If (i) the Purchases involve access to CenturyLink customer accounts or customer information, (ii) Supplier accepts payment from third parties for CenturyLink products and services, or (iii) Supplier has access to CenturyLink or CenturyLink customer premises, Supplier will provide Employee Dishonesty insurance or a Fidelity Bond covering all loss for which Supplier is legally liable, arising out of or in connection with any fraudulent or dishonest acts including theft, destruction, wire transfer, computer fraud or fraudulent manipulation of accounting or personnel records resulting in loss of money, securities or other property in an amount not less than \$1,000,000.

h. **Property Insurance.** If Supplier is providing storage for CenturyLink-owned property, Supplier will maintain "All-Risk" Property insurance on a replacement cost basis covering CenturyLink property in Supplier's care, custody or control. If Supplier operates as a warehouse, Supplier will maintain Warehousemen's Legal Liability insurance covering loss or damage to property of others while acting as a warehouse operator or as a bailee with limits of not less than \$1,000,000 per occurrence. Such insurance will be on a replacement cost basis and any loss or damage to CenturyLink property under this Order will be adjusted with CenturyLink.

j. **Insurance Limits and Certificates.** The insurance limits required herein may be obtained through any combination of primary and excess or umbrella liability insurance. Supplier will forward to CenturyLink a certificate(s) or other commercially acceptable evidence providing compliance with the required insurance upon request. The certificate(s) or evidence will provide that 1) Insurers waive subrogation against CenturyLink, its Affiliates, subsidiaries, and parent, as well as the officers, directors, employees and agents of all such entities for the policies described in subsections (b) Workers' Compensation, (c) Commercial General Liability and (d), Commercial Auto Liability unless such endorsement is prohibited by law or regulation; and 2) CenturyLink be included as an additional insured(s) as its interest may appear with respect to the Order for Commercial General Liability and Automobile Liability insurance. Coverage is primary and not excess of, or contributory with, any other valid and collectible insurance purchased or maintained by CenturyLink. Supplier will provide to CenturyLink thirty (30) days prior written notice of cancellation, material change or exclusions to the policy.

14. TERMINATION; CANCELLATION:

a. Notice. CenturyLink may cancel any or all Purchases under an Order, for its convenience or default, with five (5) days prior written notice. Supplier will be entitled to payment for Purchases received and accepted by CenturyLink as of the date of termination. CenturyLink will have no other liability arising out of termination of the Order.

b. Bankruptcy and Insolvency. At CenturyLink's sole discretion and upon written notice to Supplier, the Order will terminate, (i) on the institution by or against Supplier of insolvency, receivership or bankruptcy proceedings, (ii) on Supplier's making an assignment for the benefit of creditors, or (iii) on Supplier's insolvency or ceasing to do business.

c. Breach. CenturyLink may terminate the Order, in whole or in part, by written notice to Supplier if Supplier breaches any of the material Terms of the Order and fails to cure such breach to CenturyLink's satisfaction within thirty (30) days of receipt of written notice specifying the breach.

d. Transition. On any termination of the Order, in whole or in part, Supplier will promptly (i) document in detail the status of any Purchases in progress, (ii) provide all assistance reasonably requested by CenturyLink in connection with the transition of services to CenturyLink and/or its agents, and (iii) promptly refund or credit, at CenturyLink's option, any pre-paid amounts thereunder.

e. Pre-Termination Obligations. Expiration or termination of the Order will not relieve either party from its obligations arising hereunder prior to such expiration or termination.

15. DISPUTE RESOLUTION:

a. Negotiation between Executives.

The parties will attempt in good faith to resolve any dispute arising out of or relating to the Order promptly by negotiation between executives who are at a higher level of management than the persons with direct responsibility for administration of the Order. Either party may give the other party written notice of any dispute not resolved in the normal course of business. Within fifteen (15) days after delivery of the notice, the receiving party will submit to the other a written response. The notice and the response will include (i) a statement of the party's position and a summary of arguments supporting that position, and (ii) the name and title of the executive who will represent that party and of any other person who will accompany the executive. Within thirty (30) days after delivery of the disputing party's notice, the executives of both parties will confer at a mutually acceptable time, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one party to the other will be honored. All negotiations and documents exchanged pursuant to this Section are confidential and will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. During the pendency of any dispute, Supplier will continue performance as required by this Order, unless CenturyLink agrees otherwise in writing.

b. Forum. Any legal proceeding arising out of, or relating to, the Order will be brought in a United States District Court, or absent federal court jurisdiction, in a state court of competent jurisdiction, in the Washington, DC, metropolitan area.

c. Waiver of Jury Trial and Class Action. Each party, to the extent permitted by law, knowingly, voluntarily, and intentionally waives its right to a trial by jury and any right to pursue any claim or action arising out of or relating to the Order on a class or consolidated basis or in a representative capacity.

d. Costs. The prevailing party in any lawsuit will be entitled to reasonable legal fees and costs, including reasonable expert fees and costs. If the prevailing party rejected a written settlement offer that exceeds its recovery, the offering party will be entitled to its reasonable legal fees and costs.

16. DFARS FLOWDOWN CLAUSES

The following clauses of the Defense Federal Acquisition Regulation Supplement (DFARS) are incorporated herein by reference with the same force and effect as if they were given in full text. When a DFARS clause uses a word or term that is defined in the DFARS, the word or term shall have the same meaning as in the definition in the DFARS in effect on the date of this Order. (In all such clauses, unless the context of the clause requires otherwise, substitute the term (i) "Supplier" for "Contractor" or "Offeror" and (ii) "CenturyLink" for "Government" or "Contracting Officer").

- 252.204-7012** Safeguarding Covered Defense Information and Cyber Incident Reporting (Oct 2016) (if covered defense information is involved)
- 252.211-7003** Item Unique Identification and Valuation (Mar 2016)
- 252.242-7005** Contractor Business Systems (Feb 2012) (for contracts subject to Cost Accounting Standards under 41 USC Ch. 15)
- 252.244-7000** Subcontracts for Commercial Items (June 2013)
- 252.244-7001** Contractor Purchasing System Administration (May 2014)
- 252.246-7007** Contractor Counterfeit Electronic Part Detection and Avoidance System (Aug 2016)
- 252.246-7008** Sources of Electronic Parts (May 2018)
- 252.246-7003** Notification of Potential Safety Issues (Jun 2013)

17. FAR FLOWDOWN CLAUSES

The following clauses of the Federal Acquisition Regulation (FAR) (48 CFR Chapter 1) are incorporated herein by reference with the same force and effect as if they were given in full text. When a FAR clause uses a word or term that is defined in the FAR, the word or term shall have the same meaning as in the definition in FAR 2.101 in effect on the date of this Order. The Federal Acquisition Regulation is available from the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. (In all such clauses, unless the context of the clause requires otherwise, substitute the term (i) "Supplier" for "Contractor" or "Offeror" and (ii) "CenturyLink" for "Government" or "Contracting Officer").

The following FAR clauses apply to this Order:

- 52.202-1** Definitions (Nov 2013)
- 52.203-3** Gratuities (Apr 1984) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold)*

(currently \$150,000.00))

52.203-5 Covenant Against Contingent Fees (May 2014) – except for commercial items *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-7 Anti-Kickback Procedures (May 2014); except subparagraph (c) (1) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (May 2014) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (May 2014) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 2007) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Oct 2010) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-13 Contractor Code of Business Ethics and Conduct (Oct 2015)

52.203-14 Display of Hotline Posters (Oct 2015) *(if the value of this Order equals or exceeds \$5,500,000.00)*

52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) (applies only to American Recovery and Reinvestment Act Funded Orders)

52.203-16 Preventing Personal Conflicts of Interest (Dec 2011) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-17 Contractor Employee Whistleblower Rights and Requirements (Apr 2014) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements of Statements (Jan 2017)

52.204-2 Security Requirements (Aug 1996) - Applies if work requires access to classified information

52.204-9 Personal Identity Verification of Contractor Personnel (Jan 2011) - Applies if Supplier will have physical access to a federally-controlled facility or access to federal information system(s)

52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2018). *(if the value of this Order equals or exceeds \$30,000.00)*

52.204-21 Basic Safeguarding of Covered Contractor Information Systems (Jun 2016), other than for COTS items

52.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (Jul 2018)

52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug 2019).

52.209-5 Certification Regarding Responsibility Matters (Oct 2015)

52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Oct 2015). Does not apply to commercial off the shelf items. Supplier will provide CenturyLink with these notices for each Order. *(if the value of this Order equals or exceeds \$35,000.00)*

52.211-5 Material Requirements (Aug 2000)

52.211-15 Defense Priority and Allocation Requirements (Apr 2008) -- Applies only to DPAS rated Orders at the greater of \$75,000 or half the simplified acquisition threshold as set forth in the FAR (15 CFR 700.17). Supplier must follow all the requirements of the DPAS system regulation (15 CFR 700)

52.215-2 Audit and Records—Negotiation (Oct 2010) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.215-10 Price Reduction for Defective Certified Cost or Pricing Data (Aug 2011) *(if the value of this Order equals or exceeds \$750,000)*

52.215-12 Subcontractor Certified Cost or Pricing Data (Oct 2010) *(if the value of this Order equals or exceeds \$750,000)*

52.215-13 Subcontractor Certified Cost or Pricing Data – Modifications (Oct 2010) *(if the value of this Order equals or exceeds \$750,000)*

52.215-20 Requirements for Certified Cost or Pricing Data or Information Other Than Cost or Pricing data (Oct 2010) *(if the value of this Order equals or exceeds \$750,000)*

52.215-21 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data -- Modifications (Oct 2010) *(if the value of this Order equals or exceeds \$750,000)*

52.216-7 Allowable Cost and Payment (Aug 2018) – Applies to Cost Type or T&M orders with cost reimbursement

52.219-8 Utilization of Small Business Concerns (Oct 2018) – if the subcontract offers further subcontracting opportunities. *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.219-9 Small Business Subcontracting Plan (Aug 2018) (Does not apply to small business concerns) *(if the value of this Order equals or exceeds \$700,000.00)*

52.222-1 Notice to the Government of Labor Disputes (Feb 1997)

52.222-4 Contract Work Hours and Safety Standards —Overtime Compensation (Mar 2018)

52.222-21 Prohibition of Segregated Facilities (Apr 2015) *(if the value of this Order equals or exceeds \$10,000.00)*

52.222-22 Previous Contracts and Compliance Reports (Feb 1999) - Supplier represents that if Supplier has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26): (1) Supplier has filed all required compliance reports and (2) that representations indicating submission of required compliance reports, signed by proposed subcontractors will be obtained before subcontract award(s). Paragraph (a) applies to the extent (1) Supplier performs work in the United States or recruit employees in the United States to work on this order.

52.222-24 Preaward On-Site Equal Opportunity Compliance Evaluation (Feb 1999) *(if the value of this Order equals or exceeds \$10,000,000.00)*

52.222-25 Affirmative Action Compliance (Apr 1984) - Supplier represents it 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 that in the event such a program does not presently exist, Supplier will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from award of this Order. Paragraph (a) applies only



to the extent (1) Supplier performs work in the United States, or recruits employees in the United States to work on this Contract.

52.222-26 Equal Opportunity (Sep 2016) *(if the value of this Order equals or exceeds \$10,000.00)*

52.222-35 Equal Opportunity for Veterans (Oct 2015) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.222-36 Affirmative Action for Workers with Disabilities (Jul 2014) *(if the value of this Order equals or exceeds \$15,000.00)*

52.222-37 Employment Reports on Veterans (Feb 2016) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.222-40 Notification of Employee Rights under the National Labor Relations Act (Dec 2010) *(if the value of this Order equals or exceeds \$10,000.00)*

52.222-41 Service Contract Labor Standards (Aug 2018) – required for subcontracts subject to the Service Contract Labor

52.222-50 Combating Trafficking in Persons (Mar 2015) *(if the value of this Order equals or exceeds \$500,000.00)*

52.222-54 Employment Eligibility Verification (Oct 2015) – Applies to subcontracts with a value of more than \$3,500

52.222-55 Minimum Wages under Executive Order 13658 (Dec 2015)

52.222-62 Paid Sick Leave Under Executive Order 13706 (Jan 2017) *(if the value of this Order equals or exceeds \$500,000.00)*

52.223-3 Hazardous Material Identification and Material Safety Data (Jan 1997)

52.223-11 Ozone-Depleting Substances (June 2016) - Applies if the work contains or was manufactured with such substances

52.224-3 Privacy Training (Jan 2017) – Applies if subcontractor employees have access to system of records, etc.

52.225-1 Buy American Act – Supplies (May 2014) - Applies to contracts with a value exceeding the dollar thresholds set forth in FAR Subpart 25.1101 – Acquisition of Supplies

52.225-5 Trade Agreements (Oct 2019) - Applies to contracts with a value exceeding the dollar thresholds set forth in FAR Subpart 25.1101 – Acquisition of Supplies

52.225-13 Restrictions on Certain Foreign Purchases (Jun 2008)

52.227-1 Authorization and Consent (Dec 2007) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.227-10 Filing of Patent Applications – Classified Subject Matter (Dec 2007)

52.227-11 Patent Rights -- Ownership by the Contractor (May 2014) – subject to FAR Subpart 27.3

52.227-19 Commercial Computer Software License (Dec 2007)

52.228-3 Workers' Compensation Insurance (Defense Base Act) (Jul 2014) – Applies if Defense Base Act applicable

52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (Apr 1984) – Applies if War Hazards Compensation Act is applicable

52.228-5 Insurance – Work on a Government Installation (Jan 1997) – Applies if work performed on a Government installation (unless a small amount of work is required or the work on the Government installation is performed outside the U.S. and its outlying areas) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.229-3 Federal, State, and Local Taxes (Feb 2013) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.232-40 Providing Accelerated Payment to Small Business Subcontractors (Dec 2013) -- Applies to subcontracts with small business concerns (including for the acquisition of commercial items)

52.236-13 Accident Prevention (Nov 1991) – Applies to construction and dismantling demolition or removal of improvements *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.244-6 Subcontracts for Commercial Items (Aug 2019)

52.245-1 Government Property (Jan 2017) Alt 1 (Apr 2012). Applies only when Supplier will manage GFP. Except in the definition of Property Administrator and in paragraph (h) (1) (iii), "Contracting Officer" shall mean "CenturyLink." Supplier shall provide all notices to CenturyLink.

52.246-16 Responsibility for Supplies (Apr 1984) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.247-63 Preference for U.S.-Flag Air Carriers (Jun 2003) *(if the value of this Order equals or exceeds the Simplified Acquisition Threshold (currently \$150,000.00))*

52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) – except in the case of commercial items as set forth in FAR 52.247-64(e)(4)

52.249-2 Termination for Convenience of the Government (Fixed-Price) (Apr 2012)

52.249-4 Termination for Convenience of the Government (Services) (Short Form) (Apr 1984)

52.249-6 Termination (Cost Reimbursement) (May 2004)

18. MISCELLANEOUS:

Access. CenturyLink will permit Supplier access to CenturyLink's facilities and the facilities of CenturyLink's customers and vendors in connection with Supplier's performance of its obligations under the Order upon reasonable advance written notice to CenturyLink. At CenturyLink's request, Supplier will furnish a personnel sheet containing the employee names, addresses, telephone numbers, job duties, key assignments and any other information CenturyLink deems necessary to safeguard its property and operations. Supplier will comply with CenturyLink's access policies and procedures.

Compliance with Laws and Policies. Supplier will obtain, at its expense, all permits and licenses, pay all fees, and comply with all federal, international (if applicable), state and local laws, ordinances, rules, regulations and orders applicable to Supplier or



Supplier's performance hereunder. Specifically, Supplier and Supplier personnel shall comply with the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a), and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans, or as individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex or national origin. Moreover, these regulations require that Supplier and Supplier personnel take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Supplier agrees to adhere to the CenturyLink Supplier Code of Conduct, or with Supplier's code of conduct or own similar standards. If any terms of the CenturyLink Supplier Code of Conduct conflict with the Terms of this Order, the Terms of this Order will prevail. The CenturyLink Supplier Code of Conduct may be found at:

<http://www.centurylink.com/Pages/AboutUs/Governance/ethics.jsp>

A. Remedies. No remedy specified in these Terms will limit CenturyLink's other rights and remedies arising in connection with the Order, at law or in equity.

B. Governing Law. This Order will be governed by the laws of the Commonwealth of Virginia without reference to its choice of law rules, and without reference to the UN Convention on Contracts for the International Sale of Goods.

C. Records and Audits. Supplier will maintain complete and accurate records of all charges associated with the Order, in accordance with generally accepted accounting principles, for eighty-four (84) months from the date of its completion, termination or expiration. CenturyLink may inspect and retain copies of such records on reasonable notice. Supplier agrees to cooperate with any reasonable request from CenturyLink to preserve information and documents, whether in paper or electronic form, in the event that CenturyLink reasonably anticipates a dispute with a third party in which such information may be relevant to either side's claims or defenses or otherwise subject to discovery.

D. Assignment and Delegation. The rights and obligations of each party will be binding upon and inure to the benefit of its successors and permitted assigns. Supplier may not assign or delegate its rights or obligations under the Order, in whole or in part, without the prior written consent of CenturyLink. Any attempted assignment or delegation by Supplier without CenturyLink's prior written consent shall be null and void. CenturyLink may assign the Order, in whole or in part, without the consent of Supplier: (i) to any affiliates of CenturyLink, (ii) in connection with any merger, consolidation, reorganization or sale of all or any part of its business or assets; or (iii) as CenturyLink deems appropriate in connection with any regulatory requirements. CenturyLink may delegate its rights and obligations under the Order, in whole or in part, without the consent of Supplier.

E. Notices. Any notices required or permitted under the Order will be sent to the addresses of the parties stated on the Order. Notice will be deemed given: (i) on the 1st day after deposit with an overnight courier, charges prepaid; (ii) as of the day of receipt, if sent via first class U.S. Mail, charges prepaid, return receipt requested; and (iii) as of the day of receipt, if hand delivered.

F. Advertising; Publicity. Neither party will use the other party's names, marks, codes, drawings or specifications in any advertising, press release, promotional effort or publicity of any kind without the other's prior written permission.

G. Waiver. Any waiver by either party of any rights hereunder or of a breach of any provision of the Order will not constitute a waiver of any other breach of that or any other provision of the Order. Any waiver must be in writing.

H. Interpretation. The term "including" in these Terms means by way of example, not limitation. Headings and subheadings used in these Terms are for convenience only and have no substantive meaning. These Terms will not be construed against the drafting party. Supplier has read and carefully considered these Terms, and agrees, after opportunity to consult with legal counsel, that these Terms are fair and reasonable.

I. Non-exclusive Agreement. The Order is non-exclusive, and CenturyLink does not make any commitment for or guarantee any minimum or maximum amount of Purchases by CenturyLink.

J. Severability. The determination that any provision of these Terms is invalid or unenforceable will not invalidate these Terms, and these Terms will be construed and performed in all respects as if such invalid or unenforceable provision was omitted insofar as the primary purpose of the Order is not frustrated.

K. Time of Essence. Time is of the essence with respect to Supplier's obligations hereunder.

L. No Supplier Dependence. Supplier acknowledges and agrees that CenturyLink is not responsible for knowing Supplier's dependence on revenues from sales to CenturyLink in proportion to Supplier's revenues from other customers, and Supplier agrees to release, hold harmless and indemnify CenturyLink from any and all claims and liabilities relating to Supplier's financial stability which may result from CenturyLink's termination of the Order for any reason whatsoever.

M. Survival. The following provisions of these General Terms and Conditions regarding "Representations and Warranties"; "Confidential Information"; "Indemnification"; "Work Product; Documentation"; "Limitation of Liability"; "Dispute Resolution"; and "Governing Law" and all others that by their sense and context are intended to survive the termination or expiration of the Order will survive.

19. FORCE MAJEURE:

Supplier or CenturyLink may delay delivery or performance of its obligations under this Order occasioned by causes beyond Supplier's or CenturyLink's reasonable control. If any such delay exists beyond a period of five (5) days, then CenturyLink, at its option, shall have the right to: (a) terminate the Order, in whole or part, (b) suspend the Order for the duration of the delaying cause, (c) resume performance under the Order once the delaying cause ceases, or (d) extend the delivery or performance date(s) up to the length of time the delay endured, all without liability of CenturyLink to the Supplier.

20. NOTICE OF LABOR DISPUTES:

Whenever the Supplier has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Order, the Supplier shall immediately give notice thereof to CenturyLink. Such notice shall include all relevant information with respect to such dispute. Supplier agrees to include a similar requirement in any subcontract under this Order.

21. CHANGES:

CenturyLink may at any time, by written order, without notice of any surety, make changes or additions within the general scope of the Order, to drawings, designs, specifications, instructions, method of shipment or packing, or place of inspection,



delivery or acceptance. No change will be valid unless executed by a CenturyLink Procurement representative. If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of this Order, Supplier shall notify CenturyLink in writing immediately and, in CenturyLink's sole discretion, CenturyLink may make an appropriate equitable adjustment to the price, the delivery schedule, or both, which shall occur only by written modification of this Order. Any claim by Supplier for such adjustment must be asserted within fifteen (15) days, or such other period as may be agreed on in writing by the parties, after Supplier's receipt of notice or knowledge of the change. Nothing herein shall excuse Supplier from proceeding with the Order as changed within the general scope of this Order.

22. ENTIRE AGREEMENT:

It is expressly agreed by the parties hereto that this Order constitutes the entire and only agreement between the parties hereto, and that there are no agreements, understandings, or covenants between the parties hereto of any kind, nature or description, express or implied, oral or otherwise, which have not been set forth herein.

These Specific Terms and Conditions are segregated into terms and conditions that apply to CenturyLink's purchase of "Services" (Section A), "Products" (Section B), and "Software" (Section C) as such terms are defined below.

A. SPECIFIC TERMS AND CONDITIONS – SERVICES

These Specific Terms and Conditions – Services apply to CenturyLink's purchase of Services from Supplier. "Services" means any work performed by or for Supplier in connection with the Order, as described in the Order. For purposes of the General Terms and Conditions, Services are considered Purchases.

1. **INVOICES:** For Services performed on a time and materials basis, Supplier will invoice CenturyLink on a monthly basis by the method agreed upon by the parties. For Services performed at a fixed price, Supplier will invoice CenturyLink upon completion and acceptance of milestones in accordance with the payment schedule set forth in the Order.
2. **ACCEPTANCE:** If CenturyLink is not satisfied with any Services, CenturyLink will notify Supplier in writing within thirty (30) days after closeout of Supplier's performance of such Services.
3. **ADDITIONAL REPRESENTATIONS AND WARRANTIES:** In addition to the Representations and Warranties in the General Terms and Conditions, Supplier represents and warrants that the Services will be provided in a professional and workmanlike manner.
4. **SUPPLIER PERSONNEL:** Supplier will be solely responsible for securing suitably trained and experienced personnel to perform Services hereunder. CenturyLink reserves the right to require replacement of any Supplier personnel performing Services for CenturyLink in the event that CenturyLink determines, in its sole discretion, that the presence or utilization of such personnel is detrimental to the performance of Services, in which case Supplier will promptly replace such personnel and arrange for a timely transfer of knowledge and information with minimum delay.
5. **DRUG TESTING:** If requested by CenturyLink, Supplier will, at Supplier's expense, conduct drug testing of any Supplier personnel who perform work at CenturyLink's facilities. Such drug testing will comply with CenturyLink's policies as well as any applicable laws. Supplier will report the results of any such drug testing to CenturyLink within ten (10) days of CenturyLink's request.
6. **REPORTS:** Supplier will submit, on a monthly basis, or such other frequency as specified by CenturyLink, reports containing such information as may be reasonably requested by CenturyLink, including but not limited to the status of progress to milestones specified in the Order and the cumulative amounts billed to CenturyLink under the Order.

B. SPECIFIC TERMS AND CONDITIONS – PRODUCTS

These Specific Terms and Conditions – Products apply to CenturyLink's purchase of Products from Supplier. "Products" means those goods, supplies, materials, articles, items, parts, and components described in the Order. For purposes of the General Terms and Conditions, Products are considered Purchases.

1. **INVOICES:** Upon shipment of Products to CenturyLink, Supplier will issue an invoice by the method agreed upon by the parties.
2. **ACCEPTANCE:** If CenturyLink is not satisfied with any Product, CenturyLink will notify Supplier in writing within sixty (60) days after delivery of such Product or discovery of a latent defect (whichever is later).
3. **TRANSPORTATION AND PACKING:** Except for following the directive of the FOB point established in this Order, Supplier will pack, mark, label, document and timely ship all Products in accordance with CenturyLink's instructions, the CenturyLink Shipping Manual (which may be found at: http://www.centurylink.com/static/PDF/AboutUs/DoingBusiness/CenturyLink_Shipping_Manual.pdf) and accepted industry standards. Within twenty-four (24) hours after shipment of any Product, Supplier will transmit a shipment notification to CenturyLink that includes the ship date, transportation carrier, and transportation tracking number. Supplier will provide appropriate documentation to support invoices for delivery charges.
4. **INVENTORY CONTROL:**
 - a. **Advance Replacement Service.** If any Product in CenturyLink's possession needs repair ("Damaged Product"), Supplier will ship a replacement ("Replacement Product") within 24 hours following receipt of CenturyLink's notice. CenturyLink will promptly return the Damaged Product to Supplier. For Products under warranty, Supplier will ship Replacement Products via air freight at no cost to CenturyLink. CenturyLink's acceptance of Replacement Products will be governed by the Section of these Terms titled "Acceptance".
 - b. **Spare Parts.** For each Product, Supplier will provide a standard spare parts list and current usage statistics for



the spare parts. Supplier will sell to CenturyLink the necessary spare parts for any Product for a period of ten (10) years following the date on which Supplier discontinues the Product. Spare parts will be equivalent to the original parts in form, fit and function.

c. **Inventory Adjustment.** CenturyLink may return Products to Supplier for a full refund for one hundred and twenty (120) days after CenturyLink's acceptance thereof.

5. **TITLE/RISK OF LOSS:** Title and risk of loss and damage shall pass from Supplier to CenturyLink upon delivery and acceptance of conforming Product by CenturyLink or CenturyLink's representative at the designated FOB point.

6. **HAZARDOUS MATERIALS/SUBSTANCES:** Supplier shall identify any Product containing a hazardous substance including, but not limited to, those governed by the Resource Conservation and Recovery Act, Hazardous Materials Transportation Act, Toxic Substance Control Act, and any similar acts and regulations thereunder. Each self-contained unit and carrier shall be marked identifying the existence of a hazardous material or substance and its name.

C. SPECIFIC TERMS AND CONDITIONS – SOFTWARE

These Specific Terms and Conditions – Software apply to CenturyLink's purchase of Software from Supplier. "Software" means all software licensed in connection with the Order, including all modifications, revisions, replacements, corrections, updates, upgrades and enhancements to such software ("Enhancements"). For purposes of the General Terms and Conditions, Software is considered Purchases.

1. **INVOICES:** Upon CenturyLink's acceptance of Software, Supplier will issue an invoice therefor by the method agreed upon by the parties.

2. **ACCEPTANCE:** Upon installation of the Software, CenturyLink will test and evaluate the Software to ensure that it conforms to all Specifications. If the Software does not conform to the Specifications, CenturyLink will notify Supplier in writing within sixty (60) days of delivery or discovery of a latent defect (whichever is later).

3. **SOFTWARE REPRESENTATIONS AND WARRANTIES:** In addition to the Representations and Warranties in the General Terms and Conditions, Supplier represents and warrants that:

(a) the Software contains no (i) malicious or disabling code that may damage, destroy or destructively alter software, hardware, systems or data, including viruses, trojan horses, worms, time bombs, backdoors, or mechanisms designed to permit Supplier or any other party to shut down or interfere with the operation of the Software; or (ii) keys required for the continued use of the Software following initial installation, except as specifically stated in the Order; (b) the media on which all Software is furnished are and will be, under normal use, free from defects in materials and workmanship; and (c) the Software is and will be compatible and will operate with all prior, current and future versions of any third party software and products that it was designed to operate with.

4. **ENHANCEMENTS:** Supplier will promptly deliver each Enhancement to CenturyLink, including all Documentation relating thereto. The Section of these Specific Terms and Conditions titled "Acceptance" will apply to each Enhancement. If CenturyLink rejects or does not implement any Enhancement, Supplier will continue to provide any applicable services for the version of the Software in use by CenturyLink.

5. **DELIVERY/INSTALLATION:** Supplier will deliver Software within seven (7) business days after acceptance of the Order. Supplier will distribute all Software in accordance with CenturyLink's instructions and accepted industry standards. Supplier will provide appropriate documentation to support invoices with respect to delivery charges. Unless otherwise specified in the Order, Supplier will promptly and diligently install and configure the Software ordered in connection with the Order.

6. **GRANT OF LICENSE:** Supplier hereby grants to CenturyLink a perpetual, worldwide, irrevocable, transferable, non-exclusive right and license to: (a) install, display, perform, use, reproduce, execute, distribute and create derivative works of the Software; and (b) use all intellectual property rights necessary to use the Software as authorized in subparagraph (a). This license grant shall apply to CenturyLink's third-party contractors and agents. CenturyLink may allow third parties, including customers, contractors, or the public, to use the Software. Title to and ownership of the Software will remain with Supplier. Subsection 11(b) of Section 11 "Work Product; Documentation" of the General Terms and Conditions does not apply to Software licensed under this Agreement to the extent that the Software is previously developed by Supplier and not customized or modified for CenturyLink. Without Supplier's prior written consent CenturyLink will not reverse engineer or reverse compile any part of the Software or remove, obscure or deface any proprietary notice or legend contained in the Software. All rights and licenses granted under or in connection with the Order are and will be deemed to be for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property," as defined in Section 101 of the U.S. Bankruptcy Code.

7. **SURVIVAL OF LICENSE:** All licenses granted in connection with these Terms are perpetual and survive any termination of the Order.