

PURCHASE ORDER TERMS AND CONDITIONS

Kratos may change, suspend or discontinue providing this website and the associated documentation/content at any time, and may impose limits or restrictions on access or use without notice or liability. Kratos may post on this website and/or send an email to you with notices of changes. It is your responsibility to review the website and/or check any email address registered with us for any such notices. Such changes shall be binding absent written notice of termination from you.

1. Acknowledgement/Acceptance: Seller is requested to acknowledge receipt of this purchase order to Kratos Industries, LLC or its affiliated company referenced on the face of this order ("Kratos") within (5) five days after receipt or prior to shipment, whichever is first. This is to ensure that Seller is in receipt of order, and terms and conditions of quantity, price, description, specifications and shipping date and other conditions are understood. Failure to submit said acknowledgement within five (5) days, or upon shipment of the goods, shall constitute acceptance of this purchase order in its entirety. Any terms and conditions proposed in Seller's acknowledgement, acceptance, invoice or other form that add to, vary from, or conflict with the terms herein are hereby rejected. If this order is an acceptance of a prior offer by Seller, such acceptance is limited to the express terms set forth herein.

2. Complete Agreement: The terms and conditions herein, any non-disclosure/confidentiality agreement in force between the parties (but only to the extent it does not conflict herewith) and in the Supplier Code of Conduct incorporated herein by reference, as well as any specification(s), or description(s) of the goods and services provided to Kratos and not in conflict herewith, set forth the entire agreement between the parties (the "Agreement") and shall supersede and mutually terminate all previous communications and agreements, either oral or written, between the parties with respect to the subject matter of this Agreement, including, but not limited to, any prior written agreement between the parties. This Agreement shall supersede any and all transaction documentation (purchase order form, terms associated with receipts, etc.) provided by you, and can only be modified a written amendment explicitly amending these terms and executed by duly authorized representatives both parties. To the extent there is no non-disclosure/confidentiality agreement in force between the parties, the following confidentiality terms shall apply: For the duration of the business relationship and for a period of five (5) years thereafter, Seller undertakes to consider and treat as strictly confidential and, without prior written authorization from Kratos, not to disclose to any third party whatsoever, directly or indirectly, in any form whatsoever, any or all data or information (including intellectual property-related disclosures) provided by Kratos during the relationship, or of which Seller may have become aware as part of the business relationship ("Confidential Information"), whether this Confidential Information is marked as "Confidential" or not when provided, and shall apply equivalent security measures and take the same precautions as those implemented by Seller in order to protect its own confidential information. Seller also undertakes to only use Confidential Information for the purposes of its business relationship

with Kratos including but not limited to fulfillment of purchase orders, and to only share it with its officers, directors or employees who have a legitimate need to know such information in order to perform their duties. Seller undertakes to ensure that these confidentiality obligations are respected and complied with by such individuals and, where applicable, by any authorized subcontractors. Kratos retains all right, title and interest in and to all Confidential Information it may disclose, including any intellectual property contained or reflected therein or practiced thereby. Neither this Agreement nor any disclosure of Confidential Information made under it grants Seller any right or license, express or implied, under any trademark, copyright, patent, patent application, invention, mask work, or other intellectual property now or subsequently owned or controlled by Kratos. Seller shall not make any copies of Confidential Information except as necessary to fulfill obligations pursuant hereto or to the business relationship, nor shall Seller reverse engineer, reverse compile or otherwise seek to acquire proprietary information or intellectual property of Kratos via disclosed Confidential Information.

3. Order of Precedence: If there are any inconsistencies or conflicts in the provisions applicable to an order, precedence shall apply as follows: (i) first, the face of the purchase order, solely with regard to price, quantity and shipping; (ii) next, the terms of any master terms agreement or other agreement between Seller and Kratos that explicitly supersedes these terms and conditions and establishes alternative terms and conditions, but only to the extent of any conflict herewith; and finally (iii) these terms and conditions.

4. Price: Prices, charges or extra costs shall not be in excess of those listed on the face side of this order. If price is listed incorrect, or is not listed, Seller must notify Kratos within three (3) days of receipt of PO and prior to fabrication or shipment. All price increases must be authorized by Kratos in writing prior to shipment.

5. Quantity: The quantity(s) indicated, either total or per each schedule release, when indicated shall be adhered to by Seller. Overruns will not be accepted or Kratos held liable, and will be returned to Seller at Seller's expense. On blanket orders or multi scheduled shipments the quantity listed or 5% less will be acceptable or satisfactory thru completion of this order. Any changes to the above must be authorized in writing by Kratos prior to implementation.

6. Delivery: The time specified for delivery shall be of the essence of this order. Seller must notify Kratos a reasonable time in advance in writing of any delays or non-performance, to insure continuity of Kratos's production schedule or supply requirements. Failure to ship on the dates(s) and quantity(s) specified will, at Kratos's option, relieve Kratos of any obligation to accept or pay for undelivered goods, whether completed or in any state of fabrication, and Kratos may at its option cancel or terminate this order or any remaining unshipped balance at no cost or charges or any further obligation to Seller. Payment for goods or services shall not constitute acceptance. Kratos shall have the right to inspect and test the goods and services and reject any nonconforming goods and services. The goods or

services shall not be deemed to be accepted until Kratos notifies Seller in writing that the goods have been received at their destination and conform to all applicable specifications and warranties, including without limitation any such specifications or warranties included or referenced in this Agreement, after the completion of Kratos's inspection. In addition to any other remedies under law Kratos shall have the right to reject and refuse acceptance, require prompt correction or cure, or accept any nonconforming goods or services with an equitable adjustment in price. Kratos may return nonconforming goods to Seller at Seller's risk and expense, including transportation and handling costs; or may, alternatively, require Seller to collect such goods within eight (8) days of notification of rejection by Kratos. The right to test and inspect, whether exercised or not, shall not affect Kratos's right to revoke acceptance or pursue other remedies if nonconformities are later discovered even if the nonconformity could have been discovered upon testing or inspection. Acceptance shall not relieve Seller from its responsibility under any warranty. The risk of loss or damage shall remain with Seller until acceptance.

7. Delivery Schedule(s): Shipment or delivery of goods in advance of shipping schedule, (date(s) and quantity(s) as indicated) and considered unreasonable by Kratos, except with the prior written authorization of Kratos, may be returned to Seller, at Kratos's option and Seller's expense.

8. Fabrication: All goods ordered and furnished to Kratos requirements specifically, as indicated by drawings, specifications or other technical data furnished with or included on the face of this order by Kratos, will not be fabricated by the Seller in excess of 30 days in advance of the shipping schedule(s) and quantity(s) indicated. Any fabrication in advance of these instructions will be at the Seller's risk. In the event of specification or schedule changes, Kratos will not be liable or responsible beyond such 30-day period, except in such cases where compliance to quantity(s) or shipping schedule otherwise mandates or warrants, and advance notice is supplied to and agreed to by Kratos. In the event of cancellation or termination, Kratos will only be responsible as set forth in Section 14.

9. Packaging and Shipment: Unless otherwise specified, all goods to be delivered hereunder shall be stored, boxed or packaged without charge, so as to ensure safe arrival at their ultimate destination and to comply with any and all laws, regulations, requirements or standards of common carriers. Packing list must accompany goods, listing contents, quantity, part number, and P.O. number. Goods must be routed in accordance with Kratos's instructions. In the event the method of shipment is not indicated or the term "Best Way" is used, the most economical and practical method will be secured by the Seller and shipped, prepaid. Discrepancies encountered with count or quantity will rest on the Seller. Kratos will notify Seller in writing when such discrepancies occur or are encountered. All goods must be packaged and shipped in accordance with all laws and regulations applicable thereto, including but not limited to road/shipping regulations of the transit and destination, as well as environmental, health and safety laws, including, but not limited to, the Hazardous Materials Transportation Act of 1975, as amended.

10. Title and Risk of Loss: Seller shall bear all risk of loss or damage for all goods until such time as the goods are received and

accepted by Kratos. Title to, and risk of loss for, the goods shall pass only after such receipt and acceptance have occurred.

11. Inspection: All materials and goods supplied hereunder as specified are subject to test and inspection and approval or acceptance after receipt by Kratos. Inspection may be performed at Kratos's option on a statistical sampling basis, in accordance with ANSI/ASQ Z1.4-2003 (R2013). Kratos shall have a reasonable time after delivery or performance to inspect the items delivered or services performed.

12. Rejection: Kratos will notify Seller of any rejection by either notice in writing or by the return to the Seller of the rejected goods at Seller's expense. Kratos reserves the right to reject and return the entire lot or any portion thereof. Kratos may, at its option, supply QC and inspection data of any non-conforming lot as requested by Seller. At Kratos's sole option, Seller may be allowed to replace defective goods with conforming goods within a reasonable amount of time by issuing a Rejection Replacement Order, without invalidating any remainder of unshipped balance of this order, or Kratos may cancel such order without payment or penalty.

13. Changes: Kratos shall have the right to make changes to this order or any part thereof at any time through issuance of a written change notice. Such change notice may cancel this order in part or in whole if performance becomes impracticable due to an Act of God or any event(s) beyond Kratos's control. If any such change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment shall be made in price or delivery schedule or both ("Adjustment Claim"), and Kratos shall modify this order accordingly. Seller must submit an Adjustment Claim in writing in the form of a complete change proposal, fully supported by factual information, to Kratos no later than fifteen (15) days after Seller's receipt of the change notice.

14. Termination: Kratos may terminate this order or any remaining unshipped portion thereof at any time, for any reason. In the event of termination, Kratos will notify Seller in writing. Subject to the requirements set forth in this order, Kratos will be responsible to Seller for (1) all goods received and accepted prior to cancellation date; (2) all goods in transit, and in accordance with Kratos's shipping schedule, provided they meet with applicable QC and specifications; (3) any goods fabricated or in process and scheduled for shipment within (30) thirty days of the termination date. Kratos will not be liable for costs or cancellation charges on any goods manufactured, fabricated or considered work in process in excess of (30) thirty days beyond the cancellation date, unless otherwise agreed to in writing by Kratos prior to termination. Kratos may cancel this order at no cost or cancellation charges or further liability, at any time, for Seller's non-performance, non-compliance with Section 17, or failure to deliver conforming goods as scheduled or within reasonable time thereof, at Kratos's option.

15. Warranty: Seller warrants to Kratos that all goods provided hereunder shall be and shall continue to be: (i) merchantable and fit for the ordinary purposes for which such goods are used; (ii) new; (iii) free from defects in material and workmanship; and (iv) free from liens or encumbrances on title. Seller agrees that the foregoing warranties are transferrable to Kratos's customers and the users of

Kratos's products. If the goods or services are defective in any way or fail to conform in all respects to the warranties of this Agreement any time within twenty-four (24) months of purchase, Seller shall at its own expense within two (2) weeks or less after notice, repair, replace or correct any defective or nonconforming goods or services provided, however, that Seller is notified of the defect or nonconformity within a period of one year after the date Kratos discovers the defect. Whether or not Seller repairs, replaces or corrects any defects within a reasonable time, Seller shall reimburse Kratos for reasonable expenses incurred in connection with such failure and in enforcing its warranty rights (including without limitation its reasonable attorney fees at trial and on appeal), in addition to any other remedies Kratos may have. The warranty shall be extended by the amount of time equal to the number of days from notification to repair or replacement and acceptance by Kratos. Seller commits to provide maintenance and spare parts for the goods for the anticipated life of such goods and to notify Kratos at least twelve (12) months in advance if it intends to stop supplying the goods or spare parts purchased by Kratos.

16. Indemnity: Seller shall indemnify and hold harmless Kratos and Kratos's parent and affiliated companies, as well as the officers, directors, and employees of Kratos and Kratos's parents and affiliated companies, from and against any loss, damage or liability arising, directly or indirectly, from or relating to (i) the imposition of any tax, duty, assessment, fine or penalty of any kind relating to the chemical content of Seller's products/goods, including without limitation whether such content is properly disclosed, labelled or otherwise required to be accounted for, or (ii) the actual or alleged infringement of any patent or other intellectual property right, or the release of hazardous materials by reason of the sale, distribution and/or use of the Seller's products/goods, or (iii) product defect (including recall), or (iv) failure to comply with Section 17 hereof.

17. Compliance:

a) General Compliance: Seller shall be responsible and liable for compliance with any and all laws, rules and regulations applicable to the performance of its obligations hereunder, including, but not limited to (i) the actions of its employees and the conduct and operation of its business, and (ii) laws and regulations governing data privacy, including without limitation those of the US, EU and France, as applicable. Seller's policies and practices shall explicitly prohibit the improper payment or provision of anything of value, directly or indirectly, to any public official or to any agent or consultant of any public entity or official, foreign or domestic. Seller shall also have in place policies to ensure that normal and customary business entertainment and expenses or the provision of other things of nominal value are bona fide and legitimate under applicable law.

b) CSR: Seller will use all commercially reasonable efforts to comply with Kratos's Corporate Social Responsibility commitments, in particular regarding the UN Global Compact.

Seller and its subcontractors also undertake to comply with the conventions of the International Labor Organization as well as with any regulation applicable to their activities in the countries in which they operate.

c) Anti-Corruption / Conflicts of Interest: Seller shall

(i) not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage;

(ii) abide by all applicable anti-corruption laws and regulations of the countries in which it operates, including the Foreign Corrupt Practices Act (FCPA) and applicable homologue EU, French and international anti-corruption directives, laws and conventions;

(iii) have a policy that prohibits the giving and acceptance of gifts (gifts include items such as cash, or cash equivalents including entertainment, gift cards, product discounts, and nonbusiness activities); and

(iv) have a process to investigate and report any violations to the policy. In addition, Seller must act with reasonable care and diligence to prevent any actions or conditions that could result in a conflict of interest with Kratos's interests. While engaged in Kratos-related work, Seller must not accept any employment or engage in any work that creates a conflict of interest with Kratos or that in any way compromises the work being performed for Kratos.

Seller undertakes to require its suppliers and subcontractors, to comply with the same laws, regulations, rules, etc. as Seller must comply with pursuant to this Agreement.

Kratos reserves the right to conduct at any time audits in order to confirm Sellers compliance with this Agreement, including the foregoing requirements. To this end, Seller shall grant Kratos's internal or external auditors, as the case may require, full access to its production and administrative sites.

d) Environmental Compliance: Seller is solely responsible for its products' compliance with all environmental laws, rules and regulations applicable to such products. Seller is also responsible for the care, control and management of its products, materials and wastes, including Seller's proper off-site disposal of all waste materials in accordance with all applicable legal requirements. In addition to Seller's adherence to environmental compliance obligations flowing from the Supplier Code of Conduct, Material Safety Data Sheets (MSDS) must be provided to the Kratos Environmental Coordinator for any oils, lubricants, chemicals, cleaners, paints, or adhesives prior to being brought to Kratos's site.

All liquid product or waste material must be stored incompatible and secure containers, adequately labeled with environmental and safety information, and remain covered at all times when not in use. All product and waste materials must be properly segregated. Product or waste material must not be placed in drains, sumps or trenches or outside of any Kratos facility unless authorized in writing by the Kratos's Environmental Coordinator.

In the event of an environmental emergency, or incident pertaining to the transportation of goods to and from the local Kratos site, Seller must immediately contact the local Kratos Environmental Coordinator and indicate what was spilled, the Location of the spill, and what quantity was spilled.

Seller shall obtain and comply with all applicable permits required local, state and/or federal regulations. Seller must follow all appropriate environmental, health and safety rules and regulations while on Kratos property.

e) Equal Opportunity: If applicable, Seller is responsible for compliance with all equal opportunity laws, regulations, ordinances and

executive orders in the production and sale of its products. **Required contract laws relative to Equal Employment Opportunity/Affirmative Action are incorporated herein by specific reference to Executive Order 11246, as amended; 41 C.F.R. 60-1.4 (Equal Opportunity Clause); 41 C.F.R. 60-250.4 (Disabled Veterans/Vietnam Veterans); and 41 C.F.R. 60-741.4 (Disabled). Seller shall also comply with 29 C.F.R. part 470 (Notice of Employee Rights Concerning Payment of Union Dues), if applicable.**

f) Import/Export Compliance: Seller shall comply with all applicable national and international laws and regulations regarding the supply, sale, transfer, export, re-export of products and related services, as appropriate, including without limitation economic sanctions (e.g., Russia, Iran, North Korea), export control and trade embargos (hereafter referred to as "Export Control Regulations").

Seller undertakes to not sell, supply, transfer, export, re-export or make products available to Kratos that could be originated, directly or indirectly, from a country that are subject to Export Control Regulations or from any company, entity, organization or individual covered by Export Control Regulations.

Seller acknowledges it is solely responsible for obtaining and maintaining the necessary export licenses.

Seller undertakes to:

- specify the P/N and the commercial designation of their products as well as the name and the country of the manufacturer, and
- specify whether or not the products are controlled under any Export Control Regulations

In addition, Seller undertakes, if necessary, to provide Kratos with the following information:

- for the dual-use items, the Export Control Classification Number (ECCN) of the Commerce Control List. If no ECCN is relevant to the product, it must be considered as classified under ECCN "EAR99";
- if the product incorporates controlled components, the name and the country of the supplier and the manufacturer of such components;
- if a non US-origin product with integrated, EAR-classified US components (except EAR99), specify the value (in U.S. dollars) of those components (purchase price); and
- the export license number and date, where appropriate.

Seller also undertakes to provide Kratos with the following accompanying documents:

- the invoice for the products, and
- the documents required under the regulations applicable to the products, such as documents justifying origin of the products, the EC declaration of conformity and/or the technical documents relating to the products.

When requested by Kratos, Seller shall, promptly and without additional cost, furnish Kratos with any documentation, including import certificates or end-user statements from Seller or Seller's

government, which are reasonably necessary to support Kratos's application for import or export authorizations.

If any goods ordered hereunder are to be shipped into the United States, Seller agrees that it will either (i) be certified under the Customs Trade Partnership Against Terrorism ("C-TPAT") program by the U.S. Bureau of Customs and Border Protection, or (ii) demonstrate to Kratos's satisfaction that it meets the security requirements of C-TPAT. Upon five (5) days prior written notice, Kratos, or its designee, may audit all pertinent books and records of Seller and its subcontractors, and make reasonable inspection of Seller's and its subcontractors' premises, in order to verify compliance with the requirements of this Section.

g) Seller Systems Security & Continuity

Due to the sensitive nature of the data belonging to Kratos which may transit through Seller's information system(s), Seller agrees to pay special attention to ensuring the physical and logical security of any information system which processes Kratos information. The security measures implemented by Seller relating to the information and Information System must comply with best practice and market standards in terms of cybersecurity (e.g. ISO27001, NIST CSF, OWASP, IEC62443, PCI-DSS, etc.). Seller undertakes to comply with applicable laws and regulations in force (e.g. data privacy, etc.) and to comply with any policy communicated by Kratos, paying particular attention to the following points:

- Policies:** Seller has defined, implemented and monitored security policies.
- Awareness:** Seller ensures that its employees are aware of and trained in good security practices.
- Access management:** Seller ensures that the access of its employees and service providers is regularly monitored and, if required under applicable law, regulation or policy, recertified, and will notify Kratos of any changes (transfer, departure).
- Hardening:** Seller applies good security hardening practices (e.g. based on CIS Benchmark) to the configuration of equipment supplied to Kratos and/or used in the context of any service provided to Kratos.
- Vulnerability management:** Seller shall ensure that the vulnerabilities of its equipment or software used under the contract with Kratos or supplied to Kratos are managed. Vulnerabilities must be reported as promptly as possible.
- Supervision and incident management:** Seller must ensure that events and incidents relating to the security of its information system are supervised.
- Security in Projects and Contracts:** Seller undertakes to integrate good security practices into the projects it carries out with Kratos and to cascade cybersecurity requirements to its suppliers and service providers as necessary for any fulfilment of goods or services to Kratos.

viii. Continuity: Seller is responsible for implementing, maintaining in working condition, documenting, and assessing all measures required to guarantee the continuity of products and/or services provided to Kratos, in accordance with any relevant product schedule(s) and/or service level commitments.

18. Safety: The goods to be provided and/or the services to be performed hereunder are each warranted by Seller to equal or surpass all Federal, State and local occupational safety and health standards applicable thereto, including without limitation, those set forth in Title 29, Labor, Chapter XVII, part 1910 of the Code of Federal Regulations, and all OSHA and EPA Regulations as indicated by current laws.

19. Insurance: Seller agrees to maintain insurance, in force as follows:

- General Liability including Products/Completed Operations and Contractual Liability coverages, in the minimum amount of (\$1,000,000) One Million Dollars.
- All Risk Property and Boiler/Machinery coverage, as applicable, for all Kratos furnished or Paid for Items.
- Statutory Worker's Compensation and Employer's Liability coverage.

ALL POLICIES SHALL BE ENDORSED TO WAIVE SUBROGATION AGAINST KRATOS AND ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, AND TO NAME KRATOS AS AN ADDITIONAL INSURED. All policies shall provide that the coverage thereunder shall not be materially changed or cancelled without at least 30 days prior notice to Kratos. Evidence of renewals of each such policy in acceptable format shall be delivered to the Kratos not less than 20 days prior to the expiration of the original policy.

20. Remedies: The rights and remedies set forth herein are cumulative and in addition to any other rights or remedies that the parties may have at law or in equity.

21. Governing Law: The terms shall be governing by the laws of the State of Connecticut, excluding conflicts of laws provisions. Application of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

22. No Waiver: The failure of either party to require the performance of any term of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent a subsequent enforcement of such term or be deemed a waiver of any subsequent breach. Any waiver hereunder must be made in writing and signed by a duly authorized representative of the party waiving its right to enforce or otherwise receive the benefit of the term, condition, right, or obligation being waived.

23. Software: If any purchase pursuant to this Agreement includes computer programs, software or firmware of any kind in any form ("Software"), Seller hereby grants to Kratos a perpetual, nonexclusive, royalty-free license to use and copy the Software for any purpose on any equipment or hardware; notwithstanding the terms of any standard form or purported "shrink wrap" license of

Seller, which shall not be binding on Kratos unless such license is executed by an authorized representative of Kratos. The price stated in this Agreement shall be a one-time, fully paid-up license fee, and all terms of this Agreement shall apply as if the license were a purchase. However, if the Software is developed or modified for Kratos, at Kratos's request or to Kratos's specifications, then Section 24 below shall also apply. Seller represents and warrants that (i) it has not introduced, included or otherwise utilized any harmful code, malware, Trojan Horses, worms, viruses, bots or other similar code in its Software; (ii) where any open source software or any other similar software has been used for software development, the Software or any components thereof is not subject to GPL, LGPL or similar viral/"copy left" open source licenses; (iii) Seller will: (a) identify to Company with sufficient specificity when and where such open source software, in each and every instance, is used, and identify under what license such open source software is used; and (b) build and maintain the code architecture in such a way so as to separate open source software from Kratos's proprietary code, if any, and insulate and protect Kratos's proprietary code from being subjected to any open source requirements. Other than as permitted above in this clause, Seller shall not incorporate into any Software any third party's product, Software, or other materials for which the intellectual property rights are not owned or appropriately licensed to Seller for resale/redistribution. Seller represents and warrants to Kratos that its Software will not infringe any intellectual property or proprietary rights held by a third party.

24. Ownership: Kratos shall be the sole and exclusive owner of all tangible or intangible products, materials, and things that are delivered, produced by, or developed for or in connection with the performance of any services or any goods or Software developed or modified for Kratos or to Kratos's specifications, including, without limitation, all designs, inventions, ideas, improvements, graphics, data, computer programs, and all copyrights, patents, trade secrets and other proprietary rights in respect of any of the foregoing (collectively, "Products"). Products does not include general know-how and experience gained prior to development, production or performance. Seller hereby sells, assigns, and transfers all right, title and interest in and to Products to Kratos, and shall cooperate with Kratos in obtaining or enforcing any associated intellectual property rights.

25. Independent Contractor: Seller is an independent contractor hereunder, and Seller is not an agent or employee of Kratos. This Agreement does not create a joint venture, partnership, franchise or other formal business organization between the parties. Neither party has the right to bind or obligate the other party in any way hereunder.

26. Taxes: Unless otherwise agreed in writing, Seller warrants that the price of the goods and services includes all federal, state and local sales and use taxes, ad valorem taxes, tariffs, duties, commissions, or other charges, whether domestic or foreign, imposed on the goods or services, or any part of the transaction in this Agreement. Seller shall timely pay all taxes to the appropriate authorities and properly file all tax returns. Seller agrees to hold harmless, indemnify and reimburse Kratos for any such taxes (including penalties and interest) that Kratos may be required to pay.

27. Security Agreement: To the extent Kratos has made any

payments to Seller, Seller grants to Kratos a continuing security interest in all or any part of the goods, whether or not completed, that are identifiable to this Agreement. Seller agrees to execute and deliver at Kratos's request, any documents, instruments, or filings necessary to evidence or perfect this security interest or to obtain priority over any competing security interest in such goods. A copy of this Agreement may be filed as a financing statement, in which case Seller is the debtor and Kratos is the secured party.

28. Assignment: Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party, provided, however, Kratos may assign its rights hereunder, without the consent of Seller, to an affiliate or to a successor in interest to its related business operation(s). This Agreement shall be binding upon the parties and their permitted successors and assigns. For purposes of this Agreement, an "affiliate" of a party means a person or entity that, directly or indirectly, controls, is controlled by, or is under common control with such party.

29. Modification: No term of this Agreement shall be amended, supplemented, or modified except by a writing signed by the party against whom enforcement is sought.

30. Severability: In the event any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law or public policy, the remaining provisions shall remain in full force and effect.

31. No Waiver: The failure of either party to require the performance of any term of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent a subsequent enforcement of such term or be deemed a waiver of any subsequent breach. Any waiver hereunder must be made in writing and signed by a duly authorized representative of the party waiving its right to enforce or otherwise receive the benefit of the term, condition, right, or obligation being waived.