

SPECIAL TERMS AND CONDITIONS OF PURCHASE FOR SERVICE PROVIDERS

1. APPLICABILITY; INTERPRETATION

These Special Terms and Conditions of Purchase for Service Providers ("Special Terms") apply in addition to Teledyne Controls' General Terms and Conditions of Purchase ("General Terms") included with Buyer's Order. In the event of a conflict between a provision of these Special Terms and a provision of the General Terms, the provision in these Special Terms shall take precedence. Capitalized terms used in these Special Terms have the same meaning as used in the General Terms unless otherwise stated.

2. SURVIVAL

Buyer and Seller agree that the General Terms and these Special Terms will continue to apply to all matters arising from or relating to Buyer's Order following its completion or earlier termination.

3. COMPLIANCE WITH CONTRACTING AND LOBBYING RESTRICTIONS

(a) Seller represents and certifies that it is not now listed by any federal agency as debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for federal procurement programs. If Seller is a corporation, partnership or other form of business organization, the representations and certification shall apply not only to the individual(s) who shall be performing the consulting services, but also to the principal officers and owners of the business organization.

(b) In performing Buyer's Order, Seller agrees to comply with applicable federal, state, and local laws and regulations relating directly or indirectly to Seller's performance, and to not make or permit to be made or knowingly allow a third party to make any improper payments, or to perform any unlawful act.

(c) When requested to do so by Buyer, Seller will provide supporting information and to execute certifications as may be required to permit Buyer to fully comply with applicable government regulations which may become effective during the term of Buyer's Order.

(d) Failure or refusal to furnish in a timely manner any required certificate or disclosure upon request from either Buyer or a U.S. government procurement authority shall be the basis for immediate termination of Buyer's Order. With regard to all certifications contained herein or executed as part of Buyer's Order, Seller will notify Buyer promptly of any changes in Seller's status. Failure to provide prompt notice will be cause for immediate termination of Buyer's Order.

(e) Seller certifies that it is familiar with and will comply with all federal laws and regulations relating to federal conflict of interest concerns, and further certifies that, to the best of its knowledge and belief, Seller is not prohibited by law from performing services contracted for under Buyer's Order.

(f) Seller represents that it will comply with 31 U.S. Code 1352 and implementing regulations contained in the Federal Acquisition Regulation (FAR) which prohibits use of federal appropriated funds to influence or attempt to influence any federal actions. Seller represents that it will promptly inform Buyer of any instance which may involve efforts to influence or attempt to influence agency or congressional personnel with respect to federal action (as these terms are defined by Section 1352 and its implementing regulations). Seller represents that its invoices will separately identify all time spent under Buyer's Order for such efforts. Further, Seller represents that it will not engage in any effort on behalf of Buyer to lobby (i.e. to influence or attempt to influence) Congress, any federal agency, any member of Congress, any federal officer, or any federal agency employee or employee of a Member of Congress, unless such activity is expressly directed or approved by Buyer in writing.

4. FCPA AND NO CORRUPT PRACTICES

(a) Seller hereby warrants and represents to Buyer that it does and shall comply with the provisions of the U.S. Government's Foreign Corrupt Practices Act of 1977 ("FCPA") (15 U.S.C. §§ 78dd-1, et seq.) and any equivalent anti-bribery laws, regulations, or statutes in the jurisdiction of Seller's place of business and in any other jurisdiction in which Seller obtains supplies or services, or performs work, in connection with Buyer's Order.

(b) Seller hereby warrants and represents to Buyer that no portion of any monies paid or payable to Seller in connection with Buyer's Order shall, directly or indirectly, whether in cash or in kind, be paid, received, transferred, loaned, offered, promised, or furnished (hereinafter collectively described as "paid"):

(i) to or for the use of any officer or employee of any government or any department, agency, instrumentality, corporation, or any entity controlled thereby, or any political party or official of a political party, or any candidate for a political office, or any person acting for or on behalf of any of the foregoing, or any person or firm who has paid or will pay any portion thereof to any of the foregoing, for the corrupt purpose of obtaining or retaining business, or obtaining any improper advantage for or with, or directing business to, any person or entity; or

(ii) to or for the use or benefit of any officer or employee of any government or any department, agency, instrumentality, corporation, or any entity controlled thereby for the purpose of facilitating the performance of duties of a non-discretionary nature, including, but not limited to, processing applications and papers, issuing permits, and other actions of an official, in order to expedite the performance of such duties (commonly referred to as "grease payments" or "facilitation payments"), even if such payments are of a nominal value or considered customary, routine, or arguably permitted under the FCPA, or

(iii) to or for the use or benefit of any individual, partnership, corporation, or other entity, or any officer or employee thereof, for the purpose of obtaining or retaining business for or with, or directing business to, any person or entity; or

(iv) in any other manner which shall violate the tax, currency, exchange, commercial bribery, or other laws of the jurisdiction of Seller's principal place of business, the United States, or any other applicable jurisdiction, including, but not limited to, the provisions of any legal requirement in the foregoing jurisdictions and any amendments thereto.

(c) Seller must maintain complete and accurate records of all payments of any kind made by Seller from or with respect to commissions, service fees, or other payments. Seller must also maintain records reflecting payments, and their disposition, received from Buyer. Seller acknowledges that the records shall be subject to inspection and audit by Buyer at any time.

(d) Seller has been furnished a copy of Teledyne Technologies Incorporated's "Ethics Code of Conduct for Service Providers" booklet. Seller certifies that Seller and its personnel having any responsibility for implementation or performance under Buyer's Order have read and understand the contents of the booklet and shall comply with its standards of business conduct. Seller certifies that Seller has executed the certification in the booklet and has returned the original certification to Buyer and has retained the booklet for reference.

5. PROHIBITION OF SELLER'S USE OF TELEDYNE BRAND

Seller is strictly prohibited from using Buyer's Trademarks in any manner, including without limitation any electronic or print literature, business cards, letterhead, advertising, or similar materials. For purposes of this article, "Buyer's Trademarks" is defined as any trademark, word, or term, whether alone or in combination, used for the purpose of identifying Buyer, Teledyne Technologies Incorporated, any of Teledyne Technologies Incorporated's other subsidiaries, affiliates, divisions, or business units, or any of their products or services.

6. NO CONFLICTS

Seller represents that it is not presently subject to any agreement, oral or written, or other legal requirement that prevents the Seller from fully performing its obligations under Buyer's Order.

7. CONFIDENTIALITY—ADDITIONAL REQUIREMENTS

(a) With each of its employees who directly or indirectly perform services or other work for Buyer, or who have access to Buyer's Confidential Information, Seller shall enter into an agreement which requires the employee to preserve confidentiality of Buyer's Confidential Information in accordance with Section 17 of the General Terms. Notwithstanding the existence of such agreements, Seller shall remain fully liable for any breach by any of its employees of Seller's obligations to preserve the confidentiality of Buyer's Confidential Information in accordance with Section 17 of the General Terms.

(b) Unless otherwise stated in a non-disclosure, confidentiality or similar agreement between Buyer and Seller, Seller is required to preserve the confidentiality of Buyer's Confidential Information for a period of not less than five (5) years following the completion or earlier termination of Buyer's Order.

8. RELATIONSHIP OF THE PARTIES—ADDITIONAL REQUIREMENTS

(a) Seller shall not be eligible for any benefit available only to employees of Buyer, including, but not limited to, workers compensation insurance, state disability insurance, unemployment insurance, group health insurance, life insurance, vacation pay, sick pay, severance pay, bonus plans, pension plans, savings plans, and the like. Seller acknowledges and agrees that Seller has no authority to act for, bind, or obligate Buyer in any manner except to the extent specifically authorized in writing by Buyer. Seller acknowledges and agrees that Seller is solely responsible for providing its own supplies and equipment, controlling its own hours of work, and determining the manner and means of Seller's performance hereunder.

(b) No income, social security, state disability, or other such federal, state, or local payroll tax shall be deducted from payments made by Buyer to Seller under Buyer's Order. Seller hereby agrees to defend, indemnify, and hold Buyer harmless from and against any and all liability resulting from Seller's failure to account for or pay such taxes.

(c) To the extent permitted by law, Seller, for itself and on behalf of its officers, directors, and employees, hereby waives any rights that may be granted to it or to them under the laws and regulations of the United States or of any jurisdiction(s) within Seller's principal place of business or otherwise which are inconsistent with the terms and conditions of Buyer's Order. Seller hereby indemnifies and holds Buyer harmless from and against any and all claims, costs, damages, and liabilities whatsoever asserted by any officer, director, employee, or representative of Seller under any applicable termination, labor, social security, or similar laws or regulations of any jurisdiction.

9. PROPRIETARY RIGHTS—ADDITIONAL REQUIREMENTS

(a) Seller hereby agrees to provide, without additional compensation, such assistance as may reasonably be required by Buyer to obtain patents and copyrights for such Inventions in any countries, and to enforce any of Buyer's rights relating to such Inventions and any resulting patents or copyrights, including without limitation the execution by Seller of all applications, assignments, and other instruments as Buyer may request.

(b) Seller hereby warrants and represents that all of the Inventions, findings, and recommendations disclosed by Seller to Buyer in connection with Buyer's Order may lawfully be disclosed and are not subject to any patent, license agreement, confidentiality agreement, trade secret law, or any other restriction on use by, or disclosure to or by, Buyer.

(c) Seller hereby irrevocably constitutes and appoints Buyer to act as Seller's agent and attorney-in-fact to perform such acts and execute such documents as Seller may be obligated to perform or execute under this Section, including all documents necessary to apply for or obtain patents or copyrights.

(d) Seller agrees that all notes, memoranda, reports, presentations, and other materials prepared by Seller in connection with Buyer's Order shall be, from their inception, the property of Buyer, and Seller hereby waives any rights or interest Seller may have in any such materials. Seller shall not make use whatsoever of any materials Seller prepares in connection with Buyer's Order without the prior written approval of Buyer.