



SUPPLEMENTAL TERMS AND CONDITIONS FOR INDEPENDENT CONTRACTORS

The Purchase Order ("PO") to which these Supplemental Terms and Conditions for Independent Contractors are incorporated by reference (hereafter the "Order") constitutes an offer by the Aerojet Rocketdyne legal entity (e.g., Aerojet Rocketdyne, Inc., Aerojet Ordnance Tennessee, Inc., Aerojet Rocketdyne Coleman Aerospace, Inc., Easton Development Company, LLC, or Aerojet Rocketdyne Holdings, Inc.) (hereafter referred to as the "Company" or Buyer) identified in such Order to purchase Services with Seller. These Supplemental Terms and Conditions are in addition to the Aerojet Rocketdyne General Provisions incorporated by reference and are applicable to individual Purchase Orders and Contracts with Seller. Except as noted in the General Provisions, these Supplemental Terms and Conditions for Independent Contractors shall be controlling over any conflicting Terms and Conditions in such General Provisions.

1. DEFINITIONS

- a. **"Company Premises"** means Work as defined herein conducted at facilities owned by, rented to, or controlled in whole or in part by Company, as well as when Seller is performing work on Company's behalf at a third party's facility (e.g., another seller, customer or the government's).
- b. **"Independent Contractor"** - A person who gives expert or professional advice based on unique and substantial knowledge and who is either self-employed or employed by a professional consulting firm. A self-employed Seller must typically meet the requirements of the Independent Contractor classification. For purposes of the Supplemental Terms and Conditions, "Independent Contractor" shall be synonymous with "Seller".

2. TERM

This PO shall be effective on the date of the Seller's signature or acknowledgment and shall remain in effect through the last Need-by-date stated in the PO. However, the PO may, during the period of its duration, be terminated by Company, at any time, with or without advance written notice, or by Seller upon thirty (30) days written notice to Company.

3. SCOPE

Seller shall assist or interact with the Company personnel as required or directed by Company's Project Coordinator in performing as defined in the PO and applicable Statement of Work. The Company will identify a Project Coordinator to interact with Seller. Seller shall contact the Project Coordinator for questions regarding scope, invoice submittals, any travel authorizations or transmission of technical data. The Project Coordinator shall be identified in the PO.

4. NATURE OF RELATIONSHIP

Seller agrees that any services rendered under this PO shall be rendered as an independent contractor and not as an employee of the Company. The term, "Independent Contractor" means the Seller herein, who shall render services for the specified recompense for the specified result, under the control of the Company as to the result of Seller work only and not as to the means by which such result is accomplished. Seller is solely responsible for the safe conduct of performance under this PO, and shall perform the services required under this PO in an efficient manner and to the best of their ability. Seller has fully examined all requirements of this PO and all conditions related to Seller's performance, including but not limited to labor, material and skills. Seller possesses the requisite specialized and professional skills for the rendering of consulting services to the Company, and has, or can readily obtain during performance, all resources needed to perform this PO, including financial resources. Seller shall comply with all federal, state and local laws, regulations and directives that may relate to performance of the services required by this PO.

5. COMPENSATION FOR SELLER SERVICES

In consideration for Seller's services hereunder, the Company shall reimburse Seller as set forth in the PO. Seller shall not be paid vacation, holiday or sick time during the term of PO. In the event of early termination of the PO the Company shall pay Seller for the services performed and authorized expenses incurred through the date of termination. In the event of any overpayment by the Company, Seller shall, upon submission by the Company of



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documents evidencing such overpayment, remit the same to the Company within thirty (30) days after receipt of such documents. Seller shall also cooperate with the Company in producing documents as evidence of overpayment of either party.

The established prices in the Purchase Order shall not be varied by virtue of Seller having performed work on an overtime basis, unless such overtime is approved in advance by the Company and the resulting overtime rate is agreed to by the parties. Seller shall maintain a record of time performed under this PO and shall provide an activity summary with each invoice. The summary shall specifically identify any costs associated with merger and acquisition and/or lobbying activities. Time spent in travel hereunder shall not be subject to reimbursement by the Company except to the extent that work required under this PO is performed during travel period or periods.

Expenses other than travel incurred by Seller in the performance of work required hereunder will be reimbursed only if **prior approval of the Company** was obtained before incurring any such expenses. In addition, Seller shall certify that such expenses were necessary and incidental to the work and are listed in SOW.

Travel expenses shall not exceed the funded amount established in the Purchase Order. Seller agrees to track and request approval if expenses could exceed this amount prior to the completion of the SOW. The Company and Seller agree as part of final billing, review all of travel and related expenses and agree to any adjustment to ceiling amount within the Purchase Order. The Company will not require expense reports or receipts. [Travel estimates are based upon maximum daily reimbursement (per diem or meal allowance) rate for meals and incidentals (M&I), established by the U.S. Government, General Services Administration (GSA) and by the U.S. State Department for foreign locations, based on the primary work location during travel.

6. CEILING PRICE

Total payments by the Company to the Seller for services performed hereunder, including authorized expenses, shall not exceed the Ceiling Price set forth on the face of the PO. Seller agrees to use their best efforts to perform the work required by this PO within the Ceiling Price, and shall notify the Project Coordinator when the expenses to date for labor and other authorized expenses are expected to exceed 85% of the Ceiling Price. Seller shall also identify this Ceiling Price and the cumulative amount invoiced to date on all invoices. The Company may, in its absolute discretion, refuse to increase the Ceiling Price and Seller shall not be paid any amounts in excess of the Ceiling Price.

7. INVOICES (include the form in SupplierNet Forms)

Claims for reimbursement by Seller (if considered a Consultant) must be submitted using the attached form [FIN-F-7.04.14.03, Seller Invoice](#) providing all required information. Travel, meals and other expenses require additional substantiation using the attached the Company's Expense Report, and following the requirements identified in Section 5. Submit completed invoices and supporting documents to the Project Coordinator when projects are complete. Seller shall maintain a record of time performed for each project under this PO and shall provide an activity summary with each invoice. All invoices are subject to the Company's approval and may require additional substantiation by Seller. Seller warrants that amounts claimed in each invoice are for lawful and proper expenses actually incurred and to compensate for the time, effort and expertise applied to the work. The Company shall have the right to audit such claim or invoice and any books, documents or records of Seller that involve transactions relating to, or which form the basis of, said invoice or claim.

8. INDEMNIFICATION

- a. Seller shall defend, indemnify, and hold harmless the Company and its affiliates and their officers, directors, employees, agents, successors, and assigns from and against any losses, liabilities, damages, claims, demands, subrogation, suits, actions, proceedings, costs, and expenses, including reasonable attorneys' fees and costs of litigation related thereto or incident to establishing the right to indemnification ("Liabilities") arising from a third party claim, action or demand against Company resulting from:



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- (i) Death or bodily injury to any person,
 - (ii) Property damage to real or tangible property,
 - (iii) Claims by Seller's Personnel arising out of or relating to the PO, including, but not limited to, all claims arising from the acts or omissions of Seller in its capacity as an employer and relating to:
 - a. Applicable Laws for the protection of persons who are members of a protected class or category of persons,
 - b. Sexual discrimination or harassment,
 - c. Seller's failure to comply with its obligations to remit all withholding, income and social security taxes to the proper authorities, to pay state and federal unemployment insurance taxes, remit the employer's share of social security taxes and maintain all statutorily required insurance, or
 - d. Any other aspect of the employment relationship or its termination (including claims for breach of an express or implied contract of employment) which arose when the person asserting the claim was an employee of or candidate for employment by Seller, or
 - e. Seller's failure to obtain any consents, waivers, permits, clearances, approvals, rights and other authorizations for which Seller is responsible pursuant to the provisions of the PO.
 - (iv) Liability from any actual or alleged patent, copyright, trademark, or trade secret infringement by reason of any Work or Services delivered by Seller under the PO; or
 - (v) Any breach of Seller's obligations, warranties, representations, certifications, or guarantees provided under the PO.
- b. The Company may satisfy such indemnity (in whole or in part) by way of deduction from any payment due to Seller.

9. TAXES

Seller shall be responsible for, and shall remit to the appropriate taxing authority, all withholding of income tax for Seller's resident state, social security, and other payroll related taxes and assessments, and other government charges assessed or levied by any Federal, State, Local Government, or other taxing authority on account of the services provided herein within the filing schedules required by the regulations of those taxing authorities. **NOTE:** The Company is required by California State law to withhold a percentage of labor cost (current estimate 7%) for Seller who performs services in California, but are not California residents.

10. NO RESTRICTIONS

Seller represents and warrants that the terms of this PO are not inconsistent with any other contractual or legal obligations Seller may have, or with the policies of any institution or company with which Seller is associated. Seller shall fully disclose to the Company any existing or proposed POs to which Seller is a party which may affect Seller's services to the Company under this PO. This requirement includes, but is not limited to, POs tending to cause a conflict of interest such as POs to perform work on subject matters similar to Seller's activity under this PO. Seller certifies that no conflict of interest exists, and if in the future circumstances would cause such a conflict to arise, Seller will notify the Company in advance.

11. ASSIGNMENT OF INVENTIONS

- a. **Proprietary Rights** - The term "Proprietary Rights" shall mean all trade secret, patent, copyright, mask work and other intellectual property rights throughout the world.
- b. **Prior Inventions** - Inventions, if any, patented or unpatented, which Seller made prior to this PO are excluded from the scope of this PO. To preclude any possible uncertainty, Seller has provided to the Company set forth on its letter head a complete list of all Inventions that Seller has, alone or jointly with others, conceived, developed or reduced to practice or caused to be conceived, developed or reduced to practice prior to this PO, that Seller considers to be Seller's property or the property of third parties and that Seller wishes to have excluded from the scope of this PO (collectively referred to as "Prior Inventions"). If disclosure of any such Prior Invention would cause Seller to violate any prior confidentiality PO, the Company understands that Seller will not



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list such Prior Inventions and will only disclose a cursory name for each such invention, a listing of the party(ies) to whom it belongs and the fact that full disclosure as to such inventions has not been made for that reason. If Seller has not provided to the Company a list of Prior Inventions, then Seller has determined there are no Prior Inventions in accordance with this provision.

- c. **Assignment of Inventions** - Subject to Sections 11.e and 11.f, Seller hereby assigns and agrees to assign in the future (when any such Inventions or Proprietary Rights are first reduced to practice or first fixed in a tangible medium, as applicable) to the Company all Seller's right, title and interest in and to any and all Inventions (and all Proprietary Rights with respect thereto) whether or not patentable or registrable under copyright or similar statutes, made or conceived or reduced to practice or learned by Seller, either alone or jointly with others, during the performance of this PO. Inventions assigned to the Company, or to a third party as directed by the Company pursuant to this Section 11.c, are hereinafter referred to as "The Company Inventions".
- d. **Obligation to Keep the Company Informed** - During this PO and for six (6) months after termination of this PO, Seller will promptly disclose to the Company fully and in writing all Inventions authored, conceived or reduced to practice by Seller, either alone or jointly with others, during the performance of this PO. In addition, Seller will promptly disclose to the Company in confidence all patent applications filed by Seller or on Seller's behalf within a year after termination of this PO.
- e. **Government or Third Party** - Seller agrees to assign all Seller's right, title and interest in and to any particular the Company Invention to a third party, including without limitation the United States, as directed by the Company.
- f. **Works for Hire** - Seller acknowledges that all original works of authorship which are made by Seller (solely or jointly with others) during the performance of this PO shall be the sole property of the Company and shall be used by Seller solely in work for the Company. To the extent consistent with applicable law, such works shall be considered "works made for hire", and the Company shall be considered the author, pursuant to United States Copyright Act (17 USC, Section 101). To the extent Seller's work does not qualify as works made for hire, Seller agrees to assign and hereby does assign to the Company the entire copyright therein and the Company shall have the exclusive right to register its copyright in such works in any country or countries.
- g. **Enforcement of Proprietary Rights** - Seller will assist the Company in every proper way to obtain, and from time to time enforce, United States and foreign Proprietary Rights relating to the Company Inventions in any and all countries. To that end Seller will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Proprietary Rights and the assignment thereof. In addition, Seller will execute, verify and deliver assignments of such Proprietary Rights to the Company or its designee. Seller's obligation to assist the Company with respect to Proprietary Rights relating to such the Company Inventions in any and all countries shall continue beyond the termination of this PO, but the Company shall compensate Seller at a reasonable rate after termination of this PO for the time actually spent by Seller at Company's request on such assistance.

NOTICE OF IMMUNITY FROM LIABILITY FOR CONFIDENTIAL DISCLOSURE OF A TRADE SECRET TO THE GOVERNMENT OR IN A COURT FILING UNDER 18 U.S.C. § 1833: An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

12. NON-SOLICITATION

During the Term of this PO, Seller shall not to disrupt or interfere with the business of the Company by directly or indirectly soliciting, recruiting, attempting to recruit, or raiding the Company employees, or otherwise inducing the termination of employment of any the Company employee. Seller also agrees and covenants not to use any of Company's trade secrets or Confidential Information to directly or indirectly solicit the Company employees. For the



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purposes of this clause, a general advertisement or notice of a job listing or opening or other similar general publication of a job search or availability to fill employment positions, including on the internet, shall not be construed as a solicitation or inducement, and the hiring of any such employee who freely responds shall not be a breach of this clause.

13. SUBCONTRACTORS OR SUBSTITUTIONS

No subcontract shall be made with any other party for furnishing any of the work or services provided for in this PO, nor shall the services of the Consultant be substituted with services of another party, in whole or part, without the written consent of the Company.

14. SECURITY REQUIREMENTS

Seller may be provided access to classified information (i.e., Top Secret, Secret, or Confidential) in the performance of efforts required by this PO. The respective security responsibilities of the Company and Seller are set forth below, and both parties certify by signing this PO that they accept these responsibilities. This certification satisfies the requirements of National Industrial Security Program Operating Manual, DoD 5220.22-M.

- a. The Company shall provide classification guidance to Seller and brief Seller as to the security controls and procedures applicable to Seller's performance prior to providing access to any classified information.
- b. Seller shall be responsible for safeguarding classified information pursuant to instructions furnished by the Company or the Government, or both.
- c. The Company shall not furnish classified material to the Seller at any location other than Company's premises.
- d. Seller shall not possess classified information off the premises of the Company, except in connection with authorized visits.
- e. The Seller shall not disclose classified information to any unauthorized person.

15. PERFORMANCE ON COMPANY PREMISES

In the event Seller enters premises occupied by or under the control of the Company in the performance of this PO, Seller shall:

- a. Take all precautions necessary and be responsible for the safety of their work on the premises.
- b. Make advance arrangements by contacting the Company's Project Coordinator prior to visiting any Company's Facility.

16. SECURITY

- a. **US Persons/Limited Site Access Rights** – Seller who are not US persons are not permitted on Company Facilities without the prior approval of both a Company Security Representative and Company Export Control Representative. Seller who are not US persons must comply with Facility access requirements applicable to foreign visitors.
- b. Access to Company Proprietary Information must be limited to U.S. Persons that have (1) a current U.S. security clearance (minimum interim SECRET clearance), or (2) have been the subject of a favorably completed National Agency Check with Inquiries (NACI), or (3) have been the subject of a favorably completed background check pursuant to a background check program approved by the Government.
 - i. Seller with dual citizenship that have an active U.S. security clearance (interim Secret or higher) may be permitted access to Company Proprietary Information. Seller with dual citizenship that do not have an active U.S. security clearance (interim Secret or higher) are not authorized access to the Company Proprietary Information unless approved in writing by the Company. Support of certain programs or projects may require Seller to be US Citizens.
- c. **TO ACCESS BACKGROUND SCREENING LINKS, VISIT AEROJET ROCKETDYNE'S SUPPLIERNET AT: www.rocket.com/background. NOTE:** Seller will be charged a processing fee of \$43.00 - \$47.00, dependent upon



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site requirements, per background check. The **SUPPLIERNET** has been updated with specific links required for each Aerojet Rocketdyne site.

- d. **Access to Information Systems** – Access to all Company’s information systems is granted solely to perform the Services under this PO. Access to all Company computing systems or networks, Seller agrees that:
- (i) Seller will not access, and will not permit any other person or entity to access, all Company computing systems or networks without the Company authorization and any such actual or attempted access shall be consistent with any such authorization; and
 - (ii) All Seller connectivity to all Company computing systems and networks and all attempt at same shall be only through all Company security gateways/firewalls.
- e. **Security of Information Systems** - If Seller stores or processes Confidential Information, which is controlled by the Company and to which Seller is disclosed or permitted access to by the Company during the course of providing the Services described in the PO, on computer systems of Seller, then Seller shall comply with the terms and conditions set forth in this section. Seller shall ensure that Confidential Information transmitted through a Public Network is protected using Secure FTP, Socket Layer (SSL), or an equivalent means of protection. Seller shall maintain and enforce its information security program at each location from which Seller provides Services. In addition, Seller shall ensure that its information security program covers all networks, systems, servers, computers, notebooks, laptops, PDAs, mobile phones, and other devices and media that process or handle Confidential Information or that has the ability to access to all Company networks, all Company systems, or all Company Confidential Information. Moreover, Seller shall ensure that its information security program includes industry standard password protections as appropriate, firewalls, and anti-virus and malware protections to protect Confidential Information stored on computer systems.
- (i) **Anti-Malware Requirements** - Seller shall implement anti-malware software on all systems that process, store, or transmit Confidential Information to ensure that all Confidential Information is free of malware (such as viruses, Trojan horses, worms, etc.), including laptops and other devices that process, store or transmit such Confidential Information. For Services that allow an end user to upload Confidential Information that is subsequently made available for download by end user, Seller shall scan the information for malware prior to making it available for download.
 - (ii) **Encryption** - Seller shall encrypt, using, at a minimum, Advanced Encryption Standard AES-256, all Company Confidential Information that Seller transmits, receives and stores using Seller’s computer systems.
 - (iii) **Data Recovery** - Seller shall deploy back-up facilities to ensure that Confidential Information may be recovered in the event of a disaster or media failure.
- f. **Security Incidents** - Seller shall notify the Company’s Project Coordinator by telephone and email of any potential or actual Security Incidents within twenty-four (24) hours of the occurrence. Seller shall, take all reasonable steps to eliminate or contain the exposures that led to such Security Incident. Seller agrees to provide reasonable assistance and cooperation request by the Company, in furtherance of any correction, remediation, or investigation of a breach and/or mitigation of any damage.
- g. **Security Compliance** - Upon reasonable notice to Seller, Seller shall permit the Company, its auditors, designated audit representatives, and regulators including data protection regulators, to audit and inspect, at the Company sole expense, and no more often than once per year Seller’s security practices with regard to the Company Confidential Information.
- h. **Cloud Services Requirement** - Seller shall ensure the Cloud Services will maintain an active Authority to Operate (ATO) and FedRAMP certification per regulations listed herein:
- FAR 52.204-21: Basic Safeguarding of Covered Contractor Information Systems



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- Federal Risk and Authorization Management Program (FedRAMP)
- NIST SP 800-171: Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations
- NIST 800-53 r4: Security and Privacy Controls for Federal Information Systems and Organization
- NASA FAR Supplement Part 1839: Acquisition of Information Technology
- NASA Procedural Requirement 2810.1A: Security of Information Technology
- NASA Policy Directive 1600.2: NASA Security Policy

Seller shall comply with Defense Information System Agency (DISA) and Department of Defense (DoD) policies to ensure the security of the government data as applicable to the Service herein:

- DFARS 239.76: Cloud Computing
- DFARS 252.204-7008: Compliance with safeguarding covered defense information controls
- DFARS 252.204-7012: Safeguarding covered defense information and cyber incident reporting
- DODI 8510.01: Risk Management Framework (RMF) for DoD Information Technology
- DoD Cloud Computing Security Requirements Guide V1 R 3
- SECNAVINST 5239.3C: Department of the NAVY Cybersecurity Policy
- OPANAVINST 5239.1D: U.S. Navy Cybersecurity Program
- November 2018; Director, Defense Pricing and Contracting (DPC) memorandum, "Guidance for Assessing Compliance and Enhancing Protections Required by DFARS Clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting"
- December 2018; Acting Secretary Defense Acquisition (ASDA) memorandum, "Strengthening Contract Requirements Language for Cybersecurity in the Defense Industrial Base."
- January 2019; Under Secretary of Defense for Acquisition and Sustainment (A&S) memorandum, "Addressing Cybersecurity Oversight as Part of a Contractor's Purchasing System Review"
- Seller Cloud Services is a SaaS CSP and is FedRAMP Authorized at the Moderate Baseline. FedRAMP.gov.
- Seller Cloud meets all of NIST 800-171 security control requirements required by DFARS 252.204-7012. This includes cyber incident reporting, media preservation and protection, etc.
- Seller Cloud Services is audited annually by a FedRAMP approved 3PAO to ensure compliance with the Moderate Baseline
- Seller Cloud Services will comply with the requirements of DFARS 252.204-7012(c)-(g) for cyber incident reporting, malicious software, media preservation and protection, access to additional information and equipment necessary for forensic analysis, and cyber incident damage assessment.

17. DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS

- a. Section 1352 of Title 31, United States Code, prohibits a recipient of a Federal contract, grant, loan, or cooperative PO from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions:
 - Awarding of any Federal contract;
 - Making of any Federal grant;



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- Making of any Federal loan;
 - Entering into of any cooperative PO; or,
 - Modification of any Federal contract, grant, loan, or cooperative PO.
- b. By signing this PO, Seller certifies that no appropriated funds have been paid or will be paid in violation of the prohibitions in 31 USC 1352. Seller agrees to report promptly to, in writing, any activity which may be prohibited by 31 USC 1352. Seller shall attach to the report a detailed record of their time spent, the purpose of the activity, and with whom, together with a description of the services performed, for purposes of documenting their activities to satisfy the requirements of 31 USC 1352. Performance of technical or professional services for preparation, submission, or negotiation of a bid or proposal is exempt from these restrictions on payments to influence certain federal transactions.

(End)