



TERMS AND CONDITIONS FOR CONTRACT MANUFACTURING

Revision History

Revision	Date	Originator	Description
1	10/03/2016	Callye Keen	Created Terms and Conditions



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K-Form Corporate Information

Address	9A Acacia Lane, Sterling, VA 20166
Phone Number	703.450.4401
Fax Number	703.894.4914
Email	kform@kform.com
Website	www.kform.com
FEIN	54-1831130
Cage Code	OLL68
Business Size	Small
Type of Organization	Corporate Entity (not tax exempt)
Parent Company	None
Ownership	Private

Definitions

In this document the following words shall have the following meanings:

“Buyer” means the organization or person that agrees to acquire materials, products, or services, in exchange for money, under a Purchase Order.

“Seller” means the corporation or person with whom the Purchase Order is placed. Per this agreement, “Seller” is K-Form, Inc., 9A Acacia Lane, Sterling, VA., 20166

“Deliverables” means all documents, products, materials and services supplied to Buyer by Supplier in accordance with a Purchase Order.

“Price” means the dollar amount to be paid for the supply of the Goods (as the case may be) as set out in the Purchase Order.

“Pricing” means the process of establishing a reasonable amount to be paid for materials, supplies or services.

“Purchase Order” means the document(s) for purchase of the materials, products, and services submitted by the Buyer to the Supplier which sets out the price, quantity and other basic terms and conditions

“Services” means the services, including the provision of any Deliverables, to be performed in connection with a Purchase Order.

“Supplies” means materials, products, or services provided to Buyer, by K-Form, Inc., as result of a Purchase Order.

“F.O.B” means Free on Board. This term is used in conjunction with a physical point to determine:

- The responsibility and basis for payment of freight charges
- Unless otherwise agreed, the point where title for goods passes to the buyer or consignee.

“F.O.B. Origin” means Free on Board at Origin: the seller or consignor places the supplies on the conveyance. Unless the contract provides otherwise, the buyer or consignee is responsible for the cost of shipping and risk of loss.

“Quote” means a response from Seller to Buyer regarding solicitation or request for quote (RFQ).

General Terms and Conditions

These terms and conditions shall apply and shall be incorporated into all Purchase Orders accepted by K-Form.

Any variation to these Terms and Conditions, including any special terms and conditions agreed between the parties, shall be inapplicable unless agreed in writing by the Seller.



This Agreement shall constitute the complete understanding and contract between Seller and Buyer with respect to the subject matter hereof and supersedes any prior written or oral understandings with regard thereto.

All Purchase Orders or other proposed agreements for the sale of supplies are subject to acceptance, in writing, by K-Form and are not binding on K-Form unless so accepted. All supplies are sold on a firm sale basis in accordance with a Purchase Order. Seller will not take back any goods not required by the Buyer.

In the event there are any inconsistencies between the provisions of this Agreement and Buyer's Purchase Orders, this Agreement shall have priority and control in any case of conflict with the terms and conditions printed elsewhere on any Purchase Order, invoice, or other Contract Documents provided. However, where any Purchase Order contains more specific and more detailed written terms or conditions intended for unique circumstances and Purchase Order states that is to have priority, then the Purchase Order shall have precedence, priority and control superseding this Agreement.

If any term or provision of these Terms and Conditions is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if these Terms and Conditions had been agreed with the invalid, illegal or unenforceable provision eliminated.

Relationship of Parties

Nothing contained in these Terms and Conditions shall be construed as establishing or implying any partnership or joint venture between the parties and nothing in these Terms and Conditions shall be deemed to construe either of the parties as the agent of the other.

The relationship of Seller to Buyer shall be that of an independent contractor and nothing herein contained shall be construed as creating any employer/employee, agency, or other relationship of any kind.

Supplier shall have no power nor shall it represent that it has any power, to bind Purchaser or to assume or create any obligation, expressed or implied, on Purchaser's behalf.

Waiver

The failure by either party to enforce at any time or for any period any one or more of the Terms and Conditions herein shall not be a waiver of them or of the right at any time subsequently to enforce all Terms and Conditions of this Agreement.

If any clause, sub-clause or other provision of the Contract is invalid under any statute or rule of law, such provision, to that extent only, shall be deemed to be omitted without affecting the validity of the remainder of the Contract.

Section I

Price

The prices and quantities indicated in the Purchase Order shall be the same as provided to Buyer in the written quotation.

Prices, title and risk of loss are F.O.B. K-Form facility, Sterling, Virginia. Published prices do not include taxes, duties or shipping charges.

Cost justifications are provided, to Buyer, as required.

Modifications to existing customer supplied materials shall be Time and Materials, billable at current labor and material rates.

Specialized inspection and test reports, affidavits, certifications, or any other documents must be detailed in writing upon submission of Request for Quote.

Purchase Order Acceptance

Quotations shall become an agreement upon acceptance by Seller.

Purchase Orders shall be deemed accepted by Supplier upon the first to occur of the following:

- The return of a signed copy of such Purchase Order as a confirmation
- Supplier Order Acknowledgement, as required
- Buyer authorization to proceed
- Commencement of performance
- Shipment of ordered supplies.

The Purchase Order shall contain at least the following information:

- Purchase Order Number
- Issuing Date
- Item Part Numbers
- Ship to Location
- Delivery Dates
- Payment Terms
- Billing Address
- Applicable Compliance Clauses and Regulations
- Buyers Points of Contact

Payment Terms

Open accounts are available on approval. Unless otherwise specified, payment on open accounts are due Net 30 days from the invoice date. Company checks, Visa, MasterCard and American Express are accepted for payments. Credit card arrangements are subject to change. Payment shall be COD without open account.

Payment due date is based on K-Form invoice date.

If during the period of performance of an order, the financial condition of Buyer shall no longer justify the payment terms specified, or if Buyer shall fail to make any payments in accordance with K-Form's terms, Seller may require full or partial payments in advance before proceeding with the order. Late payments accrue a late charge of 1½ % per month, but shall not exceed the maximum rate allowed by law. Buyer shall reimburse Seller for all costs incurred in collection (including reasonable attorneys' fees). Title to the products shall remain in Seller until the purchase price due hereunder is paid in full. If Buyer fails or refuses to pay any part of the price when due, then title to the products will not pass to Buyer, and Seller can repossess itself of the products.

Buyer hereby grants to Seller a priority lien, purchase money security interest, and/or chattel mortgage in the products, in any accounts receivable or cash from the resale thereof, and in all of Buyer's materials or other property in Seller's possession until full payment is made by Buyer to Seller for the price of all products purchased, as well as any interest, finance charge, late fees, and Seller's costs of collection, including reasonable attorneys' fees. On request of Seller, Buyer agrees to file any financing statements or other appropriate documents with any appropriate government authority to assure the validity, priority and enforceability of Seller's lien. Furthermore, Seller may file any such financing statements to perfect the security interest herein and is hereby appointed Buyer's attorney-in-fact for purposes of making any such filing. This section is not meant to alter the parties' agreement that title to the products remains with Seller until the purchase price is paid in full, but rather, is meant to give Seller a security interest in the products in the event Buyer is ever found to have received title to the products by operation of law or equity contrary to the terms hereof

Purchase Order Changes

No alteration or variation to the Purchase Order shall apply unless agreed in writing by both parties.

Changes made by Buyer which are outside of the Purchase Order scope of work, may incur additional charges and delivery schedule delays. Such charges shall be in addition to all other amounts payable under the Purchase Order. Buyer shall generate a written Change Order, as required, for Purchase Order modifications. Buyer or Seller may elect to stop work until change order documents or applicable notice to proceed have been implemented.

Assignment and Sub-Contracting

Seller reserves the right to sub-contract work as needed. Seller reserves the right to share redacted information with sub-contractors to ensure adequate instruction.

Seller shall assume responsibility of workmanship through quality system for all sub-contracted processes.

Notifications

All notices to be given hereunder shall be transmitted in writing either by electronic mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to

the addresses as identified in the Purchase Order, unless notification of change of address is given in writing. Notice shall be effective upon confirmation of receipt.

Stop Work

Change requests to the Purchase Order by the buyer such as but not limited to the following:

- Drawings
- Materials
- Specifications
- Manufacturing Method
- Quantity
- Packing and Shipping
- Delivery Location

K-Form may place Purchase Order or Purchase Order item(s) on hold due to but not limited to:

- Drawing Clarification
- Incomplete Information
- Buyer's Insolvency

Seller shall notify Buyer in writing within two days of hold commencement.

Upon receipt of the stop-work order, the Seller shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

Seller shall notify Buyer in writing, within ten (10) days of receipt of such change that an adjustment in Purchase Price or time for performance is necessary. The Buyer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the purchase order shall be modified in writing accordingly, if (1) the stop-work order results in an increase in the time required for, or in the Seller's cost properly allocable to, the performance of any part of this purchase order; and (2) the Seller asserts its rights to the adjustment within 20 days after the end of the period of work stoppage.

Purchase Order items on hold shall be resolved within 30 days of written notification. At the end of the 30 day hold period Seller may elect to cancel the stop-work order and proceed with manufacture, terminate the work covered by the stop-work order, or reasonably extend the stop-work order.

If a stop-work order is not canceled and the work covered by the stop-work order is terminated for the convenience of the Buyer, the Buyer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement. Seller shall then invoice Buyer for work completed to date including labor and materials.

Workmanship

Seller hereby warrants to Buyer that provided supplies:

- Shall conform to and perform in accordance with all specifications, drawings, samples and other requirements referred to in the Order and provided by Seller
- When shipped shall be free from all liens, security interests and encumbrances of any type whatsoever.

- Supplies, products, and services shall comply with applicable Law. Supplier shall be solely responsible for any and all fees, penalties and interest, which result from Supplier's failure to comply with such applicable laws.
- Neither the delivered supplies, product nor services shall infringe on any Intellectual Property Rights of any third party.
- Seller will not substitute specified equipment listed in a supplier quote without the written authorization of Buyer.

Seller shall provide and maintain an inspection and quality control system acceptable to Buyer and provide access to Seller's facilities used in performance of this order at all reasonable times for inspection by Buyer's agents, employees, customer and regulatory authorities and shall provide all tools, facilities, and assistance reasonably necessary for inspection relating to the performance of a Purchase Order.

Seller shall maintain adequate and authenticated inspection and test documents which relate to work performed under this purchase order for a period of three years after completion of this purchase order or as otherwise specified in a Purchase Order, and shall make such records available to Buyer upon request.

Documents

At the time supplies are ready for delivery, an Invoice will be generated concurrently with the packing slip. The packing list shall accompany each shipment of supplies.

Seller shall include Buyer's purchase order number (including any change, modification, or revision designation or controlling blanket agreement number) on all invoices, packing lists, bills of lading, packages, containers, and correspondence processed under a purchase order. Invoices and packing slip will comply with written instructions provided within the Purchases Order.

Delivery

Supplies shall be packaged by Seller to ensure safe arrival at destination and be described to conform to carrier's classification rules so as to obtain lowest transportation cost.

Supply shipments will not be insured or show declared value for shipment beyond FOB point unless otherwise specified in Purchase Order.

Unless otherwise agreed in writing, delivery of supplies shall take place at the address specified by the Buyer in the Purchase Order. The Buyer shall make all arrangements necessary to take delivery of the supplies whenever they are tendered for delivery.

If the Seller is unable to deliver the supplies because of actions or circumstances under the control of the Buyer, then the Seller shall be entitled to place the supplies in storage until such times as delivery may be effected and the Buyer shall be liable for any expense associated with such storage.

Signature on carrier's proof of delivery record will be equivalent to a signed packing slip.

Section II

Late Deliveries

If Seller is delayed in or prevented from performing any of its obligations under the Contract due to the acts or omissions of Buyer or its agents (including but not limited to failure to provide specifications and/or fully dimensioned working drawings and/or such other information as Seller reasonably requires to proceed expeditiously with its obligations under the Contract), the delivery/completion period shall be adjusted accordingly.

Seller shall inform Buyer in writing within 2 days of any impediment to the compliance with the delivery terms set forth in the Purchase Order. Seller's written notification to Buyer shall include reason for delivery delay, revised scheduled delivery date, measures to be taken and any other relevant facts. Seller shall use due diligence to follow the subsequent instructions provided by the Buyer.

Force Majeure

The Seller shall not be liable for any delay or failure to perform any of its obligations if the delay or failure results from events or circumstances outside its reasonable control, including but not limited to acts of God, strikes, lock outs, accidents, war, fire, breakdown of plant or machinery or shortage or unavailability of raw materials from a natural source of supply, and the Seller shall be entitled to a reasonable extension of its obligations. If the delay persists for such time as the Seller considers unreasonable, it may, without liability on its part, terminate the contract.

Non-conforming Goods

Seller accepts responsibility for non-conforming supplies.

Any damages, shortages, over deliveries, duplicated orders and non-conforming material should be reported to the Seller within 14 days of dock date to enable replacement or refund.

Any returns must be authorized by a representative of the Seller. Where the Seller agrees to accept the return of non-conforming supplies, Seller will be responsible for the return shipping costs. Buyer will ensure that supplies are packaged to avoid any damage during shipment.

Reworked or replaced supplies will be delivered by Seller at Seller's cost. Buyer shall issue to Seller non-conforming material documentation for all supplies returned to Seller.

Seller is not liable for supplies conforming to Buyer' Purchase Order but not functional for Buyer's use.

Transfer of Property

Unless otherwise noted, all sales of goods are made F.O.B. Origin (Sterling, Virginia). Title shall pass upon delivery to the carrier at point of shipment and thereafter all risk of loss or damage shall be upon Buyer.

Section III

Severability / Termination for convenience

Termination by Buyer

Termination for Convenience. Buyer may cancel all or any part of any outstanding Purchase Order at Buyer's convenience by giving Seller written notice of the termination.

Upon receipt of the notice of termination, Seller, unless otherwise directed by Buyer, shall:

- Return to Buyer or its designee all Buyer's Property
- Terminate promptly all work and services under the Purchase Order
- Transfer title and deliver to Buyer the finished supplies, the work in process, and the parts and materials which Supplier produced or acquired in performance of the Purchase Order
- Order
- Settle all claims by Seller for actual costs that are rendered unrecoverable by such termination
- In no event shall the liability of Buyer for a termination for convenience exceed the price of the related and outstanding Deliverables under the Purchase Order.

Buyer's obligation to Supplier shall be:

- Payment of the Purchase Price for all finished supplies which conform to the requirements of the Purchase Order
- Payment of Supplier's actual cost of the work in process and parts and materials
- Buyer's obligations under this Section shall not exceed those Buyer would have had to Supplier in the absence of termination. Upon such termination,
- Supplier shall furnish to Buyer, within one month after the date of termination, Supplier's termination claim in the form of an invoice, which shall consist exclusively of the items of Buyer's obligations to Seller.

Termination for Cause

Termination for Cause by Buyer

Buyer shall not be liable to Seller if Buyer terminates this Purchase Order because of Supplier's default or breach.

Termination for Cause by Buyer include the following acceptable reasons:

- Insolvency
- Unable to pay its debts when due
- Come under a suspension of payments
- Have a receiver appointed for the whole or any part of its assets
- Subject of a bankruptcy petition
- Change in ownership or management such that a competitor of Buyer gains an ownership or controlling interest in Supplier
- Default in the performance of any provision or part of the Purchase Order

Buyer may, in its discretion, terminate any Purchase Order (in whole or in part) for "cause" by giving Seller seven (7) days prior written notice. If Seller remedies the cause within seven (7) days following its receipt of that notice, the termination shall be deemed void and any Purchase Order so terminated shall continue in effect.

Termination for Cause by Seller

Supplier may terminate any Purchase Order (in whole or in part) only for non-payment by Buyer of the purchase price for Deliverables in accordance with a Purchase Order under the following conditions.

- Account open invoices are more than thirty (30) days past due.
- Insolvency
- Subject of a bankruptcy petition

Prior to Purchase Order termination, Seller shall provide Buyer written notice specifying:

- The amounts past due (including, without limitation, relevant Purchase Orders and invoice numbers and dates.
- Supplier's intent to terminate if the past due amount is not paid.

Within thirty (30) days of Supplier's notice, Buyer shall either:

- Pay the past due amounts.
- Notify Supplier that the amounts claimed to be unpaid are disputed by Buyer.

Provided the foregoing conditions are met, Seller may terminate the Purchase Order by delivering a written termination notice to Buyer.

Intellectual Property Rights

Buyer is and shall remain the sole owner of its intellectual property such as name, designs, symbols, logos, trademarks and service marks. In conjunction with release of Purchase order, Buyer grants Seller a non-exclusive, non-transferrable, limited license to use such trademarks and intellectual property for the purposes of executing the Purchase Order.

Proprietary Information

Each party acknowledges that in connection with this Agreement, it may receive certain confidential or proprietary technical and business information and materials of the other party. Each party, its agents and employees shall hold and maintain in strict confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information except as may be necessary to perform its obligations under the Purchase Order except as may be required by a court or governmental authority. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving part, or is otherwise properly received from a third party without an obligation of confidentiality.

If a separate Proprietary Information Agreement exists between the Parties, which relates to the subject matter of this Order, then Proprietary Information furnished by one Party to the other Party shall be protected pursuant to only the protection of Proprietary Information terms contained in such Proprietary Information Agreement.

Release of Information

Seller shall not publish, distribute, or use any information developed under or about the existence of a purchase order, or use Buyer's company name (or the name of any division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for goods or service endorsement without prior written approval of Buyer.

Buyers Property

If, in connection with the performance of this purchase order, any property is furnished to Seller by Buyer or by the Government, Seller shall assume the risk of, and be responsible for, any loss, theft, destruction of or damage to the property while in Seller's possession or control.

Seller shall maintain a process to receive, track, and return customer furnished property.

Indemnification / Liability

By Buyer

Buyer agrees to indemnify, save and hold harmless Seller from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of any breach of Buyer's responsibilities or obligations, representations or warranties under a Purchase Order. Under such circumstances, Seller shall promptly notify Buyer in writing of any claim or suit. Buyer has sole control of defense and all related settlement negotiations; and Buyer provides Seller with commercially reasonable assistance, information and authority necessary to perform Buyer's obligation under this section. Buyer will reimburse the reasonable out-of-pocket expenses incurred by Seller in providing such assistance.

By Seller

Subject to the terms, conditions, express representations and warranties provided by a Purchase Order, Seller agrees to indemnify, save and hold harmless Buyer from any and all damages, liabilities, costs, losses or expenses arising out of any finding of fact which is inconsistent with Seller's representations and warranties made herein, except in event any such claims, damages, liabilities, costs, losses or expenses arise directly as a result of gross negligence or misconduct of Buyer provided that Buyer promptly notifies Seller in writing of the claim; Seller shall have sole control of the defense and all related settlement negotiation; and Buyer shall provide Seller with the assistance, information and authority necessary to perform Seller's obligation under this section. Notwithstanding the foregoing, Seller shall have no obligation to defend or otherwise indemnify Buyer for any claim or adverse finding of fact arising out of or due to Buyer information, any unauthorized content, improper or illegal use, or the failure to update or maintain any supplies provided by Seller.

Conflict of Interest

Seller under the terms of Purchase Orders, or through the performance of the Statement of Work associated with Purchase Order, is neither obligated nor expected to deliver or provide material or perform work, which will place the Seller in an Organizational Conflict of Interest, which could serve as a

basis for excluding the Seller from supplying products or services to the U.S. Government customer. It is the Seller's responsibility to identify any situation in which the potential for an Organizational Conflict of Interest exists. In the case of an Organizational Conflict of Interest, Seller and Buyer shall mutually take action to resolve the potential conflict.

Limitation of Liability

The supplies, products, and services are sold “as is” in all circumstances, the maximum liability of designer, its directors, officers, employees, design agents and affiliates, to Buyer for damages for any and all causes whatsoever, and Buyer’s maximum remedy, regardless of the form of action, whether in contract, tort or otherwise, shall be limited to the net profit of the Seller. In no event shall Seller be liable for any lost data or content, lost profits, business interruption or for any indirect, incidental, special, consequential, exemplary or punitive damages arising out of or relating to the materials or services provided by Buyer, even if designer has been advised of the possibility of such damages, and notwithstanding the failure of essential purposed of any limited remedy.

Insurance

Buyer maintains the following insurance within statutory limits and in accordance with the laws of the Commonwealth of Virginia.

- Workmen’s Compensation
- Comprehensive General Liability Insurance
- Comprehensive Automobile Insurance

Warranty

By Buyer

Buyer represents, warrants and covenants to Seller the following:

Buyer owns all rights, titles, and interest in, or otherwise has full right and authority to permit the use of the Buyer’s information.

To the best of Buyer’s knowledge, the Buyer information does not infringe the rights of any third party, and use of the Buyer’s information as well as any Intellectual Property in connection with a Purchase Order does not and will not violate the rights of any third parties.

Buyer shall comply with the terms and conditions of any licensing agreements which govern the use of Third Party Materials. Buyer shall comply with all laws and regulation as they relate to a Purchase Order.

By Seller

Seller hereby represents, warrants and covenants to Buyer that Seller will provide the supplies identified in the Purchase Order in a professional and workmanlike manner and in accordance with all reasonable and applicable professional standards. Buyer further represents, warrants and covenants to Buyer that except for Third Part Materials and Buyer information, the deliverable supplies, products, and services shall be the original work of Seller and / or its independent contractors.

In the event that deliverables include the work of independent contractors commissioned by the Seller, Seller shall have secure agreements from such contractors granting all necessary rights, titles, and interest in and to the deliverables sufficient for Seller to grant the intellectual property rights provided in Agreement.

To the best of Seller's knowledge, the deliverables provided by Seller, do not infringe the rights of any party, and use of same in connection with the Purchase Order will not violate the rights of any third parties. In the event Buyer or third parties modify or otherwise use the deliverables outside of the scope or for any purpose not identified in the Purchase Order or contrary to the terms and conditions noted herein, all representations and warranties of Seller shall be void.

Except for the express representations and warranties stated in this Agreement, Seller makes no warranties whatsoever. Seller explicitly disclaims any other warranties of any kind, either express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose or compliance with laws or government rules or regulations applicable to Purchase Order

Warranty does not apply to any Goods that have been subjected to misuse, mishandling, misapplication, neglect (including but not limited to improper maintenance), accident, improper installation, modification.

Seller warrants that all products delivered under this Purchase Order are genuine and new. No substitutions are to be supplied without the Buyer's prior written consent.

Governing Laws and Jurisdiction

Buyer agrees that all applicable import, export control and sanctions laws, regulations, orders and requirements, as they may be amended from time to time, including without limitation those of the United States, the European Union and the jurisdictions in which Seller and Buyer are established or from which items may be supplied, and the requirements of any licenses, authorizations, general licenses or license exceptions relating thereto will apply to its receipt and use of goods. In no event shall Buyer use, transfer, release, export or re-export any such goods in violation of such applicable laws, regulations, orders or requirements or the requirements of any licenses, authorizations or license exceptions relating thereto. Buyer agrees furthermore that it shall not engage in any activity that would expose the Seller to a risk of penalties under laws and regulations of any relevant jurisdiction prohibiting improper payments, including but not limited to bribes, to officials of any government or of any agency, instrumentality or political subdivision thereof, to political parties or political party officials or candidates for public office, or to any employee of any customer or supplier. Buyer agrees to comply with all appropriate legal, ethical and compliance requirements.

Seller warrants that it shall comply with all applicable federal, state, or local laws, rules, and regulations in the performance of this Agreement. Seller shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.



Disputes and Governing Laws

The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of the United States and the Commonwealth of Virginia without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this Agreement or Purchase Order, the Buyer and Seller agree to attempt to resolve any dispute by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and or binding arbitration through the American Arbitration Association, or other forum mutually agreed to by the parties. The prevailing party in any dispute resolved by binding arbitration or litigation shall be entitled to recover its attorneys’ fees and costs. In all other circumstances, the parties specifically consent to the local, state and federal courts located in the Commonwealth of Virginia. The parties hereby waive any jurisdictional or venue defenses available to them and further consent to service of process by mail. Buyer acknowledges that Seller will have no adequate remedy at law in the event Buyer uses the deliverables in any way not permitted hereunder, and hereby agrees that Seller shall be entitled to equitable relief by way of temporary and permanent injunction, and such other and further relief at law or equity as any arbitrator or court of competent jurisdiction may deem just and proper, in addition to any other remedies provided herein.

K-Form, Incorporated

9A Acacia Lane

Sterling, VA 20166

Signature: _____

Name: Callye Keen

Title: Chief Business Development Officer

Date:

Participant:

Signature: _____

Name:

Title:

Date: