

Attachment A

Letter to J. Robert Kramer, II

Ref: United States v. Northrop Grumman Corp. and TRW, Inc.,
Civil No. 1:02 CV 02432 (GK)

of its in-house proposal team against any other Prime Contractor on any basis, including but not limited to, price, schedule, quality, data, personnel, investment (including but not limited to, independent research and development), technology, innovations, design, and risk;

(b) For each Program or potential future Program for which a competitor of the Northrop Payload Business notifies Northrop of a bona fide potential desire to have Northrop supply the Satellite, space vehicle integration and test, or associated services, negotiate in good faith with such Prime Contractor to enter into commercially reasonable nonexclusive teaming agreements and contracts for the purpose of bidding on Satellite competitions and similar activities; such agreements and contracts shall not discriminate in favor of its in-house proposal team against any other Prime Contractor on any basis, including but not limited to, price, schedule, quality, data, personnel, investment (including but not limited to, independent research and development) technology, innovations design, and risk;

(c) Prior to entering into any such teaming agreements and contracts, provide to the Compliance Officer copies of such agreements for his approval. The Compliance Officer shall not unreasonably withhold approval of such agreements and contracts, and shall approve or reject the agreements and contracts within five (5) business days of receipt of the agreement or contract. If the Compliance Officer does not approve of the terms of an agreement or contract, the Compliance Officer shall refer the matter to the Secretary of the Air Force, and Northrop shall enter into teaming agreements and contracts on specific terms as required by the Secretary of the Air Force, in his sole discretion, such decision to be made within five (5) days of the decision of the Compliance Officer;

(d) On a non-discriminatory basis, provide information, as set forth in Definition J, regarding its Satellite, space vehicle integration and test, and associated services to its in-house proposal team(s) and to any Prime Contractor that has notified Northrop of a bona fide potential desire to have Northrop supply its Satellite, space vehicle integration and test, or associated services or with which Northrop has teamed to supply its Satellite, space vehicle integration and test, or associated services; and

(e) Make all personnel, resource allocation, and design decisions regarding the Satellite, space vehicle integration and test, or associated services on a non-discriminatory basis between its in-house proposal team(s) and any Prime Contractor with which Northrop has teamed.

(2) If the Compliance Officer concludes that Northrop has discriminated in favor of its in-house proposal team, failed to negotiate a teaming agreement or contract in good faith, or refused to enter into a commercially reasonable teaming agreement or contract, the Compliance Officer shall refer the matter to the Secretary of the Air Force who shall have the sole discretion to decide with whom, and on what terms Northrop enters into such teaming relationship, such decision to be made within five (5) business days of the decision of the Compliance Officer.

(3) Notwithstanding any provisions of this Section IV.C., Northrop may refuse to supply a Satellite, space vehicle integration and test, or associated services to any Prime Contractor if the number and/or burden of Primes Contractors seeking the benefit of this