

**GENERAL DYNAMICS
ORDNANCE AND TACTICAL SYSTEMS
STANDARD TERMS AND CONDITIONS - COST REIMBURSEMENT
October 22, 2018**

1. DEFINITIONS. As used in this Purchase Order:

- a. "Government" means the Government of the United States of America.
- b. "Prime Contract" means the Contract existing between General Dynamics and the Government or Buyer's customer and the Government, and the latter case includes the Subcontract under which this Purchase Order is issued (unless this context otherwise requires).
- c. "Contracting Officer" means the person having cognizance on behalf of the Government of the Prime Contract and any other officer or civilian employee who is properly designated Contracting Officer for the purposes of this Purchase Order; and the term includes, except as otherwise provided in this Purchase Order, the authorized representatives of such Contracting Officer acting within the limits of their authority.
- d. "Purchasing Representative" means Buyer's Authorized Representative identified elsewhere in this Purchase Order.
- e. "Goods and Services" means those goods and services covered by this Purchase Order.
- f. "Buyer" means General Dynamics, Ordnance and Tactical Systems.
- g. "Audit Authority" means the Defense Contract Audit Agency of the Department of Defense.
- h. "FAR" means the Federal Acquisition Regulation.
- i. "DFARS" means the DoD FAR Supplement.

NOTE: Where necessary to make the content of the referenced FAR clauses or OTS-801 Special Provisions applicable to this Purchase Order, the term "Government" and equivalent phrases shall mean Buyer, the term "Contractor" shall mean Seller, and the term "Contract" shall mean this Purchase Order.

2. ACCEPTANCE. Acceptance of this Purchase Order by Seller is expressly limited to the terms and conditions contained in this Purchase Order. Any term or condition stated by the Seller in any prior proposal, on Seller's acknowledgment form, or in otherwise acknowledging or accepting this Purchase Order is deemed by Buyer to be a material alteration of this Purchase Order and is hereby rejected unless Buyer specifically agrees otherwise in writing. Acceptance of the Goods or Services covered by this Purchase Order will not constitute acceptance by Buyer of Seller's terms and conditions. Any of the following acts by Seller shall constitute acceptance of this Purchase Order and all of its terms and conditions: Signing and returning a copy of this Purchase Order, delivery of any of the Goods or Services ordered, informing the Buyer in any manner of commencement of performance, or returning Seller's own form of acknowledgment.

3. PRICE, DELIVERY AND INVOICING. Seller shall furnish the Goods or the Services in accordance with the prices and delivery schedule stated on the face of this Purchase Order. All prices shall include all applicable taxes, except sales taxes, which are to be separately shown where applicable.

Seller warrants that the prices charged for the Goods and Services ordered hereunder will be as low as the lowest prices charged by the Seller to any customers purchasing similar Goods or Services in the same or similar quantities and under like circumstances.

Buyer may return, or store at Seller's expense, any Goods delivered more than ten (10) days in advance of the delivery date specified for such Goods unless early delivery is authorized by the Buyer.

Time is of the essence in the performance of this Purchase Order; Seller may be held liable for premium transportation costs if contract delivery schedule(s) are not met due to reasons determined by Buyer to be within Seller's control.

Invoicing: Seller shall invoice in triplicate, with supporting documentation with each shipment. An additional copy, with its support, is to be mailed directly to the Purchasing Representative. Payment of invoices shall not constitute acceptance of Goods or Services, and shall be subject to appropriate adjustment should Seller fail to meet the requirements for this Purchase Order. Buyer may set off any amount owed by Seller or Seller's affiliates to Buyer against any amount owed Seller by Buyer under this Purchase Order.

4. PACKING AND SHIPPING. No charge shall be made by Seller for packaging or storage unless specified on the face of this Purchase Order. All Goods shall be packaged, marked, and otherwise prepared as specified elsewhere in this Purchase Order and in accordance with good commercial practices to obtain lowest shipping rates. On containers, Seller shall mark handling and loading instructions, shipping information, Purchase Order number, item and account number, shipment date, and names and addresses of Seller and Buyer. An itemized packing list shall accompany each shipment.

5. F.O.B., TITLE AND RISK IF LOSS. The F.O.B. point for the Goods delivered hereunder is designated on the face of this Purchase Order. If terms are F.O.B. Seller's location, Seller shall bear all risk of loss or damage to the Goods and title shall not shift to Buyer until delivery of the Goods to the carrier. If terms are F.O.B. Buyer's location, Seller shall bear all risk of loss or damage to the Goods and title shall not shift to Buyer until delivery of the Goods to Buyer's location.

6. INSPECTION.

a. All Goods may be inspected and tested by Buyer, its customers, higher tier contractors, and (in the case of Goods purchased for a U.S. Government contract or subcontract) the U.S. Government, at all reasonable times and places. If such inspection or testing is made on Seller's premises, Seller shall provide without additional charge all reasonable facilities and assistance for such inspections and test. In its internal inspection and testing of the Goods, Seller shall, if required by Buyer, use an inspection system accepted by Buyer in writing. All inspection records relating to the Goods shall be available to Buyer during the performance of this Purchase Order, and for such longer periods as may be specified by Buyer in its acceptance of the inspection system, if any.

b. Final inspection and acceptance by Buyer shall be at destination unless otherwise specified in this Purchase Order. Such inspection shall be in accordance with the stated requirements of this Purchase Order. If rejection of a shipment would result from Buyer's normal inspection level under such procedures, Buyer may, at its option, conduct an above-normal level of inspection, up to 100% inspection, and charge the Seller the reasonable costs thereof.

c. No inspection (including source inspection), tests, approval (including design approval) or acceptance of the Goods shall relieve Seller from responsibility for any defects in the Goods or other failures to meet the requirements of this Purchase Order, for latent defects, fraud, such gross mistakes as amount to fraud, and Seller's warranty obligations. If the Goods are defective or otherwise not in conformity with the requirements of this Purchase Order,

Buyer may, by written notice to Seller: (i) rescind this order as to such Goods; (ii) reject such Goods and require the delivery of replacements. Deliveries of replacements shall be accompanied by a written notice specifying that such Goods are replacements. If Seller fails to deliver required replacements promptly, Buyer may: (i) replace or correct such Goods and charge the Seller the cost occasioned Buyer thereby; or (ii) terminate this Purchase Order for cause as provided in Paragraph 18(b) hereof. Rights granted to Buyer under this Clause are in addition to any rights or remedies provided elsewhere in this Purchase Order or in law.

7. WARRANTIES. In addition to all other express or implied warranties, Seller warrants that the Goods will be: (i) free from defects in workmanship and materials; (ii) free from defects in design except to the extent that such Goods comply with the detailed designs provided by Buyer; and (iii) in conformity with all the other requirements of this Purchase Order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance, and payment.

In addition to any other rights Buyer may have, if Goods are found not to be as warranted within a period of one (1) year after acceptance by Buyer, Buyer may return such Goods to Seller at Seller's expense for correction, replacement or credit, as Buyer may direct. Any Goods corrected or furnished in replacement shall from the date of delivery of such corrected or replacement Goods, be subject to the provisions of this Clause for the same period and to the same extent as Goods initially furnished pursuant to this Purchase Order.

In addition to any other rights Buyer may have, if the Services are found not to be performed as warranted within a period of one (1) year after the conclusion of the performance of the Services by Seller, Seller shall, at Buyer's option, either refund to Buyer the amount paid for the Services, or perform the Services again in a proper manner to the extent necessary to provide Buyer with the result originally contemplated by Buyer.

COUNTERFEIT GOOD: In addition to all other warranties provided under this Purchase Order, Seller warrants that the Goods delivered hereunder are new and not refurbished or used, are being supplied by the original equipment manufacturer (OEM) or its expressly authorized agent or distributor, and that Seller has documented traceability of the Goods or components to the OEM. Buyer may return the Goods at any time if they are not genuine, new and unused items or they are found to not meet all OEM specifications and requirements as well as all the requirements defined on this Purchase Order. Seller must provide the following with shipment of items upon request of Buyer:

- (1) Certificate of Confirmation (C of C), certifying the items are genuine and meet all Purchase Order and original manufacturer requirements.
- (2) Traceability information to original manufacturer.
- (3) Results from any additional inspections, tests, and examination as required by this Purchase Order.

Any Goods for which the above requirements are not met shall be considered defective under this Purchase Order and may be rejected by Buyer or returned. Seller shall be liable to Buyer for any damages, costs, penalties, judgments or fines against Buyer to the extent caused by Seller's failure to meet all requirements of this section and, at Buyer's election, Seller may also be required to deliver suitable replacement Goods traceable to the OEM, meeting all OEM specifications.

Seller shall include the substance of this clause in all of its sub-tier contracts with its suppliers providing components in support of this Purchase Order.

CONFLICT MINERALS – In addition to all other warranties provided under this Purchase Order, Seller warrants that the Goods delivered hereunder are free from Gold, Tungsten (Wolframite), Tantalum (Columbit-Tantalite) or Tin (Cassiterite), hereafter referred to as "Conflict Minerals", that have originated in the Democratic Republic of Congo, Central African Republic, Angola, Burundi, Rwanda, South Sudan, Tanzania, Uganda or Zambia, hereafter referred to as "DRC". For purposes of this Section, Conflict Minerals purchased from scrap or recycled sources are not considered to have originated from the DRC. Seller is required to review all materials and components which are necessary for the functionality or production of the Goods being sold under this Purchase Order and disclose annually whether any of the Conflict Minerals are present, and if so, those that originated in the DRC, and to provide a chain of custody if the Conflict Minerals do originate from the DRC. The Seller shall determine the country of origin (where the materials were originally mined and processed) or whether the minerals originated from scrap or recycled sources. Seller must provide the following prior to shipment of the items upon request of Buyer:

- (1) Country of Origin Inquiry (17 CFR 250 and 249B) documentation certifying that items are free from Conflict Minerals that have originated in the DRC.
- (2) Traceability information on raw material sub-tier suppliers.
- (3) To the extent an audit has been performed, results from any independent private sector audit; certifying that such an audit was obtained, including the audit report as part of the Country of Origin Inquiry and identifying the auditor.

Any goods for which the above requirements are not met shall be considered defective under this Purchase Order and may be rejected by Buyer or returned. Seller shall be liable to Buyer for any damages, costs, penalties, judgments, or fines against Buyer to the extent caused by Seller's failure to meet all requirements of this section and, at Buyer's election, Seller may also be required to deliver suitable replacement Goods at Seller's cost.

Seller shall include the substance of this clause in all of its sub-tier contracts with its suppliers providing components in support of this Purchase Order.

8. PROPRIETARY INFORMATION. All written information obtained by Seller from Buyer in accordance with this Purchase Order and which is identified as proprietary by Buyer shall be received in confidence and shall remain the property of Buyer, and shall be used and disclosed by Seller only to the extent necessary for the performance of this Purchase Order except that upon prior written notice to Buyer, Seller may use such information in the manufacture of end items for direct sale to the U.S. Government to the extent that the U.S. Government has the right to authorize such use by Seller, and, provided that Seller, to the extent practicable, prominently identifies such end items as being manufactured by Seller for direct sale to the U.S. Government.

9. SUBCONTRACTS. Seller shall not subcontract for all or substantially all of this Purchase Order without Buyer's prior written approval.

10. COMPLIANCE WITH LAWS. Seller warrants that in the performance of this Purchase Order it will comply with all applicable provisions of the Walsh-Healey Public Contracts Act (41 U.S. Code 35-45) and FAR 52.222-20, the Davis-Bacon Act (40 U.S. Code 276a-7), the Contract Work Hours and Safety Standards Act (40

U.S. Code 327-333) and FAR 52.222-4 and the Copeland ("Anti-Kickback") Act (18 U.S. Code 874 and U.S. Code 276c), together with the regulations issued thereunder. Seller shall comply with all federal, state, and local laws, ordinances, rules and regulations in the manufacture and sale of the Goods or performance of the Services, including but not limited to the Occupational Safety and Health Act, the Truth in Negotiations Act, the Resources Conservation and Recovery Act and all applicable requirements of the Fair Labor Standards Act. Seller will defend, indemnify, and hold Buyer harmless from any loss, damages, or costs arising from or caused in any way by any actual violation of any federal, state, or local law, ordinance, rule, or regulation, or failure by the Seller to (i) have any chemical substances sold hereunder included in the list of approved chemical substances published by the Environmental Protection Agency pursuant to the Toxic Substances Control Act; or (ii) provide a completed Material Safety Data Sheet (OSHA Form 20 or equivalent) for any chemical substances sold hereunder as required by any federal, state or local law, ordinance, rule or regulation.

11. LIEN WAIVERS. Seller shall furnish, upon Buyer's request, waivers by Seller and all other persons entitled to assert any lien rights in connection with the performance of this Purchase Order.

12. INDEMNIFICATION AND INSURANCE.

a. Unless Buyer approves in writing a self-insurance program of Seller, the Seller shall maintain at Seller's cost, with insurers of nationally recognized stature, insurance (i) fully covering all furnished property, and (ii) covering, in amounts customary for prudent and conservative businesses, all other liabilities, whether to Buyer or others, that might be incurred in any way related to this Purchase Order. If requested by Buyer, Seller shall cause Buyer and Buyer's customer to be added to Seller's insurance as additional insured. Seller's insurance shall be primary to any insurance coverage procured by Buyer. On Buyer's request, Seller shall furnish Buyer with evidence of Seller's compliance with any aspect of this Clause.

b. Notwithstanding the existence or lack of insurance and as an unrelated matter, Seller shall defend, indemnify, and hold harmless Buyer and Buyer's customer from any losses, claims, demands, or suits (including those from Seller's employees) for bodily injury (including death) or property damage howsoever arising out of Seller's performance of this Purchase Order and irrespective of Buyer's negligence in any degree.

c. All work to be performed on this Purchase Order by Seller is at Seller's risk as to the methods, processes, procedures, and safe conduct of the work. If Seller is to perform work on the premises or within facilities owned or controlled by Buyer, Buyer's customer, or any other entity, Seller shall be solely responsible for the safe conduct of such work and the protection of the premises or facilities, and of any persons on the premises or facilities. Seller shall defend, indemnify, and hold harmless Buyer, its employees, agents, or subcontractors, and invitees for and against all losses, claims, damages or suites, including those suffered or brought by Seller's employees, for bodily injury (including death) or property damage and which arise from performance of the work by Seller, its employees, agents, invitees, or subcontractors, irrespective of Buyer's negligence in any degree.

d. In no event shall Buyer be liable, for any reason or arising from any cause whatsoever, for special, incidental, or consequential damages.

e. Seller, to the extent not covered by the foregoing paragraphs of this Clause, shall defend, indemnify, and save Buyer harmless, against and from any demands, decisions, judgments, orders, awards, costs and expenses, including attorney fees, arising from or incurred in resisting any claim, demand, or asserted right of Buyer's customer based on any act or omission by Seller under or in any way related to this Purchase Order or to any step leading to this award of this Purchase Order.

f. To the extent Seller is required by this Purchase Order to insure against loss or damage to property of Buyer or a customer of Buyer, (i) insurance policies of Seller shall disclose the interest of Buyer and Buyer's customer; (ii) those policies shall contain an endorsement that no cancellation or material change in the coverage adversely affecting the interest of Buyer of Buyer's customer shall be effective unless Seller or the insurer gives written advance notice of cancellation or change, and unless Seller has complied with such other direction as may be given by Buyer or Buyer's customer as applicable.

13. ASSIGNMENT. Seller shall not assign this Purchase Order or any rights under this Purchase Order without the prior written consent of Buyer, and no purported assignments by Seller shall be binding on Buyer without such written consent.

14. NOTICE OF LABOR DISPUTES. Whenever an actual or potential labor dispute delays, or threatens to delay, the timely performance of this Order, Seller shall immediately notify Buyer in writing of all relevant information with respect to such dispute.

15. RETENTIONS. Buyer may, at its option, **withhold payment** of up to **ten percent (10%)** of the total value of this Order or individual invoices until Seller satisfactorily fulfills all documentation requirements herein; i.e., provides all required objective quality evidence, submits required data items, and fulfills all other reporting requirements.

16. PUBLICITY. Seller shall not make or authorize any news release, advertisement, or other disclosure which shall deny or confirm the existence of this Purchase Order without prior written consent of Buyer.

17. CHANGES. This Purchase Order and the terms and conditions herein may not be changed in any respect without written approval of Buyer. Buyer may, at any time, by written change order, suspend performance of this Purchase Order, in whole or in part; make changes in the drawings, designs, specifications, method of shipment of packing, or time or place of delivery of the Goods; reschedule the Services; or require additional or diminished Goods or Services, and Seller shall proceed diligently with the performance of this Purchase Order as so changed irrespective of whether a price adjustment has been determined as provided by this Clause. If any such change causes an increase or decrease in the cost of or the time required for performance of this Purchase Order, an equitable adjustment shall be made in the Purchase Order or delivery dates or both, and this Purchase Order shall be modified in writing accordingly. Any claim for adjustment under this Clause may, at Buyer's option, be by Seller deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount or the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Seller of the change order, except where an extension is granted in writing by Buyer. If the cost of property made obsolete or excess as a result of a change is paid by Buyer, Buyer may prescribe the manner of disposition of such property. Buyer's engineering and technical personnel are not authorized to change the Goods or Services ordered or any other provision of this Purchase Order. No change order will be binding on Buyer unless issued by an authorized representative of Buyer's procurement department. Nothing in this Clause shall excuse Seller from proceeding with the Purchase Order as changed.

18. TERMINATION. NOTE: If this purchase order relates to a Government contract, delete subparagraphs a & b (below) and substitute FAR 52.249-6 Termination (Cost Reimbursement).

a. Without Cause. Buyer may terminate, for its convenience, all or any part of this Purchase Order at any time by written notice to Seller. Upon such termination settlement shall be made in accordance with the principles contained in Federal Acquisition Regulation (FAR) 52.249-2, Termination for Convenience of the Government (Fixed Price) in effect as of the date of this Purchase Order, and in which "Contracting Officer" means

Buyers' Purchasing Representative and Government means "Buyer" except in paragraph (m) except that Seller must submit any claim for equitable adjustment or termination to Buyer within forty-five (45) days after the effective date of termination, or such claim shall be absolutely and unconditionally waived. All references to and the right of appeal under the Disputes Clause of FAR 52.249-2 are hereby deleted.

b. With Cause. If Seller fails to make delivery of the Goods, or fails to perform the Services, in accordance with the delivery dates specified in this Purchase Order, or fails to make progress so as to endanger performance of this Purchase Order in accordance with its terms, and does not cure such failure within ten (10) days after notice from the Buyer, Buyer may (in addition to any other right or remedy provided by this Purchase Order or by law) terminate all or any part of this Purchase Order by written notice to Seller without liability and purchase substitute goods elsewhere, and Seller shall be liable to Buyer for any excess cost occasioned Buyer thereby. Seller shall continue performance of this Purchase Order to the extent not terminated pursuant to this Clause 18(b). Except with respect to defaults of subcontractors at any tier, Seller shall not be liable to Buyer if the failure to perform this Purchase Order arises out of causes beyond the control and without the fault or negligence of the Seller. If the failure to perform is caused by the default of a subcontractor at any tier, and if such default arises out of causes beyond the control of both the Seller and subcontractor, and without the fault or negligence of either of them, the Seller shall not be liable to Buyer unless the Goods or Services to be furnished by the subcontractor were obtained from other sources in sufficient time to permit the Seller to meet the requirements of this Purchase Order.

If this Purchase Order is terminated as provided in this Clause 18(b), the Buyer, in addition to any other rights provided herein, may require the Seller to transfer title and deliver the Buyer (i) any completed Goods, and (ii) such partially completed Goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights as the Seller has specifically produced or specifically acquired for performance of this Purchase Order.

If, after notice of the termination of this Purchase Order "with cause," it is determined that the failure to perform is due to causes totally beyond the control and totally without the fault or negligence of the Seller, such notice of default shall be deemed to have been issued pursuant to Clause 18(a) hereof, and the rights and obligations of the parties hereto shall be governed by Clause 18(a).

19. NO WAIVER. The failure of Buyer to insist upon the performance of any provision of this Purchase Order, or to exercise any right or privilege granted to the Buyer under this Purchase Order, shall not be construed as waiving such provision or any other provision of this Purchase Order, and the same shall continue in full force and effect. If any provision of this Purchase Order is found to be illegal or otherwise unenforceable by any court of other judicial or administrative body, the other provisions of this Purchase Order shall not be affected thereby, and shall remain in full force and effect.

20. AMENDMENTS AND APPLICABLE LAW. No agreement or understanding to modify this Purchase Order shall be binding upon the Buyer unless in writing and signed by Buyer's authorized agent. All specifications, drawings, and data submitted to Seller with this Purchase Order are hereby incorporated herein and made a part hereof. Irrespective of the place of performance, this Purchase Order will be construed and interpreted according to the Federal Common Law of Government Contracts as enunciated and applied by Federal Judicial Bodies, Boards of Contract Appeals, and Quasi-Judicial Agencies of the Federal Government. To the extent that the Federal Common Law of Government Contracts is not dispositive, the Laws of the State of Florida shall apply, exclusive of its rules concerning conflicts of laws.

21. PROHIBITION OF GRATUITIES.

a. Seller warrants that it and its agents and representatives have not offered or given, and will not offer or give, any gratuities in the form of entertainment, gifts, or otherwise to any officer or employee of Buyer or Buyer's customer with a view toward securing this or any other Purchase Order, any favorable treatment with respect to the awarding or amending of this or any other Purchase Order, or the making of any determination with respect to Seller's right or duties.

b. For any breach of Seller's warranty under this Clause, Buyer shall have, in addition to any other rights provided by this Purchase Order, the right to terminate all Purchase Orders with Seller for default, and to recover from Seller the amount of any gratuity, plus all reasonable costs (including attorney fees) incurred in seeking such recovery. (Seller is also advised that, if this Purchase Order is issued under a prime contract or subcontract of the U.S. Government, any gratuity covered by this Clause may also entail liabilities of Seller under applicable statutes or other provisions.)

22. PRICING OF ADJUSTMENTS. All adjustments, including but not limited to "equitable adjustments", under this Purchase Order shall be based upon Seller's costs, plus a reasonable profit unless profit is expressly excluded by language of the this Purchase Order. Seller's costs shall be those that are reasonable, allowable, and allocable under the standards of Part 31 of the Federal Acquisition Regulation as in effect in the Prime Contract on the date of this Purchase Order.

23. DISPUTES.

a.1. If a decision on a question of fact is issued by the Contracting Officer under the Prime Contract "Disputes" clause and the decision relates to this Purchase Order, said decision, if binding upon the Buyer under the Prime Contract, shall also be binding upon Buyer and Seller with respect to this Purchase Order. However, if Seller is affected by such decision, and if Buyer elects not to appeal such decision under the "Disputes" clause of the Prime Contract, Buyer shall notify the Seller promptly. After receipt of such notice by Seller, if Seller submits a timely request to Buyer to appeal such decision, Buyer shall file an appeal. If Buyer appeals such decision, whether at its election or at Seller's request, any decision upon such appeal, if binding upon the Buyer under the Prime Contract, shall be binding upon the Buyer and Seller as it relates to this Purchase Order.

2. For any claims to be submitted under a.1. above in excess of \$50,000, the Seller shall certify to the Buyer, as to its portion of the claim, that: (a) the claim is made in good faith, (b) the supporting data are accurate to the best of Seller's knowledge and belief, and (c) the amount requested accurately reflects the Purchase Order adjustment for which the Seller believes the Government is liable.

3. If any such appeal is denied or otherwise decided adversely to Seller's interest, or if Seller is otherwise adversely affected by any decision made by any representative of the Government on any question of fact and/or law arising under the Prime Contract which is also related to this Purchase Order, from which an appeal under the "Disputes" clause in the Prime Contract, is not available, said decision, if binding upon Buyer under the Prime Contract, shall in turn be binding upon Buyer and Seller with respect to such question as it relates to this Purchase Order; provided, however, if Seller is adversely affected by any such decision, and if Buyer elects not to bring suit against the Government with respect to such decision, Buyer shall notify Seller promptly. If Seller submits a timely request to Buyer to bring suit against the Government, Buyer shall start such suit. If Buyer brings suit against the Government with respect to any such decision, whether at its election or a Seller's request, a final judgment in any such suit, if binding upon Buyer under the Prime Contract shall in turn be binding upon Seller and Buyer under this Purchase Order

with respect to the question decided as it relates to this Purchase Order.

4. If any such appeal or suit is taken or brought by Buyer, whether at its election or at Seller's request, Seller shall assist Buyer in its prosecution thereof in every reasonable manner and Seller shall be afforded reasonable opportunity to participate in the prosecution thereof to the extent Seller's interest may be affected. To the extent requested by Buyer, Seller shall prosecute for Buyer and appeal or suit taken or brought at Seller's request and, in such event, Buyer shall reasonably assist Seller. All cost and expenses incurred by Seller and Buyer in prosecuting any appeal or suit taken or brought solely at Seller's request shall be paid by Seller. Where possible, Buyer shall in good faith consult with Seller concerning the presentation to the Contracting Officer or other cognizant representatives of the Government of the questions referred to above to the extent they may affect Seller's interest.

5. If as a result of any decision or judgment which is binding upon Seller and Buyer, Buyer is unable to obtain reimbursement from the Government under the Prime Contract for, or is required to refund or credit to the Government, any amount with respect to any item of cost or fee for which Buyer has reimbursed Seller, Seller shall, on demand, promptly repay such amount to Buyer.

6. The rights and obligations herein shall survive completion of and final payment under this Purchase Order.

b. Pending the resolution of any dispute, the Seller shall proceed as directed by Buyer in writing.

c. Except as expressly set forth in this Document, in the associated Purchase Order, or as expressed in writing by the Buyer's Representative, and only if Buyer has received the U.S. Government Contracting Officer's consent, the Seller shall not make any direct claims or take direct course of action against the U.S. Government.

24. EXCUSABLE DELAYS.

a. Neither party shall be liable for any delay or failure of performance due solely to strikes, or other causes reasonably beyond its control and without its fault or negligence, provided that the party subject to such cause shall give written notice thereof to the other as soon as same could be anticipated, and if it could not be anticipated, promptly following the commencement thereof.

b. If Seller should be unable, due to such cause, to meet all its delivery commitments for the Goods ordered hereunder as they become due, Seller shall not discriminate against Buyer or in favor of any other customer in making deliveries of such Goods. Seller shall use its best efforts to anticipate the effects of such cause, to mitigate the effect of such cause and to make deliveries as expeditiously as possible.

c. If Buyer believes that the delay or anticipated delay in Seller's deliveries may impair its ability to meet its production or delivery schedules or may otherwise interfere with operations, Buyer may at its option, and without liability to Seller, cancel outstanding deliveries hereunder wholly or in part.

25. **INSOLVENCY.** Buyer may cancel this Purchase Order if Seller files a voluntary petition under any Federal or State Bankruptcy Act, or is adjudicated a bankrupt if Seller becomes insolvent or commits an act of bankruptcy or engages in any act which reasonably causes Buyer to deem itself insecure.

26. DESIGN, TOOLS, DIES, ETC.

a. Unless otherwise agreed herein, Seller at its cost shall supply all material, equipment, designs, drawings, tools and facilities required to perform this Order.

b. Any materials, equipment, designs, drawings, tools or other property furnished by Buyer or specifically paid for by Buyer shall be Buyer's property, shall be used only in filling orders from Buyer and may on Buyer's demand be removed by Buyer without charge. Seller shall use such property at its own risk and shall be responsible for all loss of or damage to the same or to any person while in Seller's custody. Seller shall, at his sole cost, store and maintain all such property in good condition and repair. Buyer makes no warranties of any nature with respect to any such property, which is furnished "AS IS".

c. **Graphics arts and packaging Materials:** All film negatives, positives, engravings, electrodes and dies made by Seller for the production of material of this Purchase Order will become the property of Buyer and be surrendered upon request.

d. Notwithstanding anything herein to the contrary, the provisions of this paragraph 26 do not apply to property owned by the United States Government. Disposition and use of government property shall be governed by applicable government regulations.

27. **SPECIAL U.S. GOVERNMENT PROVISIONS.** The provisions set forth in this Clause shall apply only if this order bears a U.S. Government contract number.

a. **Audits.** Seller agrees that its books and records and its plants or any such part thereof as may be engaged in the performance of this Purchase Order, shall at all reasonable times be subject to inspection and audit by any person designated by the head of any executive department of the U.S. Government.

b. **Quality Control.** Except as otherwise provided in this Purchase Order, Seller's system of Quality Control during the performance of this order shall be in accordance with the specifications as are required by Buyer's prime contract or higher tier order.

The following clauses of the FAR as in effect in the Prime Contract on the date of this Purchase Order are incorporated herein by reference, and made part hereof with the same force and effect as if they were given in full text. The clauses preceded by () are not applicable unless checked.

The following clauses of the FAR as in effect in the Prime Contract on the date of this Purchase Order are incorporated herein by reference, and made part hereof with the same force and effect as if they were given in full text. The clauses preceded by () are not applicable unless checked.

28. **COMPLIANCE WITH EXPORT LAWS.** The information provided by Buyer may be subject to the U.S. export control laws and regulations, including the International Traffic in Arms Regulations (ITAR). Seller may not export or re-export any information, technical data, or supplies except in strict compliance with all U.S. export control laws and regulations, including ITAR. Seller hereby agrees to defend and indemnify Buyer from and against any liability which Buyer may incur as a result of Seller's violation of any U.S. export or re-export control law or regulation.

29. **CONSTRUCTION.** This Purchase Order shall be construed to have been drafted equally by all parties. The language of all parts of the Purchase Order shall be construed as a whole, according to its fair meaning, and any presumption or other principle that the language herein is to be construed against any party shall not apply. The language of the Purchase Order shall not be construed for or against any particular party. The headings used herein are for reference only and shall not affect the interpretation of the Purchase Order.

30. **COMPLETE AGREEMENT.** This Purchase Order constitutes the entire contract between the parties. Acceptance is limited to the terms hereof and Buyer hereby objects to any additional or revised terms proposed by Seller. No revision, addition or supplement to this Purchase Order or of any of its terms and conditions shall be

effective (whether or not in Seller's acknowledgment or other form) unless agreed to in writing by Buyer. Shipment of any of the Materials constitutes acceptance of all the terms and conditions hereof whether or not Seller has acknowledged this Purchase Order.

The following clauses of the FAR and DFARS are incorporated herein by reference, and made part hereof with the same force and effect as if they were given in full text, to the extent and with the changes to the clause text specified herein. The date of each clause is specified; however, the clause in effect in the Buyer's Contract on the date of this Purchase Order shall be incorporated by reference and changes, if necessary, to each such clause shall be made to be consistent with the intent of the changes set forth below.

In all foregoing FAR clauses, the term "Contractor" shall mean "Seller", the term "Contract" shall mean this Purchase Order, and the term "Contracting Officer" shall mean the Contracting Officer of the U.S. Government prime contract except that in FAR Clauses 52.215-10 and 52.211-5 the term "Contracting Officer shall mean the "Buyer". Any reference to a "Default" clause in the above FAR clauses shall mean the "Termination with Cause" clause hereof.

1. REPRESENTATIONS AND CERTIFICATIONS. The following representations and certifications are material representations relied upon by Buyer in making award to Seller. Seller shall notify Buyer of any change of circumstances affecting representations and certifications made by Seller. *The representations and certifications as set forth below omit several choices that appear in the FAR version. By executing this Purchase Order, Seller represents that it has considered the full FAR version of the representations and certifications before executing this Purchase Order and affirms that the representations and certifications below are accurate.*

FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sept 2007).
Applicable only if this Purchase Order exceeds \$150,000.

Certification. The offeror, by signing its offer, hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to 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 on its behalf in connection with the awarding of this contract.

Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the offeror with respect to this contract, the offeror shall complete and submit, with its offer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. The offeror need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made

FAR 52.209-5 Certification Regarding Responsibility Matters (Oct 2015)

(1) Seller certifies, to the best of its knowledge and belief, that-

(i) The Seller and/or any of its Principals-

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal Criminal tax laws, or receiving stolen property;

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision;

(D) Have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied.

(ii) The Seller has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment, and similar positions).

This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

FAR 52.222-22

Previous Contracts and Compliance Reports (Feb 1999)

Seller represents that if Seller has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26): (i) Seller has filed all required compliance reports; and, (ii) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

FAR 52.222-25

Affirmative Action Compliance (Apr 1984)

The offeror represents that --

he offeror represents that --

(a) It * has developed and has on file, * has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or

(b) It * has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

FAR 52.225-18

Place of Manufacture (March 2015)

b) For statistical purposes only, the offeror shall indicate whether the place of manufacture of the end products it expects to provide in response to this solicitation is predominantly—

(1) In the United States (Check this box if the total anticipated price of offered end products manufactured in the United States exceeds the total anticipated price of offered end products manufactured outside the United States); or

(2) Outside the United States.

ITAR/FCPA Disclosure Certification

By signing this Purchase Order, Seller hereby certifies he has not paid, or offered or agreed to pay, or has caused to be paid, or offered or agreed to be paid directly or indirectly, in respect of this Purchase Order any political contributions, fees or commissions (as defined in Part 130 of the International Traffic In Arms Regulations ["ITAR"], as amended and/or the Foreign Corrupt Practices Act ["FCPA"], as amended).

Seller further certifies that it will not offer, pay, promise to pay, or authorize the payment of any money, or offer, give, promise to give, or authorize the giving of anything of value to a Territory official (as defined in the FCPA, as amended), to any Territory political party or official thereof or any candidate for Territory political office, or to any person, while knowing or being aware of a high probability that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any Territory official, to any Territory political party or official thereof, or to any candidate for Territory political office, for the purposes of:

(a) influencing any act or decision of such Territory official, political party, party official, or candidate in his or its official capacity, including a decision to fail to perform his or its official functions; or

(b) inducing such Territory official, political party, party official, or candidate to use his or its influence with the Territory government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist Buyer or Seller in obtaining or retaining business for or with, or directing business to Buyer or Seller.

Affirmative Action

For any Seller holding a contract in excess of \$100,000, the Seller shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a). These regulations prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.

For any Seller holding a contract in excess of \$10,000, but less than \$100,000, the Seller shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

INCORPORATION OF FEDERAL CLAUSES - The following clauses incorporated by reference shall be those in effect on the effective date of the Government Prime Contract (as amended) with Buyer to which this Order, subcontract, Purchase Order, or agreement relates. The FAR and Supplements thereto are obtainable from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Portions of the FAR are also accessible at <http://www.arnet.gov/far/>.

(B) Any reference in the following clauses to the “Disputes” clause shall mean the Article entitled “Disputes Under A Government Prime Contract” of the Order to which these Terms and Conditions are attached.

(C) Seller shall insert the following provisions in lower tier subcontracts, either verbatim or in substance, and by incorporation-by-reference or otherwise as appropriate.

(D) Wherever used, the terms "Contract" and "Contractor" shall mean this Order (or subcontract, Purchase Order, or agreement) and Seller (including Seller as Bidder or Offeror), respectively. The terms "Government," "Contracting Officer," and equivalent phrases shall mean Buyer except where further clarified or modified and except that the clauses identified by * shall have their original meaning as written in the FAR, and when identified by ** shall not only have their original meaning as written in the FAR, but also shall mean Buyer. "Subcontractor," however, shall mean "Seller's Subcontractor."

Seller acknowledges it has had the opportunity to inquire as to the clauses present in Buyer's contract and agrees to be bound to such clauses in the manner listed below.

Any reference to a "Default" clause shall mean Paragraph 18b, "Termination for Cause" of this Purchase Order.

I. FAR CLAUSES

- 52.203-3** **Gratuities*** (The term "agency head" means Buyer). (Rev. 4/1984.) (Applicable if this Order exceeds the simplified acquisition threshold in FAR 2.101.)
- 52.203-5** **Covenant Against Contingent Fees.** (Rev. 5/2014.) (Applicable if this Order exceeds the simplified acquisition threshold in FAR 2.101.)
- 52.203-6** **Restrictions on Subcontractor Sales to the Government.** (Rev. 9/2006.) (Applicable if this Order exceeds the simplified acquisition threshold in FAR 2.101.)
- (a) Except as provided in (b) of this clause, the Contractor shall not enter into any agreement with an actual or prospective subcontractor, nor otherwise act in any manner, which has or may have the effect of restricting sales by such subcontractors directly to the Government of any item or process (including computer software) made or furnished by the subcontractor under this contract or under any follow-on production contract.
- (b) The prohibition in (a) of this clause does not preclude the Contractor from asserting rights that are otherwise authorized by law or regulation.
- (c) The Contractor agrees to incorporate the substance of this clause, including this paragraph (c), in all subcontracts under this contract which exceed the simplified acquisition threshold.
- 52.203-7** **Anti-Kickback Procedures.** (Rev. 5/2014.)
Applicable if this Order exceeds \$150,000, except that paragraph (c)(1) of FAR 52.203-7 is not included in this Order. Paragraph (c)(4) is revised by deleting "The Contracting Officer may" and inserting "To the extent the Contracting Officer has effected an offset at the prime contract level or has directed Buyer to withhold any sum from the Seller, Buyer may ..."
(If applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.203-10** **Price or Fee Adjustment for Illegal or Improper Activity.** (Rev. 5/2014.)
- 52.203-11** **Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.** (Rev. 9/2007.)
- 52.203-12** **Limitation on Payments to Influence Certain Federal Transactions.*** (Rev.10/2010.) (Applicable if this Order exceeds \$150,000.)
- (g) *Subcontracts.*
- (1) The Contractor shall obtain a declaration, including the certification and disclosure in paragraphs (c) and (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, from each person requesting or receiving a subcontract exceeding \$150,000 under this contract. The Contractor or subcontractor that awards the subcontract shall retain the declaration.
- (2) A copy of each subcontractor disclosure form (but not certifications) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall, at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor, submit to the Contracting Officer within 30 days a copy of all disclosures. Each subcontractor certification shall be retained in the subcontract file of the awarding Contractor.
- (3) The Contractor shall include the substance of this clause, including this paragraph (g), in any subcontract exceeding \$150,000
- 52.203-13** **Contractor Code of Business Ethics and Conduct** (Rev. 10/2015).
(Applicable if this Order exceeds \$5,500,000.00 and a performance of more than 120 days)
- 52.203-14** **Display of Hotline Poster(s)** (Rev. 10/2015). (Applicable if this Order exceeds \$5,500,000.00 unless the subcontract is for a commercial item OR is performed entirely outside of the United States)(When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document)

- 52.204-2 Security Requirements.*** (Rev. 8/1996.) (Excluding any reference to the Changes clause in the prime contract).
- 52.204-9 Personal Identity Verification of Contractor Personnel.** (Rev. 1/2011.)
(The substance of this clause is applicable in all subcontracts when the subcontractor's employees are required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.)
- 52.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities** (Rev. 7/2018)
(The language of this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.209 6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment.** (Rev. 10/2015.)
- (a) Definition. "Commercially available off-the-shelf (COTS) item," as used in this clause--
- (1) Means any item of supply (including construction material) that is—
 - (i) A commercial item (as defined in paragraph (1) of the definition in FAR 2.101);
 - (ii) Sold in substantial quantities in the commercial marketplace; and
 - (iii) Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and
 - (2) Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products.
- (b) The Government suspends or debar Contractors to protect the Government's interests. Other than a subcontract for a commercially available off-the-shelf item, the Contractor shall not enter into any subcontract in excess of \$35,000 with a Contractor that is debarred, suspended, or proposed for debarment by any executive agency unless there is a compelling reason to do so.
- (c) The Contractor shall require each proposed subcontractor whose subcontract will exceed \$35,000, other than a subcontractor providing a commercially available off-the-shelf item, to disclose to the Contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.
- (d) A corporate officer or a designee of the Contractor shall notify the Contracting Officer, in writing, before entering into a subcontract with a party (other than a subcontractor providing a commercially available off-the-shelf item) that is debarred, suspended, or proposed for debarment (see FAR 9.404 for information on the System for Award Management (SAM) Exclusions). The notice must include the following:
- (1) The name of the subcontractor.
 - (2) The Contractor's knowledge of the reasons for the subcontractor being listed with an exclusion in SAM.
 - (3) The compelling reason(s) for doing business with the subcontractor notwithstanding its being listed with an exclusion in SAM.
 - (4) The systems and procedures the Contractor has established to ensure that it is fully protecting the Government's interests when dealing with such subcontractor in view of the specific basis for the party's debarment, suspension, or proposed debarment.
- (e) Subcontracts. Unless this is a contract for the acquisition of commercial items, the Contractor shall include the requirements of this clause, including this paragraph (e) (appropriately modified for the identification of the parties), in each subcontract that—
- (1) Exceed \$35,000 in value; and
 - (2) Is not a subcontract for commercially available off-the-shelf items
- 52.211-5 Material Requirements.** (Rev. 8/2000.)
- 52.211-15 Defense Priority and Allocation Requirements.** (Rev.4/2008.)
If this Order is a "rated order" as indicated by a DPAS rating elsewhere in this Order, Seller will follow all the provisions of the Defense Priorities and Allocation System Regulations.
- 52.214-26 Audit and Records-Sealed Bidding.** (Rev. 10/2010.) (Applicable if this Order exceeds the threshold for obtaining certified cost or pricing data of \$2,000,000 (or as otherwise listed in 15.403-4(a)(1)) and is awarded by sealed bidding procedures.) (When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause, including paragraph (e), is contained within this document.)
- 52.214-27 Price Reduction for Defective Certified Cost or Pricing Data — Modifications — Sealed Bidding.** (Rev. 8/2011.)

In paragraph (d), the term "Contracting Officer" does not change. Seller shall provide cost or pricing data and execute a Certificate of Current Cost or Pricing Data in substantially the form prescribed in the FAR.

- 52.214-28 Subcontractor Certified Cost or Pricing Data — Modifications — Sealed Bidding.** (Rev. 10/2010.)
Applicable if at the time the Order was entered into, it exceeded the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1). (When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause, including paragraph (d), is contained within this document.)
- 52.215-2 Audit and Records — Negotiation.*** (Rev. 10/2010.)
(Applicable in all subcontracts that exceed the simplified acquisition threshold and (1) are cost-reimbursable, incentive, time-and-materials, labor hour, or price-redeterminable type or any combination of these; (2) for which certified cost or pricing data are required; or (3) that require the subcontractor to furnish reports as discussed in paragraph (e) of this clause. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause, including paragraph (g), is contained within this document.)
- 52.215-10 Price Reduction for Defective Certified Cost or Pricing Data.** (Rev. 8/2011.) (Applicable to Orders for which it is contemplated cost or pricing data will be required.)

In paragraph (c) the term “Contracting Officer” does not change. Seller shall provide cost or pricing data and execute a Certificate of Current Cost or Pricing Data in substantially the form prescribed in the FAR.
- 52.215-11 Price Reduction for Defective Certified Cost of Pricing Data — Modifications.** (Rev. 8/2011.) (Applicable to Orders for which it is contemplated cost or pricing data will be required for modifications and the Order includes FAR 52.215-10.)

In paragraph (d), the term “Contracting Officer” does not change. Seller shall provide cost or pricing data and execute a Certificate of Current Cost or Pricing Data in substantially the form prescribed in the FAR.
- 52.215-12 Subcontractor Certified Cost or Pricing Data.** (Rev. 10/2010.)
Applicable if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1). When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.215-13 Subcontractor Certified Cost or Pricing Data — Modifications.** (Rev. 10/2010.)
Applicable if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1). When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause, including paragraph (d), is contained within this document.)
- 52.215-14 Integrity of Unit Prices.** (Rev. 10/2010.) Alt. I (Rev. 10/1997.) (Applicable, except for paragraph (b), if this Order exceeds the simplified acquisition threshold in FAR 2.101.) When applicable, this clause, less paragraph (b), is hereby flowed down as if the language of the clause is contained within this document.)
- 52.215-15 Pension Adjustments and Asset Reversions.** (Rev. 10/2010.)
Applicable in solicitations and purchase orders for which it is anticipated that cost or pricing data will be required or for which any pre-award or post-award cost determination will be subject to FAR Part 31. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.
- 52.215-16 Facilities Capital Cost of Money.** (Rev. 6/2003.)
- 52.215-18 Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other Than Pensions.** (Rev. 7/2005.)
Applicable in solicitations and purchase orders for which it is anticipated that cost or pricing data will be required or for which any pre-award or post-award cost determination will be subject to FAR Part 31. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.
- 52.215-19 Notification of Ownership Changes.** (Rev. 10/1997.)
Applicable in solicitations and purchase orders for which it is anticipated that cost or pricing data will be required or for which any pre-award or post-award cost determination will be subject to FAR Part 31. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.
- 52.219-8 Utilization of Small Business Concerns.** (Rev. 10/2018.) (Applicable only if this Order offers further subcontracting opportunities).
- 52.219-9 & Alt. II Small Business Subcontracting Plan.** (Rev. 4/2018.) (Class Deviation 2018-O0018, Aug 13, 2018) (Applicable only if this Order offers further subcontracting opportunities, exceeds \$700,000, and Seller is not a Small Business Concern.)
- 52.219-16 Liquidated Damages — Subcontracting Plan.** (Rev. 1/1999.)

- 52.222-1 **Notice to the Government of Labor Disputes.** (Rev. 2/1997.)
- 52.222-4 **Contract Work Hours and Safety Standards — Overtime Compensation.** (Rev.5/2014).
Applicable if this Order requires employment of laborers or mechanics. When applicable, paragraphs (a) through (d) is hereby flowed down as if the language of the clause is contained within this document and the subcontractor is responsible for same at any lower-tier subcontractor. In addition, Buyer may withhold or recover from the Seller any sums the Contracting Officer withholds or recovers from Buyer because of a violation of a provision of this clause by the Seller or Seller's subcontractor.
- 52.222-20 **Contracts for Materials, Supplies, Articles and Equipment Exceeding \$15,000.** (Rev. 5/2014.)
- 52.222-21 **Prohibition of Segregated Facilities.** (Rev. 4/2015.)
- 52.222-26 **Equal Opportunity.** (Rev. 9/2016.)
Subparagraphs (b)(1) through (11) of FAR 52.222-26 only are included in this Order.
- 52.222-35 **Equal Opportunity for Veterans.** (Rev. 10/2015.) (Applicable if the Order is for \$150,000 or more.)
- 52.222-36 **Equal Opportunity for Workers with Disabilities.** (Rev. 7/2014.)

Applicable if this Order exceeds \$15,000. Paragraph (b)(2) is revised to delete "provided by or through the Contracting Officer" and insert "provided upon request by the Contracting Officer through the Buyer's Purchasing Representative."
- 52.222-37 **Employment Reports on Veterans.** (Rev. 2/2016.) (Applicable if the clause at 52.222-35 is applicable.)
- 52.222-40 **Notification of Employee Rights under the National Labor Relations Act.** (Rev. 12/2010.)
(Applicable in every subcontract that exceeds \$10,000 and will be performed wholly or partially in the United States, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 3 of Executive Order 13496 of January 30, 2009.)

When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.
- 52.222-50 **Combating Trafficking In Persons** (Rev. 3/2015.)
Paragraph (h) of this clause is applicable to portions of the subcontract that are for supplier, other than commercially off-the-shelf items, acquired outside of the United States, or services to be performed outside the United States; and has an estimated value that exceeds \$500,000.
- 52.222-54 **Employment Eligibility Verification.** (Rev. 10/2015.)
(Applicable in subcontracts for Commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item of an item that would be a COTS item, but for minor modifications, performed by the COTS provider, and are normally provided for that COTS item; or Construction services; AND has a value of \$3500 or more; AND includes work performed in the United States.)
- 52.223-3 **Hazardous Material Identification and Material Safety Data.** (Rev. 1/1997.)
- 52.223-5 **Pollution Prevention and Right-to-Know Information.** (Rev. 5/2011.)
- 52.223-7 **Notice of Radioactive Materials.** (Rev. 1/1997.) (Applicable in subcontracts or radioactive materials meeting paragraph a of this clause. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.223-11 **Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons.** (Rev. 6/2016.)
- 52.224-2 **Privacy Act.** (Rev. 4/1984.) (Applicable in all subcontracts which requires the design, development, or operation of such a system of records.)
- 52.225-8 **Duty Free Entry.** (Rev. 10/2010.) (Applicable when supplies on this subcontract will be imported into the customs territory of the United States. When applicable, the substance of this clause is hereby flowed down as if the language of the clause is contained within this document.)
- 52.225-13 **Restrictions on Certain Foreign Purchases.*** (Rev. 6/2008.) (The language of this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.227-1 **Authorization and Consent.** (Rev. 12/2007.) (Applicable for all subcontracts that exceed the simplified acquisition threshold. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)

- 52.227-2 **Notice and Assistance Regarding Patent and Copyright Infringement.**** (Rev. 12/2007.) (Applicable if the Order is expected to exceed the simplified acquisition threshold. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.227-3 **Patent Indemnity.**** (Rev. 4/1984.)
- 52.227-9 **Refund of Royalties.** (Rev. 4/1984.) (Applicable if the amount of royalties reported during negotiation of the subcontract exceeds \$250. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.227-10 **Filing of Patent Applications--Classified Subject Matter.** (Rev. 12/2007.) (Applicable in subcontracts that cover or are likely to cover classified subject matter. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.227-11 **Patent Rights--Ownership by the Contractor .** (Rev. 5/2014.)
- 52.227-13 **Patent Rights--Ownership by the Government.** (Rev. 12/2007.)
- 52.227-14 **Rights in Data - General.** (Rev. 5/2014.)
- 52.228-3 **Workers' Compensation Insurance (Defense Base Act).** (Rev. 7/2014.)
- 52.228-4 **Workers' Compensation and War-Hazard Insurance Overseas.** (Rev. 4/1984.)
- 52.228-5 **Insurance — Work on a Government Installation.** (Rev. 1/1997.)
(Applicable if this Order requires work on a Government installation. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.229-3 **Federal, State, and Local Taxes.** (Rev. 2/2013.)
- 52.229-4 **Federal, State, and Local Taxes (State and Local Adjustments).** (Rev. 2/2013.)
- 52.229-6 **Taxes -- Foreign Fixed-Price Contracts.** (Rev. 2/2013.)
- 52.229-8 **Taxes – Foreign Cost-Reimbursement Contracts** (Rev. 3/1990)
- 52.232-17 **Interest.** (Rev. 5/2014.)
- 52.233-3 **Protest After Award.** (Rev. 8/1996.)
Under Paragraph (f) of this clause, the Buyer may withhold or recover from Seller any sums the Contracting Officer withholds or recovers from Buyer because of an intentional or negligent misstatement, misrepresentation or miscertification of the Seller which results in a bid protest being sustained.
- 52.234-1 **Industrial Resources Developed Under Defense Production Act Title III.** (Rev. 9/2016.) (This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.236-7 **Permits and Responsibilities.** (Rev. 11/1991.)
- 52.242-1 **Notice of Intent to Disallow Costs.** (Rev. 4/1984.)
- 52.242-15 **Stop-Work Order.** (Rev. 8/1989.)
The words “ninety (90) days” are changed to “one hundred (100) days” and the words “thirty (30) days” are changed to “twenty (20) days” wherever they appear.
- 52.244-2 **Subcontracts.** (Rev. 10/2010.)
- 52.244-5 **Competition in Subcontracting.** (Rev. 12/1996.)
- 52.244-6 **Subcontracts for Commercial Items.** (Rev. 10/2018.) (This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.245-1 **Government Property** (Rev. 1/2017.) (When the subcontract is to be performed outside of the United States of America, the words “Government” and “Government-furnished” (wherever they appear in this clause) shall be construed as “United States Government” and “United States Government-furnished”, respectively.)
- 52.245-2 **Government Property Installation Operation Services.** (Rev. 4/2012.)
“Government” means “Government” and/or “Buyer.”

- 52.246-3 **Inspection of Supplies – Cost-Reimbursement** (Rev. 5/2001)
- 52.247-63 **Preference for U.S.-Flag Air Carriers.** (Rev. 6/2003.) (Applicable in subcontracts that may involve international air transportation. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 52.248-1
& Alt. I, II,
& III **Value Engineering.** (Rev. 10/2010.) (Applicable if this Order exceeds \$150,000.)
- 52.249-6 **Termination (Cost-Reimbursement) (May 2004)**
Paragraph (d): Change “120 days” to “60 days”
Paragraph (e): Plant Clearance procedure omitted.
Paragraph (f): The time for submission of final termination settlement proposal is changed from “1 year” to “6 months” from effective date of termination.

II. DFARS CLAUSES

- 252.203-7001 **Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies.** (Rev. 12/2008.) (Applicable to first tier subcontractors only if this Order exceeds the simplified acquisition threshold in FAR Part 2 and the Prime Contract is not for commercial items. “Government” is not changed in this clause.)
- 252.203-7004 **Display of Hotline Posters.** (Rev. 10/2016.) (Applicable in subcontracts exceeding \$5,500,000) ((When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.204-7000 **Disclosure of Information** (Rev. 10/2016)
- 252.204-7008 **Compliance with Safeguarding Covered Defense Information Controls (Rev. 10/2016)**
Replace “Contracting Officer” with “Buyer”
- 252.204-7012 **Safeguarding Covered Defense Information and Cyber Incident Reporting** (Rev. 10/2016.) (Applicable in subcontracts for operationally critical support or for which subcontract performance will involve covered defense information, including subcontracts for commercial items, without alteration, except to identify the parties. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- Subcontractor must notify Contractor when submitting a request to vary from a NIST SP 800-171 security requirement, in accordance with paragraph (b)(2)(ii)(B) of this clause.
- Subcontractor must provide the incident report number, automatically addisned by DoD, to the Contractor as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of this clause.
- 252.208-7000 **Intent to Furnish Precious Metals as Government-Furnished Material.** (Rev. 12/1991.) (Applicable in solicitations and subcontracts wherein the purchase contains precious metals, defined as silver, gold, platinum, palladium, iridium, rhodium, or ruthenium. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.211-7003 **Item Unique Identification and Valuation.** (Rev. 3/2016.)
- 252.215-7000 **Pricing Adjustments.** (Rev. 12/2012.)
- 252.219-7003 **Small Business Subcontracting Plan (DoD Contracts).** (Rev. 4/2018.) and Class Deviation 2018-O0007 (Applicable to Orders over \$700,000 when the subcontract is issued to a Large Business).
- 252.222-7006 **Restrictions on the Use of Mandatory Arbitration Agreements.** (Rev. 12/2010.)
- 252.222-7007 **Representation Regarding Combating Trafficking in Persons.** (Rev. 1/2015).
- 252.223-7001 **Hazard Warning Labels.** (Rev. 12/1991.)
- 252.223-7006 **Prohibition on Storage, Treatment, and Disposal of Toxic or Hazardous Materials - Basic.** (Rev. 9/2014.) (Applicable in subcontracts (at any tier) that require, may require, or permit a subcontractor to access a U.S.G. Department of Defense installation, at any subcontract tier.)

Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives. (Rev. 9/1999.)

(a) *Definition.* “Arms, ammunition, and explosives (AA&E),” as used in this clause, means those items within the scope (chapter 1, paragraph B) of DoD 5100.76-M, Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives.

(b) The requirements of DoD 5100.76-M apply to the following items of AA&E being developed, produced, manufactured, or purchased for the Government, or provided to the Contractor as Government-furnished property under this contract:

Nomenclature: [to be updated if identified in the Prime Contract]

NSN: [to be updated if identified in the Prime Contract]

Sensitivity/Category: [to be updated if identified in the Prime Contract]

(c) The Contractor shall comply with the requirements of DoD 5100.76-M, as specified in the statement of work. The edition of DoD 5100.76-M in effect on the date of issuance of the solicitation for this contract shall apply.

(d) The Contractor shall allow representatives of the Defense Security Service (DSS), and representatives of other appropriate offices of the Government, access at all reasonable times into its facilities and those of its subcontractors, for the purpose of performing surveys, inspections, and investigations necessary to review compliance with the physical security standards applicable to this contract.

(e) The Contractor shall notify the cognizant DSS field office of any subcontract involving AA&E within 10 days after award of the subcontract.

(f) The Contractor shall ensure that the requirements of this clause are included in all subcontracts, at every tier

f) The Contractor shall ensure that the requirements of this clause are included in all subcontracts, at every tier

(1) For the development, production, manufacture, or purchase of AA&E; or

(2) When AA&E will be provided to the subcontractor as Government-furnished property.

(g) Nothing in this clause shall relieve the Contractor of its responsibility for complying with applicable Federal, state, and local laws, ordinances, codes, and regulations (including requirements for obtaining licenses and permits) in connection with the performance of this contract.

252.225-7000

Buy American — Balance of Payments Program Certificate - Basic. (Rev. 11/2014.)

252.225-7001

Buy American and Balance of Payments Program - Basic. (Rev. 12/2017.)

252.225-7002

Qualifying Country Sources as Subcontractors. (Rev. 12/2017.)

252.225-7003

Report of Intended Performance Outside the United States and Canada -- Submission with Offer. (Rev. 10/2015.)

252.225-7004

Report of Intended Performance Outside the United States and Canada — Submission after Award. (Rev. 10/2015.)

Applicable to first tier subcontracts over \$700,000. Paragraphs (c)(4) and (c)(5) are omitted. Seller shall provide reports to the Buyer in substantially the form prescribed in the DFARS.

252.225-7008

Restriction on Acquisition of Specialty Metals. (Rev. 3/2013.)

52.225-7008

Restriction on Acquisition of Specialty Metals. (Rev. 3/2013.)

252.225-7009

Restriction on Acquisition of Certain Articles Containing Specialty Metals. (Rev. 10/2014.) (Applicable in all subcontracts, including subcontracts for commercial items, that are for items containing specialty metals, as defined in this clause. When applicable, paragraphs (a) through (c) and paragraph (e)(2) are flowed down as if the language of each paragraph are contained within this document.)

252.225-7010

Commercial Derivative Military Article – Specialty Metals Compliance Certificate. (Rev. 7/2009.)

252.225-7012

Preference for Certain Domestic Commodities. (Rev. 12/2017.)

252.225-7013

Duty-Free Entry. (Rev. 5/2016.)

The Buyer will obtain from the Government duty-free entry certificates and afford such assistance as appropriate to obtain the duty-free entry of qualifying country supplies for which the shipping documents bear the notation specified in paragraph (f) of this clause.

- 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools.** (Rev. 6/2005.)
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings.** (Rev. 6/2011.) (Applicable in subcontracts for items that contain roller bearings. Not applicable for commercial items. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.225-7025 Restriction on Acquisition of Forgings.** (Rev. 12/2009.) (Applicable in subcontracts for forging items or for other items that contain forging items. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate.** (Rev. 12/2006.)
- 252.225-7033 Waiver of United Kingdom Levies.** (Rev. 4/2003.) (Applicable in subcontracts for supplies where a lower-tier subcontract exceeding \$1 Million with a U.K. firm is anticipated. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.225-7040 Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States.** (Rev. 10/2015.) (Applicable when subcontractor personnel are supporting U.S. Armed Forces deployed outside of the United States in (1) Contingency Operations; (2) Peace operations consistent with Joint Publication 3-07.3; or (3) Other military operations or military exercises, when designated by Combatant Commander or as directed by the Secretary of Defense. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises And Native Hawaiian Small Business Concerns.** (Rev. 9/2004.) (Applicable if this Order exceeds \$500,000.)
- 252.227-7013 & Alt. I Rights in Technical Data – Noncommercial Items.** (Rev. 2/2014.) “[T]o the Contractor” is deleted from (b)(1)(vi) and “contract or” and “thereunder” is deleted from (b)(1)(ix). “Buyer or” is added before “Government” in (c) and (i). The second and third occurrences of “Contracting Officer” are changed to “Government” in (e)(4) “And the Government” is added after “parties” in (h)(1). In (h)(2) “sixty (60)” is changed to “fifty (50)” days. No substitutions for “Government” are made.
- 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation.** (Rev. 2/2014.)
- “[T]o the Contractor” is deleted from (b)(1)(iii) and “contract or” and “thereunder” is deleted from (b)(1)(vi). “Buyer or” is added before “Government” in (i). The second and third occurrences of “Contracting Officer” have been changed to “Government” in (e)(4). “And the Government” is added after “parties” in (h)(1). In (h)(2) “sixty (60)” is changed to “fifty (50)” days. No substitutions for “Government” are made.
- 252.227-7015 Technical Data -- Commercial Items.** (Rev. 2/2014.)
- 252.227-7016 Rights in Bid or Proposal Information.** (Rev. 1/2011.)
- No substitutions for “Government” or “Contracting Officer” are made. This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document. This clause is required to be flowed down to subcontractors at all levels.
- 252.227-7019 Validation of Asserted Restrictions — Computer Software.** (Rev. 9/2016.) “Buyer’s Purchasing Representative” is substituted for “Contracting Officer” in paragraph (b), otherwise no substitutions are made for “Contracting Officer” or “Government.” In paragraphs (f)(5) and (f)(6) “the prime contract” is substituted for “this contract.” This clause is required to be flowed down to subcontractors at all levels that are furnishing computer software for U.S. Government end use.
- 252.227-7025 Limitations On The Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends.** (Rev. 5/2013.)
- 252.227-7027 Deferred Ordering of Technical Data or Computer Software.** (Rev. 4/1988.)
- 252.227-7030 Technical Data — Withholding of Payment.** (Rev. 3/2000.)
- “Buyer” is substituted for “Contracting Officer” in paragraph (a). In paragraph (b), “or Buyer” is added after “Government.”

- 252.227-7037 Validation of Restrictive Markings on Technical Data.** (Rev. 9/2016.)
- In paragraph (b), “Contractor’s” remains in the clause with a lower case “c.” In paragraphs (c) and (d)(I), “hereunder” is inserted after “subcontract.” In paragraphs (f) and (g)(2)(i), change “this contract” to “the prime contract,” and in paragraph (i), change “a contract” to “the prime contract.” No substitutions for “Government” or “Contracting Officer” are made.
- This clause is required to be flowed down to subcontractors at all levels that are delivering technical data.
- 252.231-7000 Supplemental Cost Principles.** (Rev. 12/1991.)
- 252.235-7003 Frequency Authorization** (Rev. 3/2014)
(Applicable to subcontractors for development, production, construction, testing, or operation of a device for which a radio frequency is required. This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.236-7000 Modification Proposals — Price Breakdown.** (Rev. 12/1991.)
- 252.243-7001 Pricing of Contract Modifications.** (Rev. 12/1991.)
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DOD Contracts).** (Rev. 6/2013.)
(This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.246-7003 Notification of Potential Safety Issues.** (Rev. 6/2013.)
(Applicable to subcontractors for parts identified as safety items, systems and subsystems, assemblies, and subassemblies integral to a system, or repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System** (Rev 8/2016)
(Applicable to Subcontractors subject to Cost Accounting Standards under 41 U.S.C. chapter 15 and when electronic parts or assemblies containing electronic parts are provided, including subcontracts for commercial items). (When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.246-7008 Sources of Electronic Parts** (Rev 5/2018)
(Applicable when electronic parts or assemblies containing electronic parts are provided, including subcontracts for commercial items, unless the subcontractor is the original manufacturer). (When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.247-7023 Transportation of Supplies by Sea - Basic.** (Rev. 4/2014.)
(This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.247-7024 Notification of Transportation of Supplies by Sea.** (Rev. 3/2000.)
(This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)

III. ADDITIONAL FAR/DFARS CLAUSES

GD-OTS reserves the right to add FAR/DFARS clauses and other contract terms in Section III of the subject Terms and Conditions in addition to any special provisions that may be required to be flowed down from its customer.