

**GENERAL DYNAMICS  
ORDNANCE AND TACTICAL SYSTEMS  
TERMS AND CONDITIONS - TIME AND MATERIAL AND LABOR HOUR  
October 22, 2020**

**1. DEFINITIONS.**

As used in this Agreement, the following terms shall have the meanings set forth below:

a. The term "Buyer" means General Dynamics, Ordnance and Tactical Systems.

b. The term "This Order" means this Agreement and the Purchase Order incorporating this Agreement.

**2. PREVIOUS UNDERSTANDINGS SUPERSEDED:**

The terms and conditions contained herein, together with those of the Purchase Order and other documents which may be specifically incorporated herein, constitute the entire agreement between Buyer and Seller, and supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to this Order.

**3. SCOPE:**

a. Seller shall, as an independent contractor, and not as an agent of Buyer, at the time and in the manner stated, furnish all plant, facilities, equipment, labor, materials, and perform all work necessary to complete the work set forth in this Order.

b. It is agreed that Seller is satisfied as to the nature of the work, the character, quality, and quantity of materials which may be required, the character of the equipment and facilities needed, and all matters which can in any way affect performance hereunder.

**4. PAYMENTS:**

The Seller shall be paid for Goods and Services as follows upon the submission of invoices approved by Buyer.

a. Labor Hour Rate:

1. The amounts computed by multiplying the appropriate labor hour rate, or rates, set forth in the Order, by the number of direct labor hours performed, which rates shall include wages, overhead, general and administrative expense and profit. Fractional parts of an hour shall be payable on a prorated basis. Invoices may be submitted once each month (or at more frequent intervals if approved by the Buyer), to the Buyer. The Seller will substantiate invoices by evidence of actual payment and by individual daily job timecards, or such other substantiation approved by the Buyer. The Buyer shall, except as otherwise provided in this Order, and subject to the provisions of (e) below, make payment thereon as approved by the Buyer.

2. Unless otherwise specified, the labor hour rate or rates set forth in the Order shall not be varied by virtue of the Seller having performed work on an overtime basis. If no overtime rates are provided in the Order and overtime work is approved in advance by Buyer, overtime rates will be negotiated. Buyer's approval of overtime rates shall be final. If the Order provides rates for overtime, the premium portion of those rates will be reimbursable only to the extent the overtime is approved by the Buyer.

b. Materials (including Subcontracts):

1. The Seller shall support all material costs claimed by submitting invoices or storeroom requisitions, or by other substantiation acceptable to the Buyer. Materials are those materials which enter directly into the end product or services, or which are used or consumed directly in connection with the furnishing of such product

or service. Indirect costs allocated to direct materials shall be determined by the Buyer in accordance with Seller's usual accounting procedures. Reasonable and allocable material handling costs may be included in the charge for material at cost to the extent they are clearly excluded from the labor-hour rate.

Optional Method of Pricing: If Seller furnishes material which is regularly sold to the general public in the normal course of business by the Seller, Seller may be governed by the following conditions when:

i. The total estimated Order does not exceed \$25,000.00 or the estimated price of material so charged does not exceed twenty percent (20%) of the estimated Order price.

ii. The material to be so charged is identified in the Order.

iii. No element of profit on material so charged is included in the profit in the fixed hourly labor rates.

iv. The price to be paid for such material shall be based on estimated catalog or list price in effect when material is furnished, less all applicable discounts to the Buyer. In no event shall such price be in excess of the Seller's most favored customer price for the same item in like quantity, or the current market price, whichever is lower.

2. The cost of subcontracts which are authorized pursuant to the "Subcontracts" clause hereof shall be reimbursable costs hereunder provided such costs are consistent with subparagraph (3) below. Reimbursable cost in connection with subcontracts shall be limited to the amounts actually required to be paid by the Seller to the subcontractor and shall not include any costs arising from the letting, administration or supervision of performance of the subcontract.

3. The Seller shall procure materials at the most advantageous prices with due regard to securing prompt delivery of satisfactory materials and take all cash and trade discounts, rebates, allowances, credits, salvage, commissions, and other benefits. When unable to take advantage of such benefits, Seller shall promptly notify the Buyer to that effect and give the reason therefore. Credit shall be given to the Buyer for cash and trade discounts, rebates, allowances, credits, salvage, the value of resulting scrap when the amount of such scrap is appreciable, commissions, and other amounts which have been accrued to the benefit of Seller. Such benefits lost through no fault or neglect on the part of the Seller shall not be deducted from gross costs.

c. It is intended that the total cost to the Buyer for the performance of this Contract will not exceed the ceiling price set forth on the face of the Order, and the Seller agrees to use its best efforts to perform the work specified in the Order and all obligations under this Order within such ceiling price. If at any time the Seller has reason to believe that the labor hour rate payments and material costs which will accrue in the performance of this Order in the next succeeding thirty (30) days, when added to all other payments and costs previously accrued, will exceed eight-five percent (85%) of the ceiling price set forth in the Order, the Seller shall notify the Buyer to that effect, giving a revised estimate of the total price to the Buyer for the performance of this Order together with supporting reasons and documentation. If at any time during the performance of this Order the Seller has reason to believe that the total price to the Buyer for the performance of this Order will be substantially greater or less than the then-stated ceiling price, the Seller shall so notify the Buyer, giving the revised estimate of the total price for the performance of this Order, together with supporting reasons and documentation. If at any time during the performance of this Order the Buyer has reason to believe that the work required in the performance of this Order will be substantially greater or less than the stated ceiling price, the Buyer will so advise

the Seller, giving the then-revised estimate of the total amount of effort to be required under the Order. Seller acknowledges that Buyer is relying upon the required notifications from Seller in order to determine whether to permit Seller to proceed with performance.

d. The Buyer shall not be obligated to pay the Seller any amount in excess of the ceiling price set forth in the Order, and the Seller shall not be obligated to continue performance if to do so would exceed the ceiling price set forth in the Order, unless and until the Buyer shall have notified the Seller in writing that such ceiling price has been increased and shall have specified in such notice a revised ceiling which shall thereupon constitute the ceiling price for performance under this Order. When and to the extent that the ceiling price set forth in the Order has been increased, any hours expended and material costs incurred by the Seller in excess of the ceiling price prior to the increase shall be allowable to the same extent as if such hours expended and material costs had been incurred after such increase in the ceiling price.

e. At any time or times prior to final payment under this Order the Buyer may audit the invoices and substantiating material to the extent Buyer shall deem necessary. Each payment therefore made shall be subject to reduction to the extent of amounts which are found by the Buyer not to have been properly payable and shall also be subject to reduction for over-payments, or to increase for underpayments, on preceding invoices. Upon receipt and approval of the invoice designated by the Seller as the "completion invoice", and substantiating material, and upon compliance by the Seller with all provisions of this Order, the Buyer shall as promptly as may be practicable pay any balance due and owing the Seller. The completion invoice and substantiating material shall be submitted by the Seller as promptly as may be practicable following completion of the work under this Order, but in no event later than one (1) year from the date of such completion.

f. The Seller agrees that any refunds, rebates, or credits, (including any interest thereon) accruing to or received by the Seller or any assignee, which arise under the materials portion of this Order and for which the Seller has received reimbursement, shall be paid by the Seller to the Buyer. The Seller and each assignee, under any assignment entered into under this Order and in effect at the time of final payment under this Order shall execute and deliver, at the time of and as a condition precedent to final payment under this Order, an assignment to the Buyer of such refunds, rebates, or credits (including interest thereon) in form and substance satisfactory to the Buyer.

#### 5. CHANGES:

The Buyer may at any time, by a written order and without notice to the sureties, if any, make changes, within the general scope of this Order in any one or more of the following: (i) drawings, designs, or specifications, (ii) method of shipment or packing, (iii) place of delivery; and (iv) the amount of Buyer or Government-furnished property. If any such charge requires an increase or decrease in any hourly rate or in the ceiling price provided for in this Order or in the time required for the performance of any part of the work under this Order, whether changed or not changed by any such Order, or otherwise affects any other provision of this Order, an equitable adjustment shall be made in the (i) ceiling price, (ii) hourly rates, (iii) delivery schedule, and (iv) in such other provisions of this Order as may be so affected and the Order shall be modified in writing accordingly. Any claim by the Seller for adjustment under this clause must be asserted within thirty (30) days from the date of receipt by the Seller of the notification of change, provided, however, that the Buyer, if it decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Order. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the "Disputes" clause of this Order. However, nothing in this clause shall excuse the Seller from proceeding with the Order as changed.

#### 6. EXCUSABLE DELAYS:

Except with respect to defaults of subcontractors, the Seller shall not be in default by reason of any failure in performance of this Order in accordance with its terms (including any failure by the Seller to make progress in the prosecution of the work hereunder which endangers

such performance) if such failure arises out of causes beyond the control and without the fault or negligence of the Seller. Such causes may include, but are not restricted to: acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity; fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes; and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of the Seller. If the failure to perform is caused by the failure of a subcontractor to perform or make progress, and if such failure 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 deemed to be in default, unless (i) the supplies or services to be furnished by the subcontractor were obtainable from other sources, (ii) the Buyer shall have ordered the Seller in writing to procure such supplies or services from such other sources, and (iii) the Seller shall have failed to comply reasonably with such order. Upon request of the Seller, the Buyer shall ascertain the facts and extent of such failure and, if the Buyer shall determine that any failure to perform was occasioned by any one or more of the said causes, the delivery schedule shall be revised accordingly, subject to the rights of the Buyer under the clauses hereof entitled "Termination".

#### 7. TERMINATION:

a. Convenience. Buyer may at any time, terminate this Purchase Order in whole or in part for its convenience by written or telegraphic notice, or oral notice confirmed in writing.

1. Upon termination for convenience of Buyer, settlement shall be made in accordance with the following principles.

i. If the materials covered by the Purchase Order are shelf items, then Buyer shall be liable to Seller only for the difference between Purchase Order price and the fair market price or the amount received on disposal of the items, whichever price or amount is higher. In no event shall Buyer be liable for an amount in excess of 15% of the Purchase Order price.

ii. If the materials covered by the Purchase Order are special items or services, then Buyer shall be liable only for costs of direct materials, direct labor and variable overhead incurred prior to the date of termination that relate directly to the materials covered in the Purchase Order, less any salvage value.

2. Default. If Seller fails to make delivery of the Materials, in accordance with the delivery dates specified in this Purchase Order, or fails to make progress as to endanger performance of this Purchase Order in accordance with its terms and does not cure such latter 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 7(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, Seller shall not be liable to buyer unless the Materials 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, 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 7(a) hereof, and the rights and obligations of the parties hereto shall be governed by Clause 7(a).

#### 8. ASSIGNMENTS:

No assignment of this Purchase Order to Seller or of the monies due hereunder shall be made without the prior written consent of Buyer.

## 9. SUBCONTRACTS:

No subcontract shall be made by the Seller for the furnishing of any of the work herein contracted for without the written approval of the Buyer. For the purpose of this clause, purchase of raw material or commercial stock items shall not be considered work.

## 10. NOTICE TO THE BUYER OF LABOR DISPUTES:

Whenever the Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Order, the Seller shall immediately give notice thereof, including all relevant information with respect thereto, to the Buyer.

## 11. INSPECTION:

Buyer shall have the right to inspect Materials and Services purchased hereunder at Seller's plant or following receipt, at Buyer's election, and to reject those which do not conform to Buyer's instructions, specifications, drawings and data, or Seller's warranty (whether express or implied) or, if not so specified, which do not conform to standard or generally accepted specifications for such Materials. If the cause of any delay in inspection of Seller's Materials results from the activities of Seller's customer, and if such cause or delay is made known to Seller, Buyer may extend its reasonable opportunity to inspect Seller's Materials by the length of such delay. Items not accepted will be returned to Seller at Seller's expense. Payment for any Materials hereunder shall not be deemed an acceptance thereof.

## 12. INSURANCE:

Seller shall procure and thereafter maintain workman's compensation, employer's liability (bodily injury), and comprehensive automobile liability (bodily injury and property damage) insurance with respect to performance under this Order, and such other insurance Buyer may from time to time require with respect to performance under this Order, provided that Seller in fulfillment of its obligation to procure workmen's compensation insurance may, with the approval of Buyer and pursuant to statutory authority, maintain a self-insurance program. All insurance required pursuant to the provisions of this paragraph shall be in such form, in such amounts, and for such periods of time, as Buyer may from time to time require or approve, with insurers approved by Buyer.

## 13. INDEMNIFICATION:

In the event Seller, its employees, agents, subcontractors or lower-tier subcontractors enter premises occupied by or under the control of Buyer, in the performance of this Order, Seller agrees that it will indemnify and hold harmless Buyer, its officers, and employees from any loss, cost, damage, expenses or liability by reason of property damage or personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with such performance occasioned in whole or in part by actions or omissions of Seller, its employees, agents, subcontractors or lower-tier subcontractors.

## 14. BANKRUPTCY AND INSOLVENCY:

Buyer, by written notice, may terminate this Order in whole or in part, for default in the event of the appointment of a trustee, receiver, or liquidator for all or a portion of Seller's property, or the institution of bankruptcy, reorganization or arrangement of liquidation proceedings by or against Seller, or any assignment or composition for the benefit of Creditors. In addition, Buyer, by written notice may terminate this Order, in whole or part, for default whenever in Buyer's opinion Seller appears to be insolvent or in such an unsound financial position as to endanger performance of this Order. As used herein "insolvency" means the inability of Seller to pay its debts as they become due. Seller agrees to furnish written notification to the Buyer listed on the Purchase Order within five (5) days of the initiation of any bankruptcy-related proceeding, whether voluntary or involuntary.

## 15. NON-DISCLOSURE OF INFORMATION:

Seller shall not use or disclose to any third party any information or details in connection with this Order except as may be required to ensure performance hereunder and except as otherwise provided in this Order without first obtaining the written consent of Buyer.

## 16. APPLICABLE LAWS AND REGULATIONS:

Seller shall comply with all applicable Federal, State, or local laws, rulings, regulations, and orders pertaining thereto in effect on the date of this Order. The laws of the State of Florida shall apply, excluding its choice of law provisions.

## 17. DISPUTES:

a. Either party may litigate any dispute arising or matter relating to this Purchase Order before any court of competent jurisdiction. Pending resolution of any such dispute by settlement or by final judgment, the parties shall proceed diligently with performance. Seller's performance shall be in accordance with Buyer's written instructions.

b. Seller shall fully cooperate at its own expense with Buyer in any proceeding involving Buyer's customer on the Goods and Services under this Purchase Order.

c. Whenever a provision of this Order gives Seller a form of remedy, whether an "equitable adjustment" or otherwise, that shall be the exclusive form of remedy available to Seller, and Seller shall not have any other or broader right, including, but not limited to, one for "breach of contract".

d. 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. THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS SHALL NOT APPLY TO THIS ORDER.

## 19. 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 GOODS:** In addition to all other warranties provided under this Purchase Order, Seller warrants that any and all Goods delivered hereunder are new and not refurbished or used, are being supplied by the Original Manufacturer (OM) (Original Equipment Manufacturer (OEM), Original Component Manufacturer (OCM), Contract Manufacturer) or their expressly authorized dealers (Authorized Aftermarket Manufacturer, Authorized Dealer,

Authorized Supplier, as defined in DFARS 252.246-7007 and 252.246-7008), agent or distributor, and that Seller has documented traceability of the Goods or components to the aforementioned sources.

Seller must have a counterfeit avoidance program and process (including inspection, testing, and authentication) in conformance with AS5553. Seller shall maintain a documented system (Standard Practice, procedure, or other documented approach) that provides for prior notification and Buyer approval before parts/components are procured from sources other than OMs or the OMs authorized dealers. Seller must provide the following with shipment of the items upon request of Buyer:

- (1) Certificate of Conformance (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 examinations 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. Seller must replace any Goods that are not genuine, new and unused items and any counterfeit items will not be returned to the Seller which is a requirement of counterfeit parts DFARS provisions. Buyer reserves the right to quarantine any and all suspect counterfeit parts it receives and to notify the Government Industry Data Exchange Program (GIDEP) and other relevant government agencies. Seller shall not return any counterfeit Goods to the supply chain and shall ensure these Goods are stored for inspection. All counterfeit parts received by Seller must be reported to Buyer immediately.

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 Clause and, at Buyer's election, Seller may also be required to deliver suitable replacement Goods traceable to the OM, meeting all OM specifications. The remedies in this section shall apply regardless of whether the warranty period or guarantee period has ended, and are in addition to any remedies available at law or in equity. Seller shall include the substance of this clause in all of its sub-tier contracts with its suppliers providing electronic parts, assemblies containing critical items, electronic parts, or performing authentication testing, in support of this Purchase Order.

If the procurement of materials under this contract is pursuant to, or in support of, a contract, subcontract, or task order for delivery of goods or services to the Government, the making of a materially false, fictitious, or fraudulent statement, representation or claim or the falsification or concealment of a material fact in connection with this contract may be punishable, as a Federal felony, by up to five years' imprisonment and/or substantial monetary fines. In addition, trafficking in counterfeit goods or services, to include military goods or services, constitutes a Federal felony offense, punishable by up to life imprisonment and a fine of fifteen million dollars.

This Counterfeit Goods section shall survive termination, expiration or cancellation of this contract.

**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.

## 20. ORDER OF PRECEDENCE.

Any inconsistency in this Purchase Order shall be resolved by giving precedence in the following order: (a) the face of this Purchase Order; (b) Special Provisions, if any; (c) these Standard Terms and Conditions; (d) Attachments, Exhibits, or Annexes, if any; and (e) the Statement of Work. Notwithstanding the foregoing, no term shall conflict with any required FAR/DFARS provisions, in which case the required FAR/DFARS clause(s) shall take precedence.

**21. 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

**22. 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 (12/2015)**

(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 (2/1999)**

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 (4/1984)**

The 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 (5/2015)**

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). (4/1984) (Applicable if this Order exceeds the simplified acquisition threshold in FAR 2.101.)

**52.203-5**                    **Covenant Against Contingent Fees.** (5/201.) (Applicable if this Order exceeds the simplified acquisition threshold in FAR 2.101.)

**52.203-6**                    **Restrictions on Subcontractor Sales to the Government.** (6/2020) (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.** (6/2020)

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.** (5/2014)

552.203-11

**Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.** (9/2007)

52.203-12

**Limitation on Payments to Influence Certain Federal Transactions.\*** (6/2020)

(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** (6/2020).

(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)** (6/2020)

(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.\*** (8/1996) (Excluding any reference to the Changes clause in the prime contract).

52.204-9

**Personal Identity Verification of Contractor Personnel.** (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.)

52.204-21

**Basic Safeguarding of Covered Contractor Information Systems** (06/2016) Applicable in all subcontracts, including subcontracts for the acquisition of commercial items, other than commercially available off-the-shelf items, in which the subcontractor may have Federal contract information residing in or transiting through its information system.

(When applicable, the language of this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)

52.204-23

**Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities** (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.)

52.204-24

**Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment** (8/2020)

(The Seller shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for "covered telecommunication equipment or services".

By accepting this Purchase Order, Seller represents that it DOES NOT use covered telecommunications equipment or services, or use any equipment system, or service that uses covered telecommunications equipment or services, AND, WILL NOT provide covered telecommunications equipment or services to GD-OTS and/or the U.S. Government in the performance of this contract, subcontract, or other contractual instrument.

If the Seller does use covered telecommunications equipment or services OR will provide covered telecommunication equipment or services, then disclosure must be made through GD-OTS per 52.204-24(e).

**52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (8/2020)**

(The language of this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)

**52.204-26 Covered Telecommunications Equipment or Services-Representation (12/2019)**

(By accepting this Purchase Order, Seller represents it does not provide covered telecommunications equipment or services as a part of its offered products or services to GD-OTS or the U.S. Government in the performance of any contract, subcontract, or other contractual instrument.)

**52.209 6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (6/2020)**

(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

**52.209-10 Prohibition on Contracting with Inverted Domestic Corporations. (11/2015)**

**52.211-5 Material Requirements. (8/2000)**

**52.211-15 Defense Priority and Allocation Requirements. (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. (6/2020) (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. (6/2020)**

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.** (6/2020)  
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.\*** (6/2020)  
(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.** (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.** (6/2020) (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.** (6/2020)  
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.** (6/2020)  
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.** (6/2020) Alt. I (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.** (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.** (6/2003)
- 52.215-18 Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other Than Pensions.** (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.** (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.** (10/2018), (Applicable only if this Order offers further subcontracting opportunities).
- 52.219-9 & Alt. II Small Business Subcontracting Plan.** (6/2020) (Applicable only if this Order offers further subcontracting opportunities, exceeds \$750,000, and Seller is not a Small Business Concern.)
- 52.219-16 Liquidated Damages — Subcontracting Plan.** (1/199.)
- 52.222-1 Notice to the Government of Labor Disputes.** (2/1997)
- 52.222-4 Contract Work Hours and Safety Standards — Overtime Compensation.** (3/2018)  
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 (6/2020)**  
(Applicable when the threshold as listed in FAR 22.602 (\$15,000) is exceeded or may exceed at the time of award)
- 52.222-21 Prohibition of Segregated Facilities. (4/2015)**
- 52.222-26 Equal Opportunity. (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. (6/2020)** (Applicable if the Order is for \$150,000 or more.)
- 52.222-36 Equal Opportunity for Workers with Disabilities. (6/2020)**  
  
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. (6/2020)** (Applicable if the clause at 52.222-35 is applicable.)
- 52.222-40 Notification of Employee Rights under the National Labor Relations Act. (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 (10/2020)**  
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 \$550,000. If paragraph (h) is applicable, the Seller shall submit a certification to the Buyer prior to award of the subcontract and annually thereafter. Certification shall cover the items listed in paragraph (h)(5) of this clause.
- 52.222-54 Employment Eligibility Verification. (10/2015)**  
(Applicable in subcontracts for Commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item or 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. (1/1997)**
- 52.223-5 Pollution Prevention and Right-to-Know Information. (Rev. 5/2011.)**
- 52.223-7 Notice of Radioactive Materials. (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. (6/2016)**
- 52.224-2 Privacy Act. (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. (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.\* (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.)
- 52.225-25 Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to Iran – Representation and Certifications. (6/2020)**
- 52.227-1 Authorization and Consent. (6/2020)** (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.\*\*** (6/2020) (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.\*\*** (4/1984)
- 52.227-9 **Refund of Royalties.** (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.** (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 .** (5/2014)
- 52.227-13 **Patent Rights--Ownership by the Government.** (12/2007)
- 52.227-14 **Rights in Data - General.** (5/2014)
- 52.228-3 **Workers' Compensation Insurance (Defense Base Act).** (7/2014)
- 52.228-4 **Workers' Compensation and War-Hazard Insurance Overseas.** (4/1984)
- 52.228-5 **Insurance — Work on a Government Installation.** (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.** (2/2013)
- 52.229-4 **Federal, State, and Local Taxes (State and Local Adjustments).** (2/2013)
- 52.229-6 **Taxes -- Foreign Fixed-Price Contracts.** (2/2013)
- 52.229-8 **Taxes – Foreign Cost-Reimbursement Contracts** (3/1990)
- 52.232-17 **Interest.** (5/2014)
- 52.233-3 **Protest After Award.** (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.** (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.** (11/1991)
- 52.242-1 **Notice of Intent to Disallow Costs.** (4/1984)
- 52.242-15 **Stop-Work Order.** (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.** (6/2020)
- 52.244-5 **Competition in Subcontracting.** (12/1996)
- 52.244-6 **Subcontracts for Commercial Items.** (6/2020) (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** (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.** (4/2012)  
“Government” means “Government” and/or “Buyer.”

- 52.246-3 **Inspection of Supplies – Cost-Reimbursement (5/2001)**
- 52.246-26 **Reporting Nonconforming Items (6/2020)**
- This clause is applicable in all subcontracts for (1) items subject to higher-level quality standards in accordance with the clause at FAR 52.246-11, Higher-Level Contract Quality Requirement; (2) for items that the Contractor determines to be Critical Items for which the use of this clause is appropriate; or (3) for electronic parts or end items, components, parts, or materials containing electronic parts, whether or not covered in the aforementioned items, if the subcontract exceeds the simplified acquisition threshold and this subcontract is by, or for, the Department of Defense. This clause is **not applicable** in subcontracts for Commercial Items or for Medical devices that are subject to the Food and Drug Administration reporting requirements at 21 CFR 803.
- When applicable, this clause, in its entirety, is hereby flowed down, and must be flowed down in all sub-tier subcontracts, as if the language of the clause is contained within this document.
- 52.247-63 **Preference for U.S.-Flag Air Carriers. (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. (6/2020)** (Applicable if this Order exceeds \$150,000.)
- 52.249-6 **Termination (Cost-Reimbursement) (5/2004)**  
 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. (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.)
- 252.203-7002 **Requirement to Inform Employees of Whistleblower Rights (9/2013)** (This clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.203-7004 **Display of Hotline Posters. (8/2019)** (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 (10/2016)**
- 252.204-7004 **Antiterrorism Awareness Training for Contractors (2/2019)** (Applicable in subcontracts, including subcontracts for commercial items, when subcontractor performance requires physical access to a Federally-controlled facility or military installation. When applicable, this clause, in its entirety, is hereby flowed down as if the language of the clause is contained within this document.)
- 252.204-7008 **Compliance with Safeguarding Covered Defense Information Controls (10/2016)**  
 Replace “Contracting Officer” with “Buyer”
- 252.204-7012 **Safeguarding Covered Defense Information and Cyber Incident Reporting (12/2019)** (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.)

SUBCONTRACTORS NOT COMPLIANT WITH DFARS 252.204-7012 SHALL NOT STORE, SEND, RECEIVE OR CREATE ANY COVERED DEFENSE INFORMATION (CDI) OR CONTROLLED UNCLASSIFIED INFORMATION (CUI) ON SUBCONTRACTOR’S COVERED INFORMATION SYSTEMS INCLUDING DIGITAL PHOTOGRAPHS OR COPIES. SUBCONTRACTORS SHALL REPORT ANY BREACH OF DFARS REQUIREMENT TO BUYER WITHIN TWENTY-FOUR (24) HOURS OF ANY BREACH OR POTENTIAL BREACH OF THIS PROTOCOL.

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 assigned by DoD, to the Contractor as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of this clause.

- 252.204-7018 Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services (12/2019)**
- 252.204-7019 Notice of NIST SP 800-171 DoD Assessment Requirements**  
(Applicable for any subcontractor that has access to, processes, stores, or transmits Controlled Unclassified Information, CUI. This clause must be flowed down to all subcontractors at all tiers)
- 252.204-7020 NIST SP 800-171 Assessment Requirements**  
(Applicable for any subcontractor that has access to, processes, stores, or transmits Controlled Unclassified Information, CUI. This clause must be flowed down to all subcontractors at all tiers)
- 252.204-7021 Cybersecurity Maturity Model Certification Requirements**  
(Applicable for any subcontractor that has access to, processes, stores, or transmits Controlled Unclassified Information, CUI. This clause must be flowed down to all subcontractors at all tiers)
- 252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material. (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. (3/2016)**
- 252.219-7003 Small Business Subcontracting Plan (DoD Contracts). (12/2019)**  
(Applicable to Orders over \$750,000 when the subcontract is issued to a Large Business).
- 252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements. (12/2010)**
- 252.223-7001 Hazard Warning Labels. (12/1991)**
- 252.223-7006 Prohibition on Storage, Treatment, and Disposal of Toxic or Hazardous Materials - Basic. (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.)
- 252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives. (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
- (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. (11/2014)**
- 252.225-7001 Buy American and Balance of Payments Program - Basic. (12/2017)**
- 252.225-7002 Qualifying Country Sources as Subcontractors. (12/2017)**
- 252.225-7003 Report of Intended Performance Outside the United States and Canada -- Submission with Offer. (10/2020)**

- 252.225-7004 Report of Intended Performance Outside the United States and Canada – Submission after Award.** (10/2020)  
Applicable to first tier subcontracts over \$750,000. 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.** (3/2013)
- 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals.** (10/2019) (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.** (7/2009)
- 252.225-7012 Preference for Certain Domestic Commodities.** (12/2017)
- 252.225-7013 Duty-Free Entry.** (4/2020)  
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.** (6/2005)
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings.** (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.** (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.** (12/2006)
- 252.225-7033 Waiver of United Kingdom Levies.** (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.** (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.** (4/2019) (Applicable if this Order exceeds \$500,000.)
- 252.227-7013 & Alt. I Rights in Technical Data – Noncommercial Items.** (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.** (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.** (2/2014)
- 252.227-7016 Rights in Bid or Proposal Information.** (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.** (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.** (5/2013)
- 252.227-7027 Deferred Ordering of Technical Data or Computer Software.** (4/1988)
- 252.227-7030 Technical Data — Withholding of Payment.** (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.** (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.** (12/1991)
- 252.235-7003 Frequency Authorization** (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.** (12/1991)
- 252.243-7001 Pricing of Contract Modifications.** (12/1991)
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DOD Contracts).** (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.** (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** (8/2016)  
(Applicable 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** (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.** (2/2019)  
(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.