

Appendix 'A'

26TH SERIES

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

1. Definitions

As used herein "Buyer" means Lockheed Martin Corporation acting through its Aeronautics Material Management Center; "Seller" means the party identified on the face of this purchase order; Except in the term "commercial item" as defined at FAR 2.101 and its plural commercial items, "Items" or "items" means all required articles, materials, supplies and services (singular "Item," or "item," plural "Items," or "items"); "PO" means this purchase order; "Buyer's Authorized Representative" means the person or persons authorized by Buyer to alter, modify or change the provisions of this PO, "Government" means the "Government of the United States of America and those authorized or delegated responsibility to act on its behalf," except where specifically stated to be the government of another country; and "Prime Contract" means the Government contract under which this PO is issued. "Commercial Item," "commercial component" "component" and "nondevelopmental item" shall have the meaning as set forth at FAR 52.202-1.

2. Delivery

- (a) Delivery shall be made in strict accordance with the terms of this PO.
- (b) In the event of termination or change, no claim will be allowed for any manufacture or procurement by Seller in advance of reasonable flow time unless Buyer's prior written consent has been obtained by Seller for such advance manufacture or procurement. Buyer shall have the right to return or store at Seller's expense any Item delivered in advance of the scheduled delivery date specified for such Item unless Buyer has given such prior written consent for such advance delivery.
- (c) If, at any time, it appears to Seller that any delivery schedule cannot be met, Seller shall notify Buyer as soon as possible as to the cause or causes thereof; action being taken to remove such cause or causes and when on-schedule status will be achieved. Seller, at its expense, shall take reasonable action necessary, with or without request of Buyer to meet such schedules as set forth herein or to recover to the maximum extent possible any delay caused by Seller in meeting such schedule. Notification given and/or action taken by Seller under this clause shall in no way limit Buyer's rights under other provisions of this PO, at law, or in equity.

3. Variation in Quantity

Items shall not be supplied in excess of quantities specified herein, except for allowed shipping tolerances, if any. Seller shall be liable for handling charges and return shipment costs for any excess quantities; and, unless Seller agrees to pay and does pay such charges and costs within a reasonable time, the over-shipped material will be retained by Buyer at no cost and shall become the property of Buyer.

4. Prices

Unless otherwise specified, prices are F.O.B. origin (Place of Shipment) and shall include all applicable federal, state and local taxes, duties, tariffs, and similar fees imposed by any government. The price inyer at nimilar 8 79.1676sac0.1677 c59cnclude all sa

7. Compliance with Laws and Self Certification

- (a) Seller shall comply with the applicable provisions of all Federal, state, and local laws and ordinances and all lawful orders, rules and regulations promulgated thereunder including without limitation the Arms Export Control Act. Seller agrees to indemnify Buyer against any loss, cost, damage or liability by reason of Seller's violation of this clause.
- (b) Seller warrants that each chemical substance constituting or contained in Items sold or otherwise transferred to Buyer hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to The Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
- (c) Seller shall provide to Buyer with each delivery any Material Safety Data Sheet applicable to the Items and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder.
- (d) CERTIFICATIONS AND REPRESENTATIONS

This clause contains certifications and representations that are material representations of fact upon which LOCKHEED MARTIN will rely in making awards to CONTRACTOR. By submitting its written offer, or providing oral offers/quotations at the request of LOCKHEED MARTIN, or accepting any Contract, CONTRACTOR certifies to the representations and certifications as set forth below in this clause. These certifications shall apply whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by LOCKHEED MARTIN. CONTRACTOR shall immediately notify LOCKHEED MARTIN of any change of status with regard to these certifications and representations.

The following clauses of the Federal Acquisition Regulation (FAR) are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable to any order, agreement, or subcontract. In each clause incorporated below, substitute "Lockheed Martin" for "Government" and "Contracting Agency" and "Lockheed Martin Procurement Representative" for "Contracting Officer" throughout.

- (1) **FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions** (Applicable to solicitations and contracts exceeding \$100,000)

The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions are hereby incorporated by reference in paragraph (b) of this certification.

CONTRACTOR certifies that to the best of its knowledge and belief that on and after December 23, 1989--

- (a) 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 his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;
 - (b) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) 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 his or her behalf in connection with a solicitation or order, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, in accordance with its instructions, and
 - (c) CONTRACTOR will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
 - (d) Submission of this certification and disclosure is a prerequisite for making or entering into a contract as imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.
- (2) **FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters.**
- (a) CONTRACTOR certifies that, to the best of its knowledge and belief, that CONTRACTOR and/or any of its Principals, (as defined

(6) FAR 52.223-13 Certification Of

- (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

8. Responsibility for Property

Unless otherwise specified, Seller shall be liable for any loss or destruction of or damage to property of Buyer; and, Seller shall be responsible for returning any such property in as good condition as when received except for reasonable wear and tear and for the utilization of it in accordance with the provisions of this PO. Upon request of Buyer, such property will be delivered to Buyer at Seller's expense. Seller shall promptly notify Buyer if such property is lost, destroyed or damaged. Title thereto shall not be affected by the incorporation or attachment to any property not owned by Buyer, nor shall any such property, or any part thereof; be or become a fixture or lose its identity as personalty by reason of affixation to any realty. All property of Buyer furnished hereunder to Seller shall be used solely in the performance of this PO unless otherwise specified in writing by Buyer.

9. Special Tooling and Test Equipment

Except as may be otherwise provided for in this PO, jigs, dies, fixtures, molds, patterns, special gages, and other items of special tooling (including software) and special test equipment, shall be furnished by and at the expense of Seller. Special tooling and test equipment shall be kept in good condition by Seller and replaced as necessary by Seller, without expense to Buyer. Title to special tooling and test equipment shall remain in Seller, except that Buyer may, at any time, reimburse Seller for the cost of part or of all special tooling and test equipment, and upon payment therefor shall become the sole owner thereof. Buyer shall at all times have unrestricted access to all such tooling, equipment, and information pertinent thereto for purposes of quality control, evaluation and verification. This paragraph shall not apply to special tooling or special test equipment (as those terms are defined in clauses incorporated by reference in clause 36) that is either provided by the Government or is acquired or fabricated for the Government pursuant to the clauses incorporated by reference in clause 36.

10. Use of Data Furnished by Buyer

The information contained in reports, drawings, documents or other records ("Information") which are furnished to Seller by Buyer relative to this PO, to the extent that such information is not in the public domain, shall not be disclosed to others, except to subcontractors as necessary for completion of this PO, in which event the subcontractors shall have the same obligation of nondisclosure and restriction on use. Such information shall not be used or reproduced for any purpose whatsoever except in the performance of work under this PO. Upon completion, termination or cancellation of this PO, Seller shall, if requested by Buyer, return all property to Buyer thirty (30) days after the effective date of such completion, termination or cancellation. All such Information furnished to Seller by Buyer and retained by Seller shall remain subject to the foregoing restrictions on use, reproduction and disclosure.

11. Patents, Copyrights, Mask Works and Trade Secrets

Seller agrees to defend, indemnify and hold harmless Buyer, its customers and agents against any liability, including without limitation, costs, expenses and attorney's fees, for or by reason of any actual or alleged infringement of any patent, copyright, mask work or trade secret arising out of the manufacture, use, sale, delivery or disposal of goods furnished under this PO and not attributable to Seller's compliance with Buyer's detail design and stated requirement for a specific structure. Buyer shall notify Seller, as soon as practicable, of any claim of infringement resulting therefrom received by Buyer. In the event of any such claim against Buyer, Seller shall furnish to Buyer, when so notified by Buyer, all evidence and information in the possession of Seller pertaining to such claim. Seller shall provide a written report to Buyer promptly and in reasonable detail, regarding each notice or claim of patent, copyright, mask work or trade secret infringement relating to the performance of this PO of which Seller has knowledge. The indemnity and hold harmless provisions of this clause shall not be applicable to actual or alleged patent infringements of a United States patent if this PO is issued under a Government prime contract which contains FAR clause 52.227-1, "Authorization and Consent," with its Alternate 1, and the goods are not commercial items, as defined in FAR clause 2.101. Where payment is made for or results in the performance of experimental, developmental, or research work under this PO, then unless this PO is issued under a Government prime contract, Seller shall disclose and does hereby assign to Buyer all inventions resulting therefrom. Furthermore, Seller shall assist Buyer, to the extent reasonably requested, in securing and defending patent protection thereon, and does grant Buyer the right to use for any purpose all data specified to be delivered hereunder.

12. Patents, Rights in Data, and Computer Software

(a) Clauses Applicable to this PO.

(1) Subject to subparagraphs (2) through (4), those FAR part 52.227 and

(b) Minimum Rights in Data, Computer Software, and Computer Software Documentation.

Rights in technical data, computer software, and computer software documentation shall be as specified in the clauses incorporated by reference through subparagraph (a) or as specified elsewhere in this PO. If, however, neither the clauses incorporated by reference through subparagraph (a) nor other provisions of this PO address the rights to be provided by Seller as to particular technical data, computer software, or computer software documentation, then such technical data, computer software, and computer software documentation furnished by Seller under this PO shall be, at a minimum, provided with the following rights:

- (1) As to other than commercial items: technical data furnished by Seller under this PO shall be provided with "Unlimited Rights" as that term is defined in DFARS 252.227-7013 (June 1995), which is incorporated in this PO by reference for purposes of this subparagraph(b)(1).
- (2) As to other than commercial computer software, and other than commercial computer software documentation: computer software, and computer software documentation furnished by Seller under this PO shall be provided with "Unlimited Rights" as that term is defined in DFARS 252.227-7014 (June 1995), which is incorporated in this PO by reference for purposes of this subparagraph (b)(2).
- (3) As to commercial items: technical data furnished by Seller under this PO shall be provided with at least the rights set forth in subparagraph (b) of DFARS clause 252.227-7015 (Nov 1995), which is incorporated in this PO by reference for purposes of this subparagraph (b)(3).
- (4) As to commercial computer software, and commercial computer software documentation: commercial computer software and commercial computer software documentation furnished by Seller under this PO shall be, at a minimum, provided with the rights customarily provided to the public.

13. Entry on Buyer's Property; Insurance

- (a) In the event that Seller or Seller's employees, subcontractors, or agents enter onto Buyer's premises for any reason in connection with this PO, Seller and the other parties shall observe all security requirements and all plant safety, plant protection, and traffic regulations.
- (b) Seller, and any subcontractors used by Seller in connection with this PO, shall carry Worker's Compensation and Employee's Liability Insurance to cover Seller's and such subcontractors' legal liability on account of accidents to their

respective employees. Seller and its subcontractors shall carry adequate Comprehensive General Liability and adequate Comprehensive Automobile Liability Insurance covering the legal liability of Seller and such subcontractors on account of accidents arising out of the operations of Seller or such subcontractors and resulting in bodily injury, including death, being sustained by any person or persons, or in any damage to property. At Buyer's request, Seller shall furnish to Buyer certificates from Seller's and/or its subcontractors' insurers showing such coverage in effect and agreeing to give Buyer ten (10) days' prior written notice of cancellation of such coverage.

14. Amendments Required by the Prime Contract

Seller agrees that upon Buyer's request, it will from time to time enter into amendments of this PO to incorporate additional provisions herein or to change the provisions hereof, as Buyer may reasonably deem necessary in order to comply with the provisions of the prime contract(s) or with the provisions of amendments to the prime contract(s) under which this PO is issued. If any such amendment to this PO causes an increase or decrease in the cost of this PO, or the time required for performance of this PO, an equitable adjustment shall be made in the price or delivery schedule, or both, in accordance with the provisions of this PO's "Changes" clause.

15. Remedies/Waiver

- (a) The rights and remedies provided herein shall be cumulative and in addition to any other rights and remedies provided at law or in equity.
- (b) Failure by Buyer either to enforce at any time the provisions hereof or to protest at any time any breach or default hereof neither shall be construed as evidence to interpret the requirements of this PO, nor as a waiver of the requirements of such provisions, nor of the right of Buyer thereafter to enforce each and every such provision. Buyer's approval of documents shall not relieve Seller from compliance with specifications related to this PO.

16. Assignment

Seller shall not assign any of its rights under this PO without the prior written consent of Buyer, except that claims for monies due or to become due under this PO may be assigned to a bank, trust company or other financing institution, including any Federal lending agency, by Seller without such consent. Seller shall furnish Buyer with two signed copies of any such assignment. Payment to an assignee of any such claim shall be subject to set-off or recoupment for any present or future claim or claims which Buyer may have against Seller. Buyer may make direct settlements or adjustments in price, or both, with Seller under the terms of this PO notwithstanding any assignment of claims for monies due or to become due hereunder and without notice to the assignee.

17. Ozone Depleting Substances (“ODS”)

If Seller has not obtained specific authorization from Buyer or the Government to continue the use of Class I Ozone Depleting Substances (“ODS”), then Seller shall notify Buyer if any of such ODS are required in the performance of this PO or will be delivered as part of the Item(s) under this PO.

18. Rescission, Adjustment or Termination for Illegal or Improper Activity

- (a) In the event the Government takes action pursuant to FAR 52.203-8 entitled “Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity” to cancel the solicitation or rescind the prime contract to which this PO relates, and such action results from Seller's violation of subsection (a), (b), (c) or (d) of the Office of Federal Procurement Policy Act (41. U.S.C. 423) (“the Act”) as amended by section 4304 of the National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), Buyer may (1) rescind this PO; (2) recover from Seller all amounts paid by Buyer to Seller in connection with this PO; (3) recover from Seller any amounts, including any penalty prescribed by law, which Buyer is required to pay to the Government; and (4) recover from Seller any other costs, expenses, liabilities, incurred by Buyer in connection with Seller's violation of the Act.
- (b) Seller agrees to pay Buyer the amount Buyer's price or fee is reduced by the Government pursuant to FAR clause 52.203-10, entitled “Price or Fee Adjustment for Illegal or Improper Activity,” to the extent such reduction results from Seller's violation of the Act, as amended (41 U.S.C. 423), and as implemented in the FAR. In the event the Government terminates for default any of Buyer's prime contracts under which this PO is issued, as a result of Seller violation of the Act, Buyer shall have the right to terminate this PO for default in whole or in part.
- (c) Buyer's rights and remedies under this clause shall be in addition to any other rights and remedies provided by law, regulation, or under this PO.

19. Consideration

Seller shall, for the consideration hereinafter mentioned and within the time specified, accomplish all required services, testing, manufacturing and other work; deliver to Buyer the Items provided for in this PO; and grant to Buyer the right to exercise the options, if any, provided for in this PO.

20. Technical Surveillance

Buyer and authorized representatives of Buyer's customers shall have direct access to all areas of Seller's and Seller's subcontractors' plants where work is being performed in connection with any Item to be delivered under this PO, to review

progress and witness testing of such Items. Seller shall include this clause in all of Seller's subcontracts under this PO.

21. Governing Law

This PO shall be construed, interpreted and applied in accordance with the Federal law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals. To the extent that the Federal law of Government contracts is not dispositive, if this PO specifies that the Items furnished hereunder are to be delivered directly to or performed at or on behalf of a specified Buyer facility, the laws, excluding choice of state law rules, of the state where such Buyer's facility is located shall apply. For Items neither delivered directly to nor performed at or on behalf of a specified Buyer facility, the laws of the state of Texas, excluding choice of state law rules, shall apply.

22. Acceptance of Order

This PO is the entire agreement between the Buyer and Seller in respect of the subject matter of this PO and is subject to the terms and conditions herein. This PO supersedes all communications, representations and agreements, oral, and written, between Buyer and Seller in respect of the subject matter of this PO. Either: (a) acknowledgment of this PO, (b) furnishing of Items under this PO, (c) acceptance of payment under this PO, or (d) commencement of performance of encem

26. Severability of Provisions

Any provision of this PO that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, and shall be unenforceable in that jurisdiction without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

27. Contractual Commitments

The parties agree that there shall be no adjustment in the price, time for performance or any other provision of this PO unless Buyer's authorized representative shall have issued a written order directing a change hereto.

28. Notification of Changes

(a) Only Buyer's Authorized Representative may direct or redirect Seller's effort hereunder. In the event, however, Seller considers any conduct including any action, inaction, written or oral communication by Buyer or Buyer's customer to constitute a change to this PO, other than a written change order issued by Buyer's Authorized Representative, Seller shall notify Buyer as soon as possible but in no event later than fifteen (15) days from the date Seller identifies the conduct considered to constitute a change to this PO. On the basis of the most accurate information available to Seller, the notice shall state: (1) the date, nature and circumstances of the conduct regarded as a change; (2) the name, function, and activity of each Buyer employee, customer employee and Seller employee involved in or knowledgeable about such conduct; (3) the identification of any documents and the substance of any oral communication involved in such conduct; (4) the particular elements of contract performance which Seller considers to be affected by the conduct, including an estimate of any cost or schedule impact; (5) Seller's estimate of the time by which Buyer must respond to Seller's notice to minimize cost, delay or disruption of performance.

(b) Seller shall take no action in reliance on the conduct considered to constitute a change unless and until Buyer's Authorized Representative issues a written change order covering the conduct in question.

29. Change and Follow-On Proposals

Circumstances may arise during the course of performance under this PO where Buyer may request Seller to submit to Buyer technical and cost proposals relating to (1) anticipated changes or modifications to

articles or technical data or other information to the prospective lower tier subcontractor.

34. Indemnity/Commercial Items

This clause applies only to the portion, if any, of this PO as is for the purchase of a commercial item(s) as such term - "Commercial item" - is defined at FAR 2.101. In the event Buyer is subject to any liability, damage, or expense, including without limitation Government withholding of payments, due to a finding or determination by the Contracting Officer that an item designated herein as a commercial item is not a commercial item, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any such liability, damage, or expense resulting in whole or in part from such finding or determination.

Additionally, in the event of such finding or determination, the clauses of FAR II Part A, DFARS II Part A, and the applicable CAS Appendix (Appendices J, K or L), if any, as is determined to be applicable pursuant to appropriate regulations, shall be applicable as of the effective date of this PO.

35. English Language Requirement

All deliverable documents will be in the English language. An English language speaking person shall be provided during any in plant visits, inspections, reviews, audits, and other similar activities to facilitate communications and ensure mutual understanding.

36. Compliance with Regulations

The following Federal Acquisition Regulation ("FAR") and DoD FAR Supplement ("DFARS") clauses are incorporated herein by reference, subject to the modifications/applications indicated and the following definitions: "Contract" means this PO; "Contractor" means Seller; and "Subcontractor(s)" means Seller's subcontractor(s). Except as may be otherwise specifically set forth herein; (A) the FAR clauses applicable to this PO are those set forth in the (i) FAR I listing for the portion, if any, of this PO, as is issued under a prime contract having an effective date before October 1, 1995; and, (ii) FAR II listing for the portion, if any, of this PO, as is issued under a prime contract (a) having an effective date on or after October 1, 1995, or (b) listed under the heading "Prime Contracts – FASA ADDED" at the end of this Clause 36; and, (B) the DFARS clauses applicable to this PO are those set forth in the (i) DFARS I listing for the portion, if any, of this PO, as is issued under a prime contract having an effective date before October 1, 1995; and (ii) DFARS II listing for the portion, if any, of this PO, as is issued under a prime contract (a) having an effective date on or after October 1, 1995, or (b) listed under the heading "Prime Contracts – FASA ADDED" at the end of this Clause 36. For the FAR II and DFARS II listings, except where a date is provided, the FAR and DFARS clauses are

those in effect as of the date of this PO, or, if no such clause is in effect as of the date of this PO, then such clause as was most recently in effect.

The prime contracts listed under the heading “Prime Contracts – FASA ADDED” are dated prior to October 1, 1995, but, due to prime contractual modifications, have been changed to include certain FAR and DFARS clauses having an effectivity of October 1995 or later.

Buyer and Seller agree that they intend for the clauses thus incorporated to establish obligations on Seller as a subcontractor to Buyer, including without limitation those obligations on Seller which are necessary to permit Buyer to comply with its obligations to the U.S. Government under Buyer’s prime contract(s).

<u>FAR I</u>	<u>TITLE</u>
52.203-6	Restrictions on Subcontractor Sales to the Government (JUL 1985).
52.203-7	Anti-kickback Procedures (JUL 1995) - If this PO exceeds \$100,000. Delete paragraph (c)(1). In paragraph (c)(2), sentence two, insert “Buyer and to” after the sixth word “to.” In paragraph (c)(3), insert “Buyer and” after the sixth word “with.” Add the following to the end of paragraph (c)(4): “In addition to any other remedies which the Buyer has at law, in equity, or under this PO, Buyer shall have the right to withhold from Seller the amount, if any, that the Contracting Officer directs Buyer to withhold from Seller.”
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (JAN 1990) - If this PO exceeds \$100,000. Change the beginning of paragraphs c(1) and c(2) to read: “Seller shall file with Buyer a disclosure form...,” and “such person” means Seller.
52.204-2	Security Requirements (APR 1984) - If access to classified material is required.
52.204-4	Printing/Copying Double-Sided on Recycled Paper (MAY 1995).
52.208-1	Required Sources for Jewel Bearings and Related Items (APR 1984) - “Contracting Officer” and “contract administration office” mean Buyer in paragraph (d).
52.210-7	Used or Reconditioned Material, Residual Inventory, and Former Government Surplus Property (APR 1984) - “Contracting Officer” means Buyer.
52.211-5	New Material (MAY 1995) - “Contracting Officer” and “Government” mean Buyer in the last two sentences.
52.212-8	Defense Priority and Allocation Requirements (SEP 1990).

- 52.212-13 **Stop Work Order (AUG 1989)** - "Contracting Officer" and "Government" mean Buyer.
- 52.215-1 **Examination of Records by Comptroller General (FEB 1993)** - If this PO exceeds \$10,000.
- 52.215-2 **Audit - Negotiation (FEB 1993).**
- 52.215-22 **Price Reduction for Defective Cost or Pricing Data (JAN 1991)** - In paragraph (a)(2), "subcontractor" means Seller or Seller's subcontractors, and "Contractor" means Buyer. If Buyer is subject to any liability or expense, including without limitation Government withholding of payments, as the result of: 1) Seller's or its lower-tier subcontractors' submission and/or certification of alleged or actual defective cost or pricing data, as set forth in this clause and in FAR 52.215-23; or 2) their furnishing, as prospective subcontractors, alleged or actual defective cost or pricing data, which data was certified or required to be certified by Buyer to be accurate, complete and current as of the date of final price agreement given on Buyer's Certificate of Current Cost or Pricing Data, and which data Seller was given (electronically or otherwise) notice by Buyer to furnish and/or update prior to submission of Buyer's final price agreement; or 3) the Government Contracting Officer's rejection of Seller's or Seller's lower-tier subcontractor's claim for exemption from submission of certified cost or pricing data on the basis that the price offered by the Seller or lower-tier subcontractor is based on an established catalog or market price of a commercial item sold in substantial quantities to the general public, is a price set by law or regulation; or, on any other basis set forth in

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any preaward or postaward cost determinations will be subject to FAR 31.2. "Government" means Government and Buyer.

52.215-39

Reversion or Adjustment of Plans for Postretirement

- 52.222-35 **Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1984)** - If this PO exceeds \$10,000.
- 52.222-36 **Affirmative Action for Handicapped Workers (APR 1984)** - If this PO exceeds \$2,500.
- 52.222-37 **Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (JAN 1988)** - If this PO is for \$10,000 or more.
- 52.223-2 **Clean Air and Water (APR 1984).**
- 52.223-3 **Hazardous Material Identification and Material Safety Data (NOV 1991)** - "Government" means Buyer or the Government.
- 52.223-7 **Notice of Radioactive Materials (NOV 1991)** - "Government" means Buyer or the Government. In paragraph (a), "Contracting Officer" means Buyer.
- 52.223-11 **Ozone - Depleting Substances (JUN 1996).**
- 52.223-14 **Toxic Chemical Release Reporting** - If this PO was awarded on the basis of competition and exceeds \$100,000, including the value of all options. Delete paragraph (e).
- 52.225-10 **Duty-Free Entry (APR 1984)** - Except where noted herein, "Contracting Officer" and "contract administration office" mean Buyer, and "foreign" means non-U.S. In Paragraph (b)(1), change "20 days" to "30 days," and "contract" means the prime contract(s). In Paragraph (b)(2), delete the fifth word "determines" and substitute the words "has been notified" in lieu thereof. In Paragraph (d), "Contracting Officer" means Contracting Officer, and "this contract" means the prime contract(s). In Paragraph (e), "this contract" means the prime contract(s), and "Contracting Officer" means Contracting Officer. In Paragraph (h), "contract administration office" means contract administration office, and "Contracting Officer" means Contracting Officer.
- 52.225-11 **Restrictions on Certain Foreign Purchases (MAY 1992).**
- 52.228-3 **Workers' Compensation Insurance (Defense Base Act)** - If the Defense Base Act applies to this PO.
- 52.228-5 **Insurance - Work on a Government Installation (SEP 1989)** - If work is to be performed on a Government installation.
- 52.229-3 **Federal, State and Local Taxes (JAN 1991)** - "Government" and "Contracting Officer" mean Buyer.
- 52.229-6 **Taxes - Foreign Fixed-Price Contracts (JAN 1991)** - The FAR takes cognizance of the fact that Tax Agreements have

expenditures for the common defense are exempt taxes and duties of the Consortium Countries in which such expenditures are made. In accordance with and subject to the above clause, Seller has not included any allowance for such aforementioned taxes and duties in the PO price. In addition, the PO prices herein contain no allowance for any other taxes or duties applicable to this PO which may be levied or assessed by any governmental agency or taxing authority outside the United States. In the event that Seller or any subcontractor hereunder is required to pay or bear the burden of any other such taxes or duties, the PO price herein shall be correspondingly increased.

- 52.233-3 **Protest After Award (AUG 1989)** - Add "Prime" before "Protest." "Contracting Officer" and "Government" mean Buyer.
- 52.234-1 **Industrial Resources Developed Under Defense Production Act Title III (FEB 1995)** - "Contracting Officer" means Buyer.
- 52.242-12 **Report of Shipment (REPSHIP) (DEC 1989).**

- 52.246-2 **Inspection of Supplies - Fixed-Price (JUL 1985)** - “Contracting Officer” means Buyer. “Government” means Buyer except that the first time it appears in the first sentence of Paragraph (b) and in the fourth sentence of Paragraph (b), and throughout (c) and (d), it means Buyer and the Government (provided, however, than an inspection system accepted by the Government will be deemed acceptable to the Buyer), and the first time it appears in Paragraph (k), it means Government or Buyer. The provisions in the clause for access, rights to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.
- 52.246-23 **Limitation of Liability (APR 1984).**
- 52.246-25 **Limitation of Liability - Services (APR 1984)** - If this PO is over \$25,000.
- 52.247-63 **Preference for U.S.-Flag Air Carriers (APR 1984)** - If this PO involves international air transportation.
- 52.247-64 **Preference for Privately-Owned U.S. - Flag Commercial Vessels (JUL 1995)** - If this PO exceeds \$25,000.
- 52.248-1 **Value Engineering (MAR 1989)** - “Contracting Officer” means Buyer, except in Paragraph (j), sentence 3, where it means Contracting Officer. “Government” means Buyer in Paragraphs (e)(1), (e)(2), (g)(4), and (l)(4), and means Government and Buyer in the first sentence of Paragraph (m), and in sentence 2 of the legend. Replace the share

- 52.203-6 **Restrictions on Subcontractor Sales to the Government -**
If this PO exceeds \$100,000.
- 52.203-12 **Limitation on Payments to Influence Certain Federal Transactions -** If this PO exceeds \$100,000. Change the beginning of paragraphs c(1) and c(2) to read: "Seller shall file with Buyer a disclosure form...", and "such person" means Seller.
- 52.204-4 **Printing/Copying Double Sided on Recycled Paper.**
- 52.215-2 **Audit & Records -** Applies if this contract exceeds \$100,000 and if (1) this is a cost-reimbursement, incentive, time and materials or price-redeterminable contract, (2) if Seller was required to furnish cost or pricing data, or (3) this contract requires Seller to furnish cost, funding or performance reports. Alternate II applies if Seller is an educational institution or non-profit institution.
- 52.215-22 **Price Reduction for Defective Cost or Pricing Data (OCT 1995) (or, if included in Buyer's prime contract, 52.215-10, Price Reduction for Defective Cost or Pricing Data (OCT 1997)) -** In paragraph (a)(2), "subcontractor" means Seller or Seller's subcontractors, and "Contractor" means Buyer. If Buyer is subject to any liability or expense, including without limitation Government withholding of payments, as the result of: 1) Seller's or its lower-tier subcontractors' submission

- 52.215-23 **Price Reduction for Defective Cost or Pricing Data - Modifications (OCT 1995) (or, if included in Buyer's prime contract, 52.215-11, Price Reduction for Defective Cost or Pricing Data - Modifications (OCT 1997)).**
- 52.215-24 **Subcontractor Cost or Pricing Data (OCT 1995) (or, if included in Buyer's prime contract, 52.215-12, Subcontractor Cost or Pricing Data (OCT 1997)).**
- 52.215-25 **Subcontractor Cost or Pricing Data - Modifications (OCT 1995) (or, if included in Buyer's prime contract, 52.215-13, Subcontractor Cost or Pricing Data - Modifications (OCT 1997)).**
- 52.215-26 **Integrity of Unit Prices (OCT 1995), with its Alternate I (APR 1991) (or, if included in Buyer's prime contract 52.215-14, Integrity of Unit Prices (OCT 1997) with its Alternate 1 (OCT 1997)).**
- 52.215-27 **Termination of Defined Benefit Pension** or, if included in Buyer's prime contract **52.215-15, Termination of Defined Benefit Pension (OCT 1997)**, or, if included in Buyer's prime contract, **52.215-15, Pension Adjustments and Asset Reversions. (DEC 1998)** - If this PO requires certified cost or pricing data and any preaward or postaward cost determinations will be subject to FAR part 31. "Government" means Government and Buyer.
- 52.215-39 **Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB) (or, if included in Buyer's prime contract 52.215-18, Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (OCT 1997))** - If this PO requires certified cost or pricing data or if any preaward or postaward cost determinations will be subject to FAR part 31.
- 52.215-40 **Notification of Ownership Changes (or, if included in Buyer's prime contract 52.215-19, Notification of Ownership Changes (OCT 1997))** - If this PO requires cost or pricing data, or if any preaward or postaward cost determination will be subject to FAR subpart 31.2.
- 52.222-1 **Notice to the Government of Labor Disputes** - "Contracting Officer" means Buyer.
- 52.222-4 **Contract Work Hours and Safety Standards Act - Overtime Compensation** - If this PO exceeds \$100,000. Add the following: "(f) Buyer shall have the right at its election either to withhold or to recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause."
- 52.222-20 **Walsh Healy Public Contracts Act** - If this PO exceeds \$10,000.

- 52.222-37 **Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era** - If this PO is for \$10,000 or more.
- 52.223-2 **Clean Air and Water** - Not applicable to the extent this PO is issued under a Buyer's prime contract dated after 2/25/2000.
- 52.223-14 **Toxic Chemical Release Reporting** – If this PO was awarded on the basis of competition and exceeds \$100,000 including the value of all options. Delete paragraph (e).
- 52.228-5 **Insurance - Work on a Government Installation** - If work is to be performed on a Government installation.
- 52.234-1 **Industrial Resources Developed Under Defense Production Act Title III** - "Contracting Officer" means Buyer.
- 52.237-8 **Restriction on Severance Payments to Foreign Nationals.**
- 52.244-5 **Competition in Subcontracting.**
- 52.246-23 **Limitation of Liability (APR 1984)** - Not applicable to the extent this PO is issued under a prime contract dated after January 1997.
- 52.246-25 **Limitation of Liability - Services (APR 1984)** - If this PO is over \$25,000; but, not applicable to the extent this PO is issued under a prime contract dated after January 1997.
- 52.247-63 **Preference for U.S. - Flag Air Carriers** - If this PO involves international air transportation.
- 52.247-64 **Preference for Privately Owned U.S. - Flag Commercial Vessels (JUN 1997)** - If this PO exceeds \$50,000 unless specified as \$100,000 elsehTT2 1 Tf9.475 5

Part B

Unless otherwise specifically set forth, the clauses listed in this FAR II, Part B, are applicable to both (i) commercial items, if any, meeting the definition thereof in FAR 2.101 and designated in this PO as commercial items, and (ii) items, if any, which are other than such commercial items.

52.203-7

Anti-kickback Procedures - If this PO exceeds \$100,000. Delete paragraph (c)(1). In paragraph (c)(2), sentence two, insert "Buyer and to" after the sixth word "to." In paragraph (c)(3), insert "Buyer and" after the sixth word "with." Add the following to the end of paragraph (c)(4): "In addition to any other remedies which the Buyer has at law, in equity, or under this PO, Buyer shall hav

- 52.219-9 **Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan** - If this PO contains the clause at FAR 52.219-8. "Contracting Officer" means Buyer in the first sentence of paragraph (c), or, if included in Buyer's prime contract, **52.219-9, Small Business Subcontracting Plan**. If this PO contains the clause at 52.219-8 and exceeds \$500,000. "Contracting Officer" means Buyer.
- 52.222-21 **Prohibition of Segregated Facilities.**
- 52.222-26 **Equal Opportunity (APR 1984)**, or, if included in Buyer's prime contract, **52.222-26, Equal Opportunity (FEB 1999)**. Delete paragraph (c).
- 52.222-35 **Affirmative Action for Special Disabled and Vietnam Era Veterans**, or, if included in Buyer's prime contract, **52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era. (APR 1998)** - If this PO exceeds \$10,000.
- 52.222-36 **Affirmative Action for Handrmfappe Womrker**

from/to the Seller to/from the Contracting Officer shall be through Buyer.

52.225-11

Restrictions on Certain Foreign Purchases, or, if included in Buyer's prime contract, **52.225-13, Restrictions on Certain Foreign Purchases**.

52.228-3

- Buyer. The fourth sentence of paragraph (h) is changed to read: "Neither the Government nor the Buyer shall be liable..."
- 52.245-17 **Special Tooling (DEC 1989)** - Applicable to the extent special tooling, as defined in this clause, is acquired or fabricated by Seller for the Government or furnished by the Government (directly or through Buyer) for use in connection with and under the terms of this PO. "Contracting Officer" means the cognizant U.S. Government Contracting Officer, but Seller acknowledges actions of the Contracting Officer may be performed through Buyer as directed by the Contracting Officer.
- 52.245-18 **Special Test Equipment (FEB 1993)** - "Contracting Officer" means the cognizant U.S. Government Contracting Officer, but Seller acknowledges actions of the Contracting Officer may be performed through Buyer as directed by the Contracting Officer.
- 52.246-2 **Inspection of Supplies - Fixed-Price** - "Contracting Officer" means Buyer. "Government" means Buyer except that the first time it appears in the first sentence of Paragraph (b) and in the fourth sentence of Paragraph (b), and throughout paragraphs (c) and (d), it means Buyer and the Government (provided, however, that an inspection system accepted by the Government will be deemed acceptable to the Buyer), and the first time it appears in Paragraph (k), it means Government or Buyer. The provisions in the clause for access, rights to inspect, safety protection, and relief from liability apply equally to Buyer and the Government.
- 52.249-2 **Termination for Convenience (Fixed-Price)** - "Government" and "Contracting Officer" mean Buyer, except in Paragraph (n), where they mean Government and Contracting Officer, respectively. In paragraph (c), "120 days" and "120-day period" mean 60 days and 60-day period, respectively. In Paragraph (d), the term "45 days" is changed to "90 days." The term "1 year" in Paragraph (e) is changed to "6 months."
- 52.249-8

DFARS I

TITLE

252.203-7001

Special Prohibition on Employment (APR 1993) - If this PO exceeds \$25,000. "Contracting Officer" means Buyer.

252.204-7000

Disclosure of Information (DEC 1991)

252.225-7001	Buy American Act and Balance of Payments Program (JAN 1984).
252.225-7002	Qualifying Country Sources as Subcontractors (DEC 1991)
252.225-7007	Trade Agreements Act (JAN 1994).
252.225-7008	Supplies to be Accorded Duty-Free Entry (DEC 1991) - If this PO is for supplies.
252.225-7009	Duty-Free Entry - Qualifying Country End Products and Supplies (DEC 1991) - If this PO is for supplies.
252.225-7010	Duty-Free Entry - Additional Provisions (DEC 1991) - If this PO is for supplies.
252.225-7012	Preference for Certain Domestic Commodities (MAY 1994).
252.225-7014	Preference for Domestic Specialty Metals (DEC 1991), with Alternate I (DEC 1991).
252.225-7015	Preference for Domestic Hand or Measuring Tools (DEC 1991).
252.225-7016	Restriction on Acquisition of Anti-friction Bearings (APR 1993).
252.225-7017	Preference for United States and Canadian Valves and Machine Tools (APR 1995).
252.225-7023	Restriction on Acquisition of Carbonyl Iron Powders (APR 1992).
252.225-7024	Restriction on Acquisition of Night Vision Image Intensifier Tubes and Devices (DEC 1991) - If this PO is for second or third generation night vision intensifier tubes and device. The term "this contract" means this PO.
252.225-7025	Foreign Source Restrictions (APR 1993) - If this PO is for any of this clause's restricted items.
252.225-7026	Reporting of Contract Performance Outside the United States (APR 1993) - If this PO is for over \$100,000, except a PO for commercial items (as defined in DFARS 211.7001), construction, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.
252.225-7027	Limitation on Sales Commissions and Fees (DEC 1991) - Countries listed in the prime contract(s) are incorporated herein by reference.
252.225-7028	Exclusionary Policies and Practices of Foreign Governments (DEC 1991).
252.225-7030	Restriction On Acquisition of Carbon, Alloy, and Armor Steel Plate (OCT 1992).
252.225-7038	Restriction on Acquisition of Aircraft Fuel Cells (FEB 1994) - The term "this contract" means this PO.
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (DEC 1991).
252.231-7000	Supplemental Cost Principles (DEC 1991).

- 252.232-7006 **Reduction or Suspension of Contract Payments Upon Finding of Fraud (AUG 1992)** - To the extent that payments to Buyer are suspended or reduced under this clause due to Seller fraud, Buyer shall suspend or reduce further payments to Seller.
- 252.235-7003 **Frequency Authorization (DEC 1991)** - If this PO requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.
- 252.235-7010 **Acknowledgment of Support and Disclaimer (MAY 1995).**
- 252.239-7000 **Protection Against Compromising Emanations (DEC 1991)** - Government” means Government and Buyer.
- 252.239-7016 **Telecommunications Security Equipment, Devices, Techniques, and Services (DEC 1991)** - If this PO requires securing telecommunications.
- 252.243-7001 **Pricing of Contract Modifications (DEC 1991).**
- 252.246-7001 **Warranty of Data, with Alternate II (DEC 1991)** - “Contracting Officer” and “Government” mean Buyer.
- 252.247-7023 **Transportation of Supplies by Sea (DEC 1991)** - If this PO exceeds \$25,000. “Contracting Officer” means Buyer. In paragraph (d), delete the phrase, “within 30 days. Washington, D.C. 20590,” and replace with the phrase “furnish with each invoice submitted for payment.”
- 252.247-7024 **Notification of Transportation of Supplies by Sea (DEC 1991).**
- 252.249-7001 **Notification of Substantial Impact on Employment (DEC 1991)** - If this PO is for \$500,000 or more. “Contracting Officer” means Buyer.
- 252.249-7002 **Notification of Proposed Program Termination or Reduction (MAY 1995)** - If this PO is for \$500,000 or more.

DFARS II

TITLE

Part A

The clauses listed in this DFARS II, Part A, are not applicable to the portion, if any, of this PO which is for a commercial item(s) as described in DFARS 2.101. However, no item purchased under this PO shall be regarded as a commercial item(s) unless it is specifically so designated in this PO.

252.203-7001 **Special Prohibition on Employment** - If this PO exceeds \$50,000

Buyer's prime contract, **252.203-7001, Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies**. Applies if this contract exceeds \$100,000. The terms "contract" "contractor" and "subcontract" are not modified in paragraphs (a) through (d). Paragraph (g) is deleted.

252.209-7000 **Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty** - If this PO exceeds \$50,000 unless specified as \$100,000 elsewhere herein, except if for commercial or commercial-type products.

252.225-7012 **Preference for Certain Domestic Commodities.**

252.225-7014 **Preference for Domestic Specialty Metals, with its Alternate I.**

252.225-7026 **Reporting of Contract Performance Outside the United States** - If this PO is for over \$100,000, except a PO for commercial items (as defined in FAR 2.101), construction, natural gases,

- 252.225-7025 **Foreign Source Restrictions (APR 1993)** - If this PO is for any of the clause's restricted items and is issued under a prime contract having an effective date prior to September 1996.
- 252.225-7025 **Foreign Source Restrictions (SEP 1996)** - If this PO is for any of the clause's restricted items and is issued under a prime contract having an effective date after August 1996.
- 252.225-7025 **Restriction of Acquisition of Forgings (JUN 1997)** - If this PO is for any of the clause's restricted items and is issued under prime contract having an effective date after May 1997.
- 252.225-7027 **Limitation on Sales Commissions and Fees** - Countries listed in the prime contract(s) are incorporated herein by reference.
- 252.225-7027 **Restriction on Contingent Fees for Foreign Military Sales** - Applicable for subcontracts issued under Buyer's prime contracts dated after December 1996. Countries listed in the prime contract(s) are incorporated herein by reference.
- 252.225-7028 **Exclusionary Policies and Practices of Foreign Governments.**
- 252.225-7030 **Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate.**
- 252.225-7038 **Restriction on Acquisition of Aircraft Fuel Cells** - The term "this contract" means this PO.
- 252.228-7005 **Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles.**
- 252.231-7000 **Supplemental Cost Principles.**
- 252.232-7006 **Reduction or Suspension of Contract Payments Upon Finding of Fraud** - To the extent that payments to Buyer are suspended or reduced under this clause due to Seller fraud, Buyer shall suspend or reduce payments to Seller. Not applicable to the extent this PO is issued under a Buyer's prime contract dated after 03/09/98.
- 252.235-7003 **Frequency Authorization** - If this PO requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.
- 252.235-7010 **Acknowledgment of Support and Disclaimer.**
- 252.239-7000 **Protection Against Compromising Emanations** - Government" means Government and Buyer.
- 252.239-7016 **Telecommunications Security Equipment, Devices, Techniques, and Services** - If this PO requires securing telecommunications.
- 252.243-7001 **Pricing of Contract Modifications.**
- 252.246-7001 **Warranty of Data, with Alternate II** - "Contracting" Officer" and "Government" mean Buyer.
- 252.247-7023 **Transportation of Supplies by Sea** - If this PO exceeds \$50,000 unless specified as \$100,000 elsewhere herein.

“Contracting Officer” means Buyer. In paragraph (d), delete the phrase, “within 30 days...Washington, D.C. 20590,” and replace with the phrase “furnish with each invoice submitted for payment:

252.249-7001 **Notification of Substantial Impact on Employment** - If this PO is for \$500,000 or more. “Contracting Officer” means Buyer. Not applicable to the extent this PO is issued under a Buyer’s prime contract dated after 12/26/96.

252.249-7002 **Notification of Proposed Program Termination or Reduction** - If this PO is for \$500,000 or more.

