



<b>PURCHASING FORM</b>
<b>PF005 REV (3) DATE: 01/09/2017</b>
<b>PO TERMS AND CONDITIONS</b>

This document is controlled electronically. When printed, this document is UNCONTROLLED.

**1.0 ACCEPTANCE OF CONTRACT.**

Buyer shall not be bound by this order until Seller executes an acknowledgment of this order and unless Buyer receives same within seven (7) days after Seller has received this order. Seller shall be bound by this order and its terms and conditions when it executes and returns the acknowledgment or when it proceeds with performance hereunder. No contract shall exist except as herein and above provided.

**2.0 ORDER OF PRECEDENCE**

- The Purchase Order
- These Terms and Conditions
- Any Attached Supplemental Terms and Conditions
- Drawings and Technical Specifications

**3.0 AMENDMENTS.**

No modifications, alterations or changes in this Purchase Order shall be binding upon the Buyer unless in writing and signed by the Buyer's purchasing representative. All specifications, drawings, and data submitted to Seller with this order are hereby incorporated herein and made a part hereof.

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 the order including, but not limited to quantities, drawings, specifications, delivery schedules and/or methods of shipment and packaging. If any such changes cause an increase or decrease in the estimated costs of or the time required for performance of this order, or otherwise affects such order, an equitable adjustment shall be made and the order shall be modified in writing accordingly. Any claim by the Seller for adjustment under this clause shall be deemed waived unless asserted within thirty (30) days from the date of the receipt by the Seller, or the change.

**4.0 PROPERTY FURNISHED TO SELLER BY BUYER.**

Unless otherwise agreed in writing, all special dies, molds, patterns, jigs, fixtures, and any other property furnished to the Seller by the Buyer, or specifically paid for by the Buyer, for use in the performance of this contract, shall be and remain the property of the Buyer, shall be subject to removal upon Buyer's instruction, shall be used only in filling orders from the Buyer, shall be held at the Seller's risk for loss or damage, and shall be kept insured by the Seller at the Seller's expense while in its custody or control for an amount equal to the replacement cost thereof, with loss payable to the Buyer. Copies of policies or certificates of such insurance will be furnished to Buyer on demand.

Seller shall reimburse Buyer or replace any Buyer-furnished castings damaged beyond use by improper machining or other conditions.

When Buyer furnishes materials, parts, tooling and/or other property, Seller's shipper and final invoice must contain the statement: "All materials, parts, tooling or other property furnished and/or acquired on this Purchase Order (except that which is normal industrial waste or was replaced at Seller's expense) have been returned in the form of parts, unused material and/or tooling." If Buyer furnished any material for fabrication hereunder, Seller agrees not to use any other material in such fabrication without Buyer's written consent. Buyer reserves the right to retain 10% of the total amount of Seller's invoices until all requirements of this clause have been fulfilled.

**5.0 EXTRAS.**

No charges will be allowed for licenses or permits, taxes, transportation, boxing, packing or returnable containers unless stated. All sales, use, excise, or similar taxes to be paid by Buyer must be itemized separately hereon and on invoices. All shipments must be packaged in a manner that will provide for efficient handling and preclude the possibility of damage to the articles. In addition, shipments tendered to common carriers for delivery must conform to the packaging requirements of the rail or motor carrier freight classification. No extras are allowed under any circumstances unless authorized in writing.

**6.0 WARRANTY.**

Seller warrants all articles and services furnished hereunder comply with all plans and specifications which are a part of this order as well as published catalog data, performance curves, etc. If Buyer's order refers to plans and specifications of a third party, it shall be the Seller's obligation to familiarize itself therewith and this warranty shall extend to compliance therewith. Seller also guarantees the goods against defective design, workmanship or materials. Buyer has informed Seller of the particular purpose for which the goods are required and Buyer is relying entirely on Seller's skill and judgment to select and furnish suitable goods. Seller warrants that the goods will be fit for Buyer's particular purpose. This warranty is in addition to any and all warranties of Seller arising by operation of law and nothing contained herein shall be construed as limiting or restricting such warranties. Seller warrants and represents that all products and each and every part thereof to be delivered hereunder to be new and unused. Any goods found defective shall, upon Buyer's request, be replaced by Seller at Seller's expense. The warranties of Seller, together with its service warranties and guarantees, shall run to Buyer and/or its customers. Said warranties shall remain in effect as to each item or material and as to each item assembled, furnished, serviced and/or repaired hereunder for a period of one (1) year after it is applied to a use for which it was intended. Acceptance by any inspector shall not affect Seller's obligation under this warranty.

**7.0 CERTIFICATE OF CONFORMANCE IS REQUIRED:**

Seller shall include a Certificate of Conformance (CofC) with each shipment. Note: Seller's original CofC shall be maintained by Seller and upon RIX's request shall be made available. Seller's CofC shall, at minimum, include the following:

- Seller's Name and address
- RIX's PO number
- Lot quantity.
- Statement attesting the goods and services conform to all contract requirements and applicable Government specifications.

- Seller's and/or RIX PN.
- Seller's and/or RIX drawing number and revision level to which the goods were manufactured (if applicable).
- Signature or stamp with title of Seller's authorized personnel signing the CofC.

NOTE: CofC statements may be incorporated into packingslip or other identifying documents.

An example of an acceptable certificate is available from RIX QC Department.

**8.0 INSPECTION AND TESTS.**

Materials or equipment purchased hereunder are subject to inspection and approval at the Buyer's destination. Buyer reserves the right to reject and refuse acceptance of items which are not in accordance with the instructions, specifications, drawings, and data or Seller's warranty (express or implied). Buyer will charge Seller for the cost of inspecting merchandise rejected. Items not accepted will be returned to Seller at Seller's expense. Payment for any article hereunder shall not be deemed an acceptance thereof.

The Buyer reserves the right to use sampling plan(s) for the acceptance or rejection of incoming material. If a lot is rejected by the sampling procedure, the entire lot may be returned to Seller for screening at Seller's expense, or, at the option of Buyer, the rejected lot may be screened by the Buyer, at Seller's expense.

**9.0 NOTICE OF CRITICAL/CLOSE TOLERANCE EQUIPMENT:**

Tolerances, noted on applicable drawings, must be maintained. All parts may be subject to 100 percent inspection at RIX plant. Final acceptability of parts will be dependent upon satisfactory inspection results.

**10.0 SPECIAL NOTICE FOR USE OF RIX SUPPLIED CASTING/MATERIALS:**

If defective RIX supplied casting or other material is noted during a machining, or manufacturing operation, the work on that piece shall be stopped, the casting set aside, and labor hours expended on it noted. Seller shall invoice RIX separately for any labor spent on defective castings. Should a repetition of defective castings be noted, RIX shall be immediately notified and work on all similar items held in abeyance pending further instructions. RIX will not be responsible for costs incurred by the vendor if the requirements of this paragraph are not met.

**11.0 RIGHT OF ACCESS:**

Supplier shall grant to RIX Industries, RIX's Customer, government, or regulatory agencies access to Supplier's premises or manufacturing facilities, including the freedom to witness and audit all phases of fabrication, testing, storage of goods sold to RIX, pertinent documents and records related to the contract, subject to any limitations or controls required to ensure compliance to ITAR/EAR US Governmental regulations. This is applicable to all levels of sub-tiers of the supply chain.

**12.0 SOURCE INSPECTION ACCESS:**

During the performance on this order, your quality control and manufacturing processes are subject to outside review, verification, and analysis by authorized representative of RIX, RIX's Customer, applicable government, or regulatory agencies. This includes all applicable records related to the order. Inspection or release of product prior to shipment is not required unless you are otherwise notified. This is applicable to all levels of sub-tiers.

**13.0 SHELF LIFE OF MATERIAL:**

If the material being ordered has shelf life requirements or limitations, the following data shall be furnished by the Seller with each shipment:

- Cure Date
- Batch or lot number
- Shelf life limitations (i.e. recommended shelf life and/or use by date in years or expiration date by "Quarter Year").

**14.0 PACKAGING:**

All items shall be packed and/or crated for ease of handling and in such a manner as to assure their adequate protection in shipment and storage and arrival at destination in an undamaged condition. Prices set forth in this order include all charges for Seller's packing and crating and for transportation to the F.O.B. point. All prices for goods are F.O.B. destination unless otherwise noted. A Packing List showing items and quantity and the RIX Purchase Order number shall be included in or with the container.

**15.0 HAZARDOUS MATERIALS:**

"Hazardous material" means any material defined as hazardous under the latest version of Federal Standard No. 313 (including revisions adopted during the term of this Purchase Order). Seller must notify Purchaser in writing within 30 days of this order of any hazardous material to be delivered under this Purchase Order. The Seller shall identify hazardous material and include any applicable identification number, such as National Stock Number or Special Item Number. Seller shall update this notice whenever Seller determines that any other material to be delivered is hazardous. Seller shall include this information on a Material Safety Data Sheet meeting the requirements of 29 CFR 1910.1200(g), which Seller shall submit at least 30 days prior to any shipment containing hazardous material, and as otherwise required by Federal Standard 313, regardless of whether Seller is the actual manufacturer of the items. Neither the requirements of this paragraph, nor any act or failure to act by Purchaser, shall relieve Seller of any responsibility or liability for the safety of any person or property, or of any obligation to comply with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits) in connection with hazardous material.

**Mercury.** The material supplied under this order shall contain no metallic mercury and shall be free from mercury contamination. Mercury bearing instruments and/or equipment, which might cause contamination, shall not be used in the manufacture, fabrication, assembly, or testing of any material furnished.

**Polychlorinated Biphenyls Prohibition.** Seller shall not employ equipment or use material that is known or suspected of containing polychlorinated biphenyls.



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**Asbestos.** Materials containing asbestos shall not be provided without Purchaser's prior written permission. If invoked specifications and standards permit other materials, they shall be used in lieu of asbestos.

**Toxic Substances/Hazardous Material.** Purchaser will not accept, store or dispose of any toxic substances or hazardous material except as, and to the extent, expressly provided for in this Purchase Order. In particular, paints or primers on products required by this Purchase Order which contain the following components shall not be shipped without prior written approval by the Purchaser: arsenic, mercury, lead, chromates, or organo-metallic material.

#### **16.0 QUALITY SYSTEM**

The Seller shall provide and maintain an inspection system acceptable to RIX covering supplies under this Purchase Order. Seller is responsible for performing or having performed all inspections and tests necessary to substantiate that the supplies or services under this contract conform to the requirements. When indicated in the Purchase Order, higher level Quality Requirements apply.

If a subcontractor maintains a Quality System conforming to one of the following system specifications he shall, unless otherwise specified in the body of the Purchase Order, use that system, as a minimum, in the performance of this order.

- ISO-9001; or,
- ISO-9002; or,
- AS9100; or,
- MIL-Q-9858A; or,
- MIL-I-45208A

#### **17.0 MEASURING AND TEST EQUIPMENT**

The Seller shall provide and maintain gauges and other measuring and testing devices to assure that supplies conform to the technical requirements. In order to assure continued accuracy, these devices shall be calibrated at established intervals against certified standards, which have known valid relationship to national standards. Calibration of inspection equipment shall be documented. When a quality system requirement is specified, the calibration system shall comply with the requirements of the specified system.

#### **18.0 ELECTROSTATIC DISCHARGE SENSITIVE COMPONENTS**

Electrostatic sensitive devices (ESD) must be processed, protected and identified in accordance with MIL-STD-1686 and DOD-HDBK-263, or as specified on the RIX drawings.

#### **19.0 HYDROSTATIC TESTING**

For commercial components or where not otherwise specified, hydrostatic testing of pressure bearing components shall be accomplished by the supplier at a pressure at least 1-1/2 times the rated working pressure of the part or component. Hydrostatic test records shall be maintained by the supplier and provided to RIX upon request.

When specified in the drawings or on the order, hydrostatic testing shall be accomplished in accordance with the requirements of the RIX drawing and RIX drawing A5858-11. In this case, hydrostatic test records shall be provided by the vendor with the appropriate certifications.

#### **20.0 PERFORMANCE**

Time is of the essence in this contract and if delivery of items or rendering of services is not completed by the time promised, the Buyer reserves the right, in addition to its other rights and remedies, to terminate this contract by written notice to Seller, and to purchase substitute items or services elsewhere and charge the Seller with any additional costs incurred. Any provisions herein for delivery of articles or the rendering of services by installment shall not be construed as making the obligations of Seller severable.

Seller shall notify Buyer immediately of any events which will delay the Seller's performance of this order.

If this order refers to any third party contract, plans and/or specifications, any delay in delivery by Seller which subjects the Buyer to damages for delay to such third party, or the Government, shall be the obligation of Seller (including liquidated damage amounts if provided).

Seller shall immediately notify the Buyer of any delivery problems. Earlier deliveries are acceptable, however payment terms will be considered from the delivery date as specified on the order.

#### **21.0 TERMINATION.**

The performance of work under this order may be terminated by the Buyer in whole or in part by written or telegraphic notice, or verbal notice confirmed in writing. After receipt of notice of termination the Seller shall stop all work and terminate all orders. If termination is occasioned by Seller's breach of any condition herein, Buyer shall have against Seller all remedies provided by law and equity and Buyer may procure the items in default from any available source and the Seller is liable for all costs above the amount of the original order.

If the Purchase Order is terminated for the convenience of RIX, or RIX's customer, then, within ten (10) days following Seller's receipt of said termination notice, or such longer time as allowed by the Buyer, the Seller shall be entitled to submit a claim for equitable adjustment, which claim shall document the basis for Seller's claim. Failure of the parties to agree to an adjustment shall be considered a dispute under the "Disputes" clause of these terms and conditions, and shall be addressed in accordance therewith. Buyer shall be obliged to pay only for Work performed or Supplies received prior to the termination date.

#### **22.0 DAMAGES.**

Seller agrees to indemnify Buyer for any damages assessed Buyer by his customer and which are attributable to Seller's failure to comply with all terms and conditions of this Purchase Order.

#### **23.0 REMEDIES.**

The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity. No waiver of a breach of any provision of the Purchase Order shall constitute a waiver of any other breach, or of such provision.

#### **24.0 DISPUTES**

(a) Disputes arising out of, or relating to, the performance of this Purchase Order or letter contract shall be resolved at the lowest practicable level. If a dispute arises, the designated representatives of the Buyer and Seller will attempt to resolve the dispute. If Buyer's and Seller's representatives cannot resolve the dispute, they will refer the matter in dispute to the appropriate level of their respective managements. If the Buyer and Seller cannot then resolve the dispute, each party reserves all its rights and remedies available at law.

(b) Pending the resolution of any dispute, Seller shall proceed diligently with the performance of this order.

#### **25.0 EFFECT OF INVALIDITY.**

The invalidity, in whole or in part, of any condition of this Purchase Order shall not affect the validity or other conditions.

#### **26.0 PRICING.**

If this order is not priced, it shall NOT be filled at prices higher than those last quoted or charged the Buyer, unless such increased prices are authorized in writing by the Buyer. Buyer shall not be billed at prices higher than stated on this Purchase Order unless authorized in writing and signed by Buyer.

#### **27.0 INSURANCE.**

The Seller shall maintain adequate insurance to hold the Buyer harmless in the event of any third person claims involving any liability claim or Workmen's Compensation claims with respect to performance under this contract.

#### **28.0 PATENT INDEMNITY.**

Except to the extent this order is a subcontract under a prime contract incorporating FAR 52.227-1, "Authorization and Consent" (where patent liability is accepted by the Government), seller agrees to defend at Seller's own expense, all suits, actions or proceedings in which Buyer, its successors, assignees, users, distributors or dealers are made defendants for actual or alleged infringement of any U.S. or foreign letter patents or trademarks resulting from the manufacture, use or disposition of any of the items purchased hereunder. Seller agrees to indemnify each and all of said persons against loss, damage, or liability, including costs and expenses, which may be incurred on account of any suit, claim, judgment or demand involving said actual or alleged infringement.

#### **29.0 INTELLECTUAL PROPERTY**

If this order calls or provides for payment of any design, research or development work, the Buyer shall be granted a non-exclusive, royalty-free license to manufacture, use and sell any patent, patent application, invention, improvement or discovery (whether or not patentable) conceived or first actually reduced to practice, either in the performance of the work called for by this order or in the performance of any work relating to the subject matter of the order.

#### **30.0 INFORMATION OF BUYER**

Information provided by Buyer to Seller remains the property of the Buyer. Seller shall comply with the terms of any non-disclosure and non-use agreement between Buyer and Seller and with all proprietary information markings and restrictive legends applied by Buyer to anything provided to Seller under this Purchase Order. In the absence of a non-disclosure agreement between the parties, Seller shall not use any information of Buyer or Buyer's Customer whether relating to the Purchase Order, and Work performed or Supplies delivered hereunder, or to the business and affairs of the Buyer or Buyers Customer, for any purpose except to perform the Purchase Order and shall not disclose such information to third parties without the prior written consent of Buyer, which such consent may be withheld by Buyer in its sole discretion.

#### **31.0 ASSIGNMENT.**

No assignment of this contract by the Seller shall be made without the expressed written approval of the Buyer.

#### **32.0 RELEASE OF INFORMATION.**

Release or publication of any information or data relating to material covered by this order is not permitted unless prior authorization in writing for release or publication has been obtained from the Buyer.

#### **33.0 DPAS PRIORITY RATING**

When a DPAS Priority Rating is invoked, the material is certified for National Defense use under DPAS Regulation 1. Seller is required to follow all the provisions of the Defense Priorities and Allocations System regulations (15 CFR 700). The U.S. Department of Commerce, may render assistance in obtaining controlled materials and other products and materials needed to fill the order.

#### **34.0 COMPLIANCE WITH LAWS.**

In accepting this order, Seller represents that it has and will continue, during the performance of this order, to comply with the provisions of all federal, state and local laws and regulations.

#### **35.0 FORCE MAJEURE.**

Neither party hereto shall be liable to the other for default or delay in performing its obligations hereunder if caused by fire, riot, war, Act of God and/or similar or different occurrence beyond the reasonable control and without the fault or negligence of the party so defaulting or delaying.

#### **36.0 INVOICES**

One invoice, in duplicate, shall be submitted for each delivery, with the packing slip number indicated thereon. All invoices are subject to review by government auditors.

Shipments sent C.O.D. without Buyer's written consent will not be accepted and will be at Seller's risk.



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**37.0 DISCOUNT PERIOD.**

It shall be understood that any cash discount period will date from the RECEIPT of the INVOICE or the date the material is received, whichever is later, and not from the date of the invoice.

**38.0 VENDOR EEO COMPLIANCE:**

Vendor certifies that he does not maintain segregated facilities and that he complies with the EEO clause as set for in Executive Order 11246. Written certifications, may be required and must be executed and returned to RIX Industries Purchasing Department if specified in, or attached to, this order.

**39.0 SMALL BUSINESS CERTIFICATIONS**

Small Business Administration certifications required for compliance with prime contract are enclosed where applicable.

**40.0 EXPORT CONTROL**

(a) Seller agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C.2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 D.F.R. part 120 et seq; and the Export Administration Act, 50 U.S.C. 2401-2420, including the Export Administration Regulations, 15 CFR part 730-774, including, the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, Seller agrees it will not transfer any export controlled item, data or services, to include transfer to foreign persons employed by or associated with, or under contract to Seller or Sellers lower-tier subcontractors or suppliers, without the authority of an export license, agreement, or applicable exemption or exception.

(b) Seller agrees to notify Buyer if any deliverable under the Purchase Order is restricted by export control laws or regulations.

(c) Seller shall immediately notify Buyer if Seller is, or becomes, listed in any Denied Persons List issued by the United States Bureau of Security and Industry (or any successor agency) from time to time of if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any Government entity or agency.

(d) If Seller is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Seller represents and warrants that: (i) it is registered with the Office of Defense Trade Controls, as required by the ITAR, and (ii) it maintains an effective export/import compliance program in accordance with ITAR.

(e) Where Seller is a signatory under a Buyer export license or export agreement, Seller shall provide prompt notification to Buyer in the event of changed circumstances, including, but not limited to, ineligibility, a violation or potential violation of the ITAR, and the initiation of existence of the Government investigation, that could affect Seller's performance under the Purchase Order.

**41.0 GOVERNING LAW**

This order shall be governed by the laws of the State of California, except that any provision of the Order that is (i) incorporated in full text or by reference from the Federal Acquisition Regulation ("FAR"), or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR, or (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, Boards of Contract Appeals, and quasi-judicial agencies of the federal Government.

**42.0 GOVERNMENT CONTRACTS.**

If this order is related to a government contract, Seller shall be deemed to have specifically agreed to abide by all applicable laws, rules, and regulations affecting this transaction, together with any requirements or conditions of the government contract itself relating to the items or services covered by said Purchase Order. Seller agrees to provide Buyer necessary Quality Control and Certification of Materials documents at no extra cost to Buyer if and when required by any said government contract. A copy of applicable portions of said government contract will be made available for Seller's inspection upon request.

**43.0 SUBSTITUTIONS**

No substitution of material, specification, size or any other attribute will be allowed except by amendment on RIX Industries purchase order.

**44.0 COUNTERFEIT PARTS DETECTION AND AVOIDANCE**

a. Seller shall not furnish Counterfeit Goods to Buyer, defined as Goods or separately-identifiable items or components of Goods that:

- (i) are an unauthorized copy or substitute of an Original Equipment Manufacturer or Original Component Manufacturer (collectively, "OEM") item;
- (ii) are not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture;
- (iii) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design;
- (iv) have been reworked, re-marked, re-labeled, repaired, refurbished, or otherwise modified from OEM design but not disclosed as such or are represented as OEM authentic or new; or
- (v) have not passed successfully all OEM required testing, verification, screening, and quality control processes.

Notwithstanding the foregoing, Goods or items that contain modifications, repairs, re-work, or re-marking as a result of Seller's or its subcontractor's design authority, material review procedures, quality control processes or parts management plans, and that have not been misrepresented or mismarked without legal right to do so, shall not be deemed Counterfeit Goods. Counterfeit Goods shall be deemed nonconforming to this Contract.

b. Seller shall implement an appropriate strategy to ensure that Goods furnished to Buyer under this Contract are not Counterfeit Goods. Seller's strategy shall include, but is not

limited to, the direct procurement of items from OEMs or authorized suppliers, conducting approved testing or inspection to ensure the authenticity of items, and, when items are to be procured from non-authorized suppliers, obtaining from such non-authorized suppliers appropriate certificates of conformance that provide one or more of the following: (i) the OEM's original certificate of conformance for the item; (ii) sufficient records providing unbroken supply chain traceability to the OEM; or (iii) test and inspection records demonstrating the item's authenticity.

c. If Seller becomes aware or suspects that it has furnished Counterfeit Goods to Buyer under this Contract, Seller promptly, but in no case later than thirty (30) days from discovery, shall notify Buyer and replace, at Seller's expense, such Counterfeit Goods with OEM or Buyer-approved Goods that conform to the requirements of this Contract. For confirmed Counterfeit Goods, GIDEP notification shall also be made no later than sixty (60) days after discovery. Seller shall be liable for all costs related to the replacement of Counterfeit Goods and any testing or validation necessitated by the installation of authentic Goods after Counterfeit Goods have been replaced.

d. Seller bears responsibility for procuring authentic Goods or items from its subcontractors and shall ensure that all such subcontractors comply with the requirements of this Article.

**45.0 CHANGE CONTROL**

Supplier is responsible for controlling changes and notifying RIX Industries of all changes to approved part design, manufacturing process, or site. This is applicable to all levels of sub-tiers.

**46.0 RECORD RETENTION**

Suppliers shall retain verifiable objective evidence of build, inspection & test records, special process certifications, raw material certifications and certificates of conformance for a minimum of ten (10) years from date of shipment, unless a time period is otherwise specified on the Purchase Order as directed by our customer. The data shall be made available to RIX Industries upon request. The supplier will not destroy records associated with any purchase order issued by RIX Industries without 30 day prior written notice.

**47.0 NONCONFORMING PRODUCT**

Suppliers shall assure that product that does not conform to specified requirements is not shipped to RIX Industries unless authorization is obtained by RIX Industries. This includes but not limited to waivers, NCR, PO changes, etc. This is applicable to all levels of sub-tiers in the supply chain.

**48.0 PROHIBITED SOURCES**

RIX Industries suppliers and/or sub-tier suppliers are prohibited from using any source listed on the U.S. government Excluded Parties List System (EPLS) (ref. <https://www.epls.gov/>) in the production of products to be delivered to RIX Industries.

**49.0 RESPONSIBILITY FOR CONFORMANCE**

Acceptance of product shall not be used as evidence of effective control of quality by the supplier, and shall not absolve the supplier of responsibility for acceptable products or preclude subsequent rejection by RIX Industries or its customers.

**50.0 REPORT OF ESCAPE (NOTICE OF ESCAPE)**

The Seller upon discovery of a shipment/delivery of nonconforming product must provide a notice of disclosure to RIX Industries within 24 hours of discovery.

**51.0 SUPPLIER CONTROL (FLOW DOWN)**

Suppliers, including distributors, are responsible for ensuring that the applicable requirements of RIX Industries purchase orders and Terms and Conditions are imposed on all levels of sub-tier procurements for raw material, components or process services being used in the manufacture of products or services being provided.



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**52.0 FAR/DFAR FLOW DOWN CLAUSES**

If this Order shows on its face that it is placed in support of a U.S. Government funded prime contract or subcontract, or if the Buyer otherwise notifies the Seller that this Order is placed under a U.S. Government prime contract or subcontract, the following clauses of the Federal Acquisition Regulations (FAR), and the Department of Defense Federal Acquisition Regulation Supplement (DFARS) apply and are incorporated herein by reference to the extent they are incorporated into RIX's Prime or Subcontract with the same force and effect as if set forth below in full text. These clauses apply to all firm-fixed price (FP), cost reimbursable (CR), and time & material/labor hour (TM/LH) Purchase Orders, as appropriate.

Full text versions of these clauses can be made available upon Seller's request to the Buyer's authorized representative. Additionally, full text versions of these clauses are available from the U.S. Government in searchable form on the World Wide Web (WWW) portion of the Internet. The sites to be contacted are: (1) For the FAR-<http://www.acquisition.gov/comp/far/index.html>; and (2) For the DFARS-<http://www.acq.osd.mil/dpap/dars/dfars/index.htm>.

Except as noted below, or where the clause clearly reserves authority to the Government, the following changes to the FAR and DFARS clauses are made for incorporation of these clauses into this Order:

"Contractor" or "prime contractor" shall mean "Seller."

"Government" shall mean "Buyer."

"Contracting Officer" shall mean "Buyer's Purchasing Representative."

"Contract" or "Schedule" shall mean this "Order."

Seller agrees to flow-down, as required, applicable FAR and DFARS clauses to its lower-tier suppliers. Seller further agrees that all notifications and other communications required by these clauses shall be made through the Buyer's Purchasing Representative, unless this Order specifically provides otherwise.

FAR/DFAR Reference	Title/Applicability
	<b>Federal Acquisition Regulation Clauses</b>
52.202-1	Definitions (NOV 2013)
52.203-3	Gratuities (Apr 1984)
52.203-5	Covenant Against Contingent Fees (MAY 2014)
52.203-6	Restrictions on Subcontractor Sales to The Government (Sept 2006) This clause applies if this Order exceeds \$150,000.
52.203-7	Anti-Kickback Procedures (MAY 2014) This clause applies 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..."
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997). This clause applies to this contract if the Seller, its employees, officers, directors or agents participated personally and substantially in any part of the preparation of a proposal for this contract. The Seller shall indemnify Buyer for any and all losses suffered by the Buyer due to violations of the Act (as set forth in this clause) by Seller or its subcontractors at any tier.
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (MAY 2014) For Orders exceeding the simplified acquisition threshold identified in FAR Part 13.
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 2007) For Orders exceeding \$150,000.
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (Oct 2010) For Orders exceeding \$150,000.
52.203-13	Contractor Code of Business Ethics and Conduct (APR 2010). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.
52.203-14	Display of Hotline Poster(s) (DEC 2007). This clause applies only if this contract is in excess of \$5,000,000 and is not for a commercial item or performed entirely outside the United States. For the purposes of this clause, the United States is defined as the 50 states, the District of Columbia, and outlying areas.
52.204-2	Security Requirements (Aug 1996) This clause (but excluding any references to the "Changes" clause) is included in all Orders that involve access to classified information. "Government" in paragraph (c) does not change to "Buyer".
52.204-4	Printing/Copying Double Sided on Recycled Paper (MAY 2011) For Orders exceeding the simplified acquisition threshold identified in FAR Part 13.
52.204-7	System for Award Management. (Jul 2013)
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards. (Oct 2015)
52.209-5	Certification Regarding Responsibility Matters (OCT 2015) For Orders exceeding the simplified acquisition threshold identified in FAR Part 13.
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (OCT 2015) (1) Exceed \$35,000 in value; and (2) Is not a subcontract for commercially available off-the-shelf items.
52.211-5	Material Requirements (Aug 2000) For orders for supplies that are not commercial items

FAR/DFAR Reference	Title/Applicability
52.211-15	Defense Priority and Allocation Requirements (Apr 2008)
52.215-2	Audit and Records -- Negotiations (OCT 2010) This clause applies if this Order exceeds the simplified acquisition threshold in FAR Part 13 and this Order is one for which cost or pricing data is required. This clause, however, does not authorize the Buyer to examine or audit the Seller's cost records. Accordingly, "Contracting Officer" in paragraphs (b), (c) and (e) is not changed to "Buyer's Purchasing Representative."
52.215-10	Price Reduction for Defective Cost or Pricing Data (AUG 2011) In paragraph (c) the term "Contracting Officer" does not change. As required by applicable law or regulation, Seller shall provide cost or pricing data and execute a Certificate of Current Cost or Pricing Data in the form prescribed in FAR 15.403-4. In addition to any remedies provided by law, if Buyer is subjected to any liability as a result of Seller's failure to comply with this requirement, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage or expense (excluding Buyer's profit) resulting from such failure.
52.215-11	Price Reduction for Defective Cost or Pricing Data -- Modifications (AUG 2011) As required by applicable law or regulation, Seller shall provide cost or pricing data and execute a Certificate of Current Cost or Pricing Data in the form prescribed in FAR 15.403-4. In addition to any remedies provided by law, if Buyer is subjected to any liability as a result of Seller's failure to comply with this requirement, then Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage or expense (excluding Buyer's profit) resulting from such failure.
52.215-12	Subcontractor Certified Cost or Pricing Data (Oct 2010) This clause applies if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4, and cost or pricing data is required to be submitted in connection with the award of this Order.
52.215-13	Subcontractor Certified Cost or Pricing Data - Modifications (Oct 2010) This clause applies if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4, and cost or pricing data is required to be submitted in connection with the award of this Order.
52.215-14	Integrity of Unit Prices (Oct 2010) Paragraph (b) of FAR 52.215-14 is not included in this Order.
52.215-15	Pension Adjustments and Asset Reversions (Oct 2010)
52.215-18	Reversion of Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Jul 2005) This clause applies to Orders where it is anticipated that cost or pricing data will be required or for which any preaward or postaward cost determination will be subject to Part 31 of the FAR.
52.215-19	Notification of Ownership Changes (Oct 1997) This clause applies to Orders where it is anticipated that cost or pricing data will be required or for which any preaward or postaward cost determination will be subject to Part 31 of the FAR.
52.215-20	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data (Oct 2010)
52.215-21	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data -- Modifications (Oct 2010)
52.215-23	Limitations on Pass-Through Charges (Oct 2009)
52.216-7	Allowable Cost and Payment (JUN 2013) This clause applies only to CR or TMLH type Orders.
52.216-8	Fixed Fee (JUN 2011) This clause applies only to CR or TMLH type Orders to the extent the parties have agreed to a fixed fee in the Order.
52.216-24	Limitation of Government Liability (Apr 1984) This clause applies only to undefinitized (letter) Orders.
52.216-25 & Alt. I	Contract Definitization (Including Alternate I) (Oct 2010) This clause applies only to undefinitized (letter) Orders.





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FAR/DFAR Reference	Title/Applicability
52.216-26	Payment of Allowable Costs Before Definition (Dec 2002) This clause applies to those actions where a CR definitive Order is contemplated.
52.219-8	Utilization of Small Business Concerns (OCT 2014) For Orders exceeding the simplified acquisition threshold at FAR 2.101.
52.222-1	Notice to Government of Labor Disputes (Feb 1997)
52.222-4	Contract Work Hours and Safety Standards - Overtime Compensation (MAY 2014) For Orders exceeding the simplified acquisition threshold at FAR 2.101. In addition, Buyer may withhold or recover from Seller any sums the Contracting Officer withholds from Buyer because of a violation of a provision of this clause by the Seller or Seller's supplier.
52.222-19	Child Labor—Cooperation With Authorities and Remedies (Jan 2014)
52.222-20	Contracts for Materials, Supplies, Articles and Equipment Exceeding \$15,000 (MAY 2014) This clause applies if this Order exceeds \$15,000.
52.222-21	Prohibition of Segregated Facilities (APR 2015)
52.222-26	Equal Opportunity (MAR2007)
52.222-35	Equal Opportunity for Veterans. (OCT 2015) This clause applies if the Order is for \$150,000 or more.
52.222-36	Equal Opportunity for Workers with Disabilities (JUL 2014) This clause applies if the Order exceeds \$15,000. Paragraph (b)(2) is revised to delete "and provided by or through the Contracting Officer" and insert "and provided upon request by the Contracting Officer through the Buyer's Purchasing Representative."
52.222-37	Employment Reports on Veterans (OCT 2015) For Orders exceeding the simplified acquisition threshold at FAR 2.101.
52.222-40	Notification of Employee Rights under the National Labor Relations Act. (Dec 2010) For Orders exceeding \$10,000.
52.222-50	Combating Trafficking in Persons (Mar 2015)
52.222-54	Employment Eligibility Verification (Oct 2015)
52.222-55	Minimum Wages Under Executive Order 13658 (Dec 2014)
52.223-3	Hazardous Material Identification and Material Safety Data (Jan 1997)
52.223-6	Drug-Free Workplace (May 2001)
52.223-11	Ozone Depleting Substances (May 2001)
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011)
52.225-1	Buy American - Supplies (MAY 2014)
52.225-3	Buy American Act -- Free Trade Agreements -- Israeli Trade Act (MAY 2014)
52.225-5	Trade Agreements (NOV 2013)
52.225-7	Waiver of Buy American Statute for Civil Aircraft and Related Articles (MAY 2014)
52.225-8	Duty-free Entry (OCT 2010) This clause applies if supplies identified in the Order as supplies to be accorded duty free entry are to be imported or if other foreign supplies in excess of \$15,000 may be imported into a custom territory of the United States. In paragraph (c)(1), "20 days" is changed to "10 days." In paragraph (c)(2) "10 days" is changed to "20 days." The terms "Government" and "Contracting Officer" in paragraph (e) do not change.
52.225-13	Restrictions on Certain Foreign Purchases (Jun 2008)
52.227-1	Authorization and Consent (Dec 2007)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007)
52.227-9	Refund of Royalties (Apr 1984) This clause applies if the amount of royalties reported during negotiations of the Order Exceeds \$250.
52.227-10	Filing of Patent Applications -- Classified Subject Matter (Dec 2007) This clause applies if the Order covers or is likely to cover classified subject matter.
52.227-14	Right in Data - General (MAY 2014) In paragraph (b) Allocation of Rights, the term "Government" does not change and the term "Contractor" changes to "Seller" rather than "Buyer." The term "Contracting Officer" does not change in the first sentence of paragraph (c)(1) and in paragraph (e).
52.229-3	Federal, State, and Local Taxes (FEB 2013) In this clause, "Order date," means the effective date of this Order or modification thereto.
52.230-2	Cost Accounting Standards (OCT 2015) This clause applies if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4, and cost or pricing data is required to be submitted in connection with the award of this order. This clause does not apply to this Order if Seller is exempt under 48 CFR 9903.201-1.

FAR/DFAR Reference	Title/Applicability
52.230-3	Disclosure and Consistency of Cost Accounting Practices (OCT 2015) This clause applies if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4, and cost or pricing data is required to be submitted in connection with the award of this order. This clause does not apply to this Order if Seller is exempt under 48 CFR 9903.201-1.
52.230-6	Administration of Cost Accounting Standards (Jun 2010) This clause applies if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4, and cost or pricing data is required to be submitted in connection with the award of this order. This clause does not apply to this Order if Seller is exempt under 48 CFR 9903.201-1.
52.232-17	Interest (MAY 2014))
52.233-3	Protest After Award (Aug 1996) Under paragraph (f) of this clause, the Buyer may withhold or recover from Seller any sums that the Contracting Officer withholds from Buyer because of a misstatement, misrepresentation or miscertification of the Seller, which results in bid protest being sustained.
52.234-1	Industrial Resources Developed Under Defense Production Act Title III (Dec 1994)
52.242-1	Notice of Intent to Disallow Costs (Apr 1984) This clause applies only to CR or TMLH type Orders, or any Order where reimbursement is to be based upon allowable/allocable costs in accordance with FAR Part 31.
52.242-13	Bankruptcy (Jul 1995) For Orders exceeding the simplified acquisition threshold identified in FAR Part 13.
52.242-15	Stop Work Order (Aug 1989)
52.242-17	Government Delay of Work (Apr 1984)
52.243-1	Changes - Fixed-Price (Aug 1987) Refer to paragraph (c) of this clause and note that the period for assertion of the equitable adjustment is "30 days".
52.243-3	Changes -- Time & Materials or Labor-Hours (Sep 2000) This clause applies only to TMLH Orders.
52.244-5	Competition in Subcontracting (Dec1996) For Orders exceeding the simplified acquisition threshold at FAR 2.101.
52.244-6	Subcontracts for Commercial Items (OCT 2015)
52.245-1	Government Property (APR 2012)
52.246-2	Inspection of Supplies - Fixed Price (Aug 1996)
52.246-6	Inspection - Time & Material and Labor-Hour (May 2001) This clause applies to TMLH Orders only.
52.246-16	Responsibility For Supplies (Apr 1984)
52.247-63	Preference for U.S. Flag Air Carriers (Jun 2003)
52.247-64	Preference for Privately Owned U.S. Flag Commercial Vessels (Feb 2006)
52.248-1	Value Engineering (OCT 2010) This clause is required if this Order is valued at \$150,000 or more, and is discretionary (if identified by the Buyer within the Purchase Order schedule) if this Order is valued at less than \$150,000.
52.249-1	Termination for Convenience of the Government (Fixed-Price) (Short Form) (Apr 1984) This clause applies if this Order is under \$150,000.
52.249-2	Termination for Convenience of the Government (Fixed-Price) (Apr 2012) This clause is revised as follows: (1) Paragraph (c): Change 120 days to 30 days. (2) Paragraph (d): Plant clearance procedures are omitted. (3) Paragraph (e): The time for submission of the final termination settlement proposal is changed from "1 year" to "3 months" from the effective date of the termination. (4) Paragraph (k): The time for submission of a proposal for an equitable adjustment after a partial termination is changed from "90 days" to "30 days" from the effective date of the termination.
52.249-6	Termination (Cost-Reimbursement) (May 2004) This clause and the alternate version, apply to CR and TMLH Orders respectively.
52.249-8	Default (Fixed-Price Supply and Service) (Apr 1984) This clause is revised as follows: (1) Paragraph (a) - Change the cure period from "10 days" to "7 days."
52.249-14	Excusable Delays (Apr 1984) This clause applies only to CR and TMLH type Orders.
	<b>Defense Federal Acquisition Regulations Clauses</b>



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252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC2008) This clause applies to first tier subcontractors only if the Order exceeds \$150,000. "Government" is not changed in this clause. Additionally, the following changes to this clause apply: (1) A new paragraph (f) has been added as follows "Seller shall not employ or allow to serve, as a director or consultant of Seller, any person in contravention of paragraph (b)."; (2) Existing paragraph (f) is changed to (g), and the flowdown provision at 252.203-7001(g) has been deleted.
252.203-7002	REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)
252.203-7004	DISPLAY OF HOTLINE POSTERS (OCT 2015)
252.204-7000	Disclosure of Information (AUG 2013)
252.204-7008	COMPLIANCE WITH SAFEGUARDING COVERED DEFENSE INFORMATION CONTROLS (AUG 2015)
252.204-7012	SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING (SEP 2015)
252.209-7002	DISCLOSURE OF OWNERSHIP OR CONTROL BY A FOREIGN GOVERNMENT (JUN 2010)
252.211-7000	Acquisition Streamlining (OCT 2010) This clause is applicable to all subcontracts in excess of \$1.5 million under systems acquisition Prime Contracts. Government is not changed in this clause.
252.211-7003	Item Unique Identification and Valuation (DEC 2013) This clause is applicable if subassemblies, components or parts embedded within subcontract deliverables are identified as requiring DoD unique item identification, as specified, within this Order, its exhibits or SDRL item number.
252.215-7000	PRICING ADJUSTMENTS (DEC 2012)
252.215-7002	Cost Estimating System Requirements (DEC 2012) This clause applies to Orders awarded on the basis of certified cost or pricing data.
252.219-7003	Small Business Subcontracting Plan (DoD Contracts) (OCT 2014) This clause is applicable when FAR 52.219-9 applies.
252.223-7001	Hazard Warning Labels (Dec 1991)
252.223-7004	Drug -Free Work Force (Sep 1988)
252.223-7006	Prohibition on Storage Treatment and Disposal of Toxic and Hazardous Materials (SEPT 2014)
252.225-7001	Buy American Act and Balance of Payments Program - Basic (NOV 2014) "Government" is not changed in this clause.
252.225-7002	QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS (DEC 2012)
252.225-7004	REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA—SUBMISSION AFTER AWARD (OCT 2015)
252.225-7006	QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (OCT 2010).
252.225-7008	RESTRICTION ON ACQUISITION OF SPECIALTY METALS (MAR 2013) Note: If vendor product contains non-domestic specialty metals, it may be necessary to verify the applicability and impact of this clause to the purchase order. Contact the RIX Purchasing Agent with any questions.
252.225-7009	RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS (OCT 2014) Note: If vendor product contains non-domestic specialty metals, it may be necessary to verify the applicability and impact of this clause to the purchase order. Contact the RIX Purchasing Agent with any questions.
252.225-7010	COMMERCIAL DERIVATIVE MILITARY ARTICLE—SPECIALTY METALS COMPLIANCE CERTIFICATE (JUL 2009) Note: If vendor product contains non-domestic specialty metals, it may be necessary to verify the applicability and impact of this clause to the purchase order. Contact the RIX Purchasing Agent with any questions.
252.225-7012	PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (FEB 2013)
252.225-7013	Duty-Free Entry -- (NOV 2014) This clause applies to subcontracts involving supplies to be accorded duty-free entry under the prime contract. It applies to Department of Defense contracts in lieu of FAR 52.225-8. Paragraph (d) is modified to read, "The Buyer will obtain from the Government duty-free entry certificates and afford such assistance as appropriate to obtain the duty-free entry of supplies for which the shipping documents bear the notation specified in paragraph (e) of this clause." No change to "Contracting Officer," "Government," "contractor," or "prime contract: in paragraphs (b), (c), (e) or (h).
252.225-7014 & Alt. I	PREFERENCE FOR DOMESTIC SPECIALTY METALS (Jun 2005) Note: If vendor product contains non-domestic specialty metals, it may be necessary to verify the applicability and impact of this clause to the purchase order. Contact the RIX Purchasing Agent with any questions.
252.225-7014 & Alt. I With Class Deviation 2008-00002	Preference for Domestic Specialty Metals (Jun 2005)(Including Alternate I (Apr 2003)) (Including Class Deviation 2008-00002) Note: If vendor product contains non-domestic specialty metals, it may be necessary to verify the applicability and impact of this clause to the purchase order. Contact the RIX Purchasing Agent with any questions.

FAR/DFAR Reference	Title/Applicability
252.225-7015	Restriction on Acquisition of Hand or Measuring Tool (Jun 2011)
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings (JUN 2011)
252.225-7021	Trade Agreements - Basic (NOV 2014)
252.225-7022	Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (APR 2003). "Contracting Officer" means Buyer. This clause applies only if the product furnished under this contract contains polyacrylonitrile carbon fibers (alternatively referred to as PAN-based carbon fibers or PAN-based graphite fibers).
252.225-7025	Restriction on Acquisition of Forgings (APR 2003). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.
252.225-7036	Buy American Act - Free Trade Agreements - Balance of Payments Program - Basic (NOV 2014)
252.225-7043	Antiterrorism/Force Protection for Defense Contractors Outside the United States (JUN 1998). This clause applies only if this contract requires Seller to perform or travel outside the United States and Seller is not (i) a foreign government, (ii) a representative of a foreign government, or (iii) a foreign corporation wholly owned by a foreign government.
252.226-7001	Utilization of Indian Organizations, Indian-owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Sep 2004) This clause applies if the Order exceeds \$500,000, and further subcontracting opportunities may exist.
252.227-7013	Rights in Technical Data -- Noncommercial Items (FEB 2014) This clause is applicable when technical data, but not software, will be delivered to the Government by the prime contractor from the subcontractor.
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (FEB 2014) This clause is applicable when software and software documentation will be delivered to the Government by the prime contractor from the subcontractor.
252.227-7015	Technical Data -- Commercial Items (FEB 2014) This clause is applicable only when commercial item (as defined in the FAR) technical data is deliverable to the Government by the prime from the subcontractor.
252.227-7016	Rights in Bid or Proposal Information (Jan 2011) This clause applies when DFARS 252.227-7013 is used.
252.227-7017	Identification and Assertion of Use, Release, or Disclosure of Restrictions (Jan 2011) This clause applies if either DFARS clauses 252.227-7013 or 252.227-7014 is used.
252.227-7019	Validation of Asserted Restrictions -- Computer Software (Sept 2011) The clause applies when DFARS 252.227-7014 is used. "Buyer's Purchasing Representative" is substituted for "Contracting Officer" in paragraph (b); otherwise no substitutions are made for "Contracting Officer" or "Government." In paragraph (f)(5) and (f)(6), the "prime contract" is substituted for "this contract."
252.247-7023	TRANSPORTATION OF SUPPLIES BY SEA—BASIS (APR 2014)
252.227-7025	Limitation on the Use or Disclosure of Government-furnished Information Marked with Restrictive Legends (May 2013) This clause applies when either DFARS clauses 252.227-7013 or 252.227-7014 is used. No substitution is made for "Government".
252.227-7030	Technical Data -- Withholding of Payment (Mar 2000) This clause is applicable when DFAR clause 252.227-7013 is used. "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 (Jun 2013) This clause applies when DFARS clauses 252.227-7013, 252.227-7014, or 252.227-7015 are used. In paragraph (b), "Contractors" remains in the clause with a lower case "c." In paragraph (c) and (d)(1), "hereunder" is inserted after "subcontract." In paragraphs (f) and (g)(2)(i) change "this contract" to "the prime contract." No substitutions for "Government" or "Contracting Officer" are made.
252.228-7001	GROUND AND FLIGHT RISK (JUN 2010)
252.228-7005	ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES (DEC 1991)
252.231-7000	Supplemental Cost Principles (Dec 1991)
252.243-7001	Pricing of Contract Modifications (Dec 1991)
252.243-7002	Requests for Equitable Adjustment (Dec 2012)
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (June 2013)
252.246-7001	Warranty of Data - Basic (MAR 2014)



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FAR/DFAR Reference	Title/Applicability
252.246-7001 Alt I	<p>Warranty of Data - Alternate I (MAR 2014)</p> <p>This clause applies when DFARS clause 252.227-7013 is used and technical data is deliverable to the Government. The additional liability provisions at paragraph (d)(3) are appropriate only if the Alternate I or II version of the DFARS clause is in the prime contract. Only Alternate I is reflected here because the subcontract flowdown provisions are identical to Alternate II. In paragraph (b) the parenthetical is deleted. In paragraph (d)(1), including (ii), and (d)(2) "Buyer" has been substituted for "Contracting Officer." Paragraphs (d)(3)(i) through (iii) have been modified and deleted to read, "The limit of the Seller's liability shall be ten percent of the total price." In paragraph (d)(3)(iv)B change second "Government" to "Government or Buyer."</p>
252.246-7003	NOTIFICATION OF POTENTIAL SAFETY ISSUES (JUN 2013)
252.247-7023	<p>Transportation of Supplies by Sea - Basic (APR 2014)</p> <p>This clause is applicable to Orders in excess of the simplified acquisition threshold in Part 13 of the FAR. Paragraph (c), first sentence has been modified as to read "The Seller and its subcontractors may request that the Buyer obtain Government authorization for shipment...". In paragraph (d) "Contracting Officer" is changed to "Buyer" in the second sentence. "45" is changed to "60" days in paragraph (d) and "30" to "25" days in paragraph (e). In paragraph (e) "and the Division of National Cargo, Office of Market Development, Maritime Administration, U.S. Department of Transportation, Washington, D.C. 20590," is deleted. In paragraph (g) "for the purposes of the Prompt Payment clause of this contract" is deleted.</p>
252.247-7024	<p>Notification of Transportation of Supplies by Sea (Mar 2000)</p> <p>This clause applies to subcontracts when the prime's original response to the solicitation stated that no transportation by sea was contemplated.</p>

FAR/DFAR Reference	Title/Applicability
252.249-7002	<p>Notification of Anticipated Contract Termination or Reduction (Oct 2014)</p> <p>This clause applies to first tier subcontracts of \$550,000 or more and thereafter to lower tier subcontracts of \$150,000 or more. "Buyer" is substituted for "Contracting Officer" throughout. Paragraph (d)(1) is modified to read "Provide notice of the proposed termination or reduction to each subcontractor with a subcontract of \$150,000 or more under the program...."</p>



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**53.0** **SPECIAL TERMS AND CONDITIONS – SHIPBUILDING CONTRACT REQUIREMENTS**

SPECIAL CONTRACT CLAUSES INCORPORATED WHEN REQUIRED BY ELECTRIC BOAT, NEWPORT NEWS, OR OTHER SHIPBUILDER CONTRACT:

To the extent the following clauses are incorporated as required by Prime or upper tier Subcontract, they are incorporated into this order.

**53.1** **PUBLIC RELEASE OF INFORMATION (INCLUDING NNPI)**

(1) Information, data, photographs, sketches, advertising, displays, promotional brochures, or other materials related to Work under this Purchase Order, which Seller desires to publish, display, or release internally, to other contractors, to Government agencies, or to the public, requires prior Buyer approval and shall be transmitted to the Buyer at least eight weeks prior to the desired printing or release date.

Information and technical data described above may NOT be transmitted over the internet (except in certain cases when suitably encrypted and prior written approvals have been obtained) or posted to an internet home page. Posting information and/or technical data subject to export control on the Web is to be treated as tantamount to public disclosure.

This includes descriptive or promotional material which links or relates, directly or indirectly, Seller's product line, manufacturing facilities, or manufacturing capabilities to performance of Naval Nuclear Propulsion work. As part of the approval request, Seller shall identify the specific media to be used, as well as other pertinent details of the proposed release.

All releases, regardless of tier of supplier, must have prior written approval of the Buyer (and the Government, when required).

Should any information described above be requested, subpoenaed, or otherwise sought by a court of competent jurisdiction or other judicial or administrative authority, this should be promptly brought to the attention of Buyer to permit appropriate measures to be taken to protect the information. Under no circumstances should this information be released to such authority without prior notification and agreement of the Buyer.

Seller agrees that this requirement of prior Buyer approval of any release shall survive the Purchase Order and that Seller shall not for a period of twenty years after issuance of this Purchase Order (or order extension period, if applicable) either directly or indirectly issue any such release without requisite approval of the Buyer, its successors, or assignees.

Seller shall include all provisions of this article including this sentence in all lower-tier subcontracts under this Purchase Order.

(2) In accordance with Government policy and Buyer's requirements, release or publication of any information, data, speeches, advertisements, press releases, photographs, promotional brochures, technical papers, and the like that is related to the material or services produced or provided in performance of this Purchase Order whether it be Naval Nuclear Propulsion Work or otherwise, is prohibited unless prior Buyer written authorization for release or publication has been requested and obtained by Seller in writing. This includes, without limitation, reference to supplying any particular item or service to Buyer.

As identified elsewhere herein:

(a) Naval Nuclear Propulsion Information (NNPI) must be protected from unauthorized release. NNPI may only be disclosed to U.S. citizens with a legitimate need to know for performance of this purchase order and who are not otherwise prohibited from receiving NNPI (e.g., U.S. citizen representatives of foreign nationals or foreign interests, etc.)

Dual Citizenship - Special controls identified in OPNAVINST N9210.3 apply prior to providing NNPI to U.S. citizens with dual citizenship.

Refer to the other clauses herein dealing with NNPI and other export controls.

(b) Seller must insure that all required licenses and/or approvals are obtained prior to any export or disclosure of technical data or equipment subject to export control, whether such export takes place in the U.S. or abroad; and (c) Buyer written approval is required prior to the export or disclosure to other than U.S. persons (as defined in the ITAR), whether in the U.S. or abroad, of any equipment or technical data subject to export control.

(d) In addition, Seller must comply with all distribution restrictions (e.g., Distribution Statement D; NOFORN; etc.) and other markings on documents.

(e) Provisions similar to the foregoing shall be flowed down to lower-tier subcontractors at any tier.

**53.2** **SUPPLEMENTAL EXPORT CONTROL**

**53.2.1** **REPRESENTATION AND WARRANTY**

Seller represents and warrants that it is either:

(1) a U.S. Person as that term is defined in the U.S. Export Laws and Regulations, or that (2) it has disclosed to Purchaser's Representative in writing the country in which it is incorporated or otherwise organized to do business, or if a natural person, all citizenships and U.S. immigration status.

(ii) Non-U.S. Personnel. Seller shall not give any non-"U.S. Person" (includes non-U.S. entities and representatives of non-U.S. entities, regardless of nationality) access to "Export-Controlled Items", or provide an unauthorized Defense Service as those terms are defined in the applicable U.S. Export Laws and Regulations without the prior written consent of Purchaser and obtaining all required licenses and approvals.

Disclosure of NNPI is even more restricted (Refer to 5.a (4) and Part II). Any request for such consent must state the intended recipient's citizenship(s), and status under 8 U.S.C. 1101 and 8 U.S.C. 1324 (the "Immigration and Naturalization Act"), and such other information as purchaser may reasonably request.

No consent granted by Purchaser in response to Seller's request hereunder shall relieve Seller of its obligations to comply with the provisions of U.S. Export Laws and Regulations, nor shall any

such consent constitute a waiver of the requirements of U.S. Export Laws and Regulations, nor constitute consent for Seller to violate any provision of the U.S. Export Laws and Regulations.

(iii) Indemnification. Seller shall indemnify and save harmless Purchaser from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorneys fees, arising out of claims, suit, allegations or charges of Seller's failure to comply with the provisions of this paragraph and breach of the warranty set forth in (i) above. Any failure of Seller to comply with the requirements or any breach of the warranty contained in this paragraph shall be a material breach of this Purchase Order.

(iv) Subcontracts. The substance of this paragraph shall be incorporated into any subcontract entered into by the Seller for the performance of any part of the work under this Purchase Order.

(v) Notification. Seller will notify Buyer if any deliverable under this Contract is subject to the export control laws or regulations of Seller's country.

**53.2.2** **RESTRICTION ON ACCESS TO EXPORT-CONTROLLED EQUIPMENT AND TECHNICAL DATA BY CERTAIN EMPLOYEES.**

(1) Non-U.S. Personnel/Students – Seller shall not give any non-"U.S. Person" (includes non-U.S. entities and representatives of non-U.S. entities, regardless of nationality) access to Export-Controlled Items, or provide an unauthorized Defense Service as those terms are defined in the applicable U.S. Export Laws and Regulations without:

(1) the prior written consent of the Purchaser, and

(2) obtaining all required licenses and approvals.

(3) Seller shall impose a similar restriction on its lower-tier subcontractors under this Order (when lower-tier subcontractors are eligible and/or approved by

Electric Boat and the U.S. Government to receive U.S. technical data).

**53.2.3** **EXPORT PROHIBITIONS – OFFSHORE PROCUREMENTS.**

(This clause applies if this Purchase Order/Letter Contract requires the export of unclassified technical data subject to the United States International Traffic in Arms Regulations (ITAR) (22 CFR 120 et seq.) to "foreign persons" for offshore procurement of "defense articles" under a DSP-5, Offshore Procurement license (See ITAR 124.13 ).

When this clause applies, Seller shall comply with the following requirements:

1. unless otherwise expressly directed by the Buyer in writing, the Seller agrees that it shall deliver, or have delivered, all of the defense articles to be manufactured

or produced in performance of this subcontract/letter contract/purchase order (collectively "Order") only to the Buyer in the United States ("U.S.") or to an agency of the U.S. Government; and

2. the technical data of U.S. origin to be used in the foreign manufacture of defense articles does not exceed that required for bid purposes on a build-to-print basis (build to print means producing an end-item (i.e., system, subsystem, or component) from technical drawings and specifications (which contain no process or know-how information) without the need for additional technical assistance). Release of supporting documentation (e.g., acceptance criteria, object code software for numerically controlled machines) is permissible. Build-to-orient does not include the release of any information which discloses design methodology, engineering analysis, detailed process information or manufacturing know-how; and

3. the technical data shall be used only for the manufacture of the defense articles required by this Order or in performance of work required by this Order; and

4. the technical data shall not be disclosed to any other person or entity, except subcontractors in the same country, unless such person or entity is expressly authorized pursuant to an approved U.S. export license or agreement and unless prior written Buyer approval has been granted. This prohibition on the further disclosure of export-controlled technical data applies to both technical data furnished by, or on behalf of, Buyer and to any such technical data incorporated in documents generated by Seller and/or Seller's lower-tier subcontractors; and

5. neither the Seller nor any other "foreign person" or foreign entity, including Seller's lower-tier subcontractors, may acquire any rights in the data; and

6. the Seller, as well as all lower-tier subcontractors at all tiers, shall return to the Buyer in the U.S., or at the Buyer's written direction, destroy, ALL of the technical data exported pursuant to this Order upon fulfillment of their terms; and

7. the Seller agrees to incorporate all of the prohibitions, restrictions, and limitations of this clause in all lower-tier subcontracts between with "foreign persons" in the approved country for manufacture of equipment and defense articles (as well as components, subcomponents, and parts thereof) for delivery pursuant to this Order, and Seller shall require its lower-tier subcontractors at all tiers to do likewise.

Seller will notify the Buyer if any deliverable under this Order is subject to the export control laws or regulations of Seller's country.

**53.2.4** **OFFSET CREDITS, INTERNATIONAL.**

Unless otherwise agreed to and incorporated in writing herein, all offset benefit credits or countertrade credits resulting from this subcontract/letter contract/purchase order, and from any lower-tier subcontracts hereunder, shall accrue solely to the benefit of, and shall be the property of, Electric Boat Corporation to be applied the offset program of Buyer's choice.

Seller agrees to cooperate with Buyer and to assist Buyer in securing the applicable offset credits from the respective country government authorities.





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### 53.3 EXPORT CONTROL MARKING

In addition to the requirements of this paragraph, the Seller shall comply with all other requirements relative to Naval Nuclear Propulsion Information wherever located in this Purchase Order. Seller shall place the following statement on documents containing defense technical data that is controlled by the Arms Export Control Act:

"WARNING - This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C. Sec. 2751, et seq.) or the Export Administration Act of 1979, as amended, Title 50, U.S.C., App 2401, et seq. Violations of these export laws can result in severe criminal penalties. Disseminate in accordance with provisions of OPNAVINST 5510.161."

Seller agrees to insert in all subcontracts issued under this Purchase Order, a contract provision substantially the same as this paragraph including this sentence.

### 53.4 FOREIGN CORRUPT PRACTICES ACT PROHIBITIONS (FCPA)

(Applicable to both U.S. and non-U.S. persons and U.S. and non-U.S. business concerns.)

By accepting this subcontract/purchase order or by commencing work of any kind with respect to this subcontract/purchase order, the Seller certifies and represents that:

(1) it has not taken, and warrants that it will not take, any action(s) with respect to work hereunder that would cause it, the Buyer, and/or any other party to be in non-compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended (15 U.S.C. 78dd-1, et seq.) ("FCPA"); and

(2) it has not made or solicited and will not make or solicit any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value to any governmental official or any political party, party official, or candidate, either directly or through an intermediary, corruptly for the purpose of influencing any official act, omission, or exercise of influence by the recipient, to assist Buyer or Seller in obtaining or retaining business.

The anti bribery provisions of the U.S. FCPA make it unlawful for a U.S. person, and certain foreign (i.e., non-U.S.) issuers of securities, to make a corrupt payment to a foreign official for the purpose of obtaining or retaining business for or with, or directing business to, any person. Since 1998, the anti-bribery provisions of the FCPA also apply to foreign firms and persons who cause, directly or through agents, an act in furtherance of such a corrupt payment to take place within the territory of the United States.

In part, specifically, the anti-bribery provisions of the FCPA prohibit the willful use of the mails or any means of instrumentality of interstate commerce corruptly in furtherance of any offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or to omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person. (Source: U.S. Dept. of Justice Web Site <http://www.justice.gov/criminal/fraud/fcpa/>)

Severe penalties may result from failure to comply.

Seller shall insure that the substance of this clause is included in all lower-tier subcontracts at any tier.

### 53.5 COUNTERFEIT PARTS/COUNTERFEIT WORK PROHIBITION.

(Also, refer to the clauses herein pertaining to Inspection and Test; Warranty; Fraud and Falsification; Reduction or Suspension of Contract Payments Upon Finding of Fraud or Falsification; and FAR 52.211-5, Material Requirements.)

(a) Definitions and Acronyms – For purposes of performance and this clause, as used hereunder:

(i) "Authentic" shall mean:

(A) genuine; (B) from the legitimate source claimed or implied by the marking and design of the product offered; and (C) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.

(ii) "Counterfeit Parts" shall mean a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented. This term includes, but is not limited to, (A) parts that have been (re)marked to disguise them or falsely represent the identity of the manufacturer, (B) defective parts and/or surplus material scrapped by the original manufacturer, and (C) previously used parts pulled or reclaimed and provided as "new".

(iii) "Counterfeit Work" - For purposes of this clause, Work consists of those parts delivered under this contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.

(iv) "Independent Distributor" shall mean a person, business, or firm that is neither authorized nor franchised by an Original Component Manufacturer ("OCM") to sell or distribute the OCM's products but which purports to sell, broker, and/or distribute such OCM products. Independent Distributors are also referred to as unfranchised distributors, unauthorized distributors, and/or brokers.

(v) "OCMs" means Original Component Manufacturers.

(vi) "OEMs" means Original Equipment Manufacturers.

(b) New and Authentic - The Seller represents and warrants that only new and authentic components, subcomponents, parts, material and supplies are procured, used, incorporated into, and/or delivered in performance of this order. No other material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Buyer.

Except, used, reconditioned, or remanufactured supplies, or unused former Government surplus property, that is authentic may be used in this subcontract performance if the Seller has proposed in writing the use of such supplies, and then only if Buyer and Buyer's Contracting Officer or higher-tier contractor has authorized their use in writing.

SELLER must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller's request(s) does not relieve Seller's responsibility to comply with all order requirements, including the representations and warranties in this clause and stated elsewhere.

(c) Prohibition on Counterfeits / Purchase from OEMs/OCMs - Seller agrees and shall ensure that Counterfeit Parts or Counterfeit Work are not delivered to or incorporated into Buyer's supplies and that the Work contains no Counterfeit Parts or Counterfeit Work.

The intentional or unintentional use, incorporation, or delivery of Counterfeit Parts or Counterfeit Work is strictly PROHIBITED.

This includes it being provided either as an end item deliverable or as a component or subcomponent of an end item deliverable under this subcontract/purchase order/letter contract.

To further mitigate the possibility of the inadvertent use of Counterfeit Parts or Counterfeit Work, Seller shall only purchase authentic parts/components/products to be delivered or incorporated as Work to Buyer directly from the OCM/OEM, or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Buyer.

Seller must make available to Buyer, at Buyer's request, OEM/OCM documentation that authenticates traceability of the components to that applicable OEM/OCM.

(d) Traceability - The Seller shall maintain a system or method of item traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical, Electronic, and Electromechanical (EEE) assemblies and subassemblies being delivered per this order.

(e) Conforming Material Requirement - Unless Buyer specifically agrees otherwise in writing (e.g., P.O. supplement; VIR disposition; etc.), the Seller shall tender to Buyer (or to Buyer's designee) for acceptance only material, parts and supplies that have been inspected in accordance with the inspection system and have been found by the Seller to conform with all of the requirements of this subcontract/purchase order.

Counterfeit Parts and Counterfeit Work are NONCONFORMING regardless of their otherwise acceptable condition, quality, performance, functionality, and/or suitability for purpose.

(f) Termination - Providing Counterfeit Parts or Counterfeit Work shall constitute a material breach of this contract and Buyer may, at Buyer's sole option, terminate this order for the default of the Seller.

(g) Replacement - In the event that Work delivered under this order constitutes or includes Counterfeit Parts or Counterfeit Work, Seller shall, at its expense, promptly replace such Counterfeit Work or Counterfeit Parts with genuine Work or genuine Parts conforming to the requirements of this order.

Notwithstanding any other provision in this Contract, Seller shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation the Buyer's costs of removing Counterfeit Work, of reinserting replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged.

(h) Product Impoundment and Reporting – Counterfeit Parts or Counterfeit Work identified as such and items suspected of being counterfeit shall be impounded pending reporting to the appropriate authorities and final disposition of the items. The Seller shall be liable for all costs relating to impoundment, removal, and replacement. Electric Boat may turn such items over to the appropriate authorities (e.g., without limitation, Office of Inspector General, Defense Criminal Investigative Service, Federal Bureau of Investigation, etc.) for investigation and reserves the right to withhold payment for the items pending the results of the investigation and any proceedings related to the matter. Notwithstanding any other provision of this order, the Buyer shall be under no obligation to pay for any of such items determined to be counterfeit or unacceptable.

(i) Notification Requirement –

(1) Seller shall immediately notify Buyer in writing with the pertinent facts if Seller becomes aware or suspects that it has furnished Counterfeit Parts or Counterfeit Work. When requested by Buyer Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.

(2) Seller shall immediately notify Buyer in writing if it cannot purchase or acquire authentic components, subcomponents, parts, material and supplies directly from the OCM/OEM or through an OCM/OEM authorized distributor chain.

(3) Seller shall also immediately notify Buyer in writing if it or its subcontractors at any tier cannot maintain tracking of the supply chain back to the OCM/OEM.

(j) Rights and Remedies - This clause applies in addition to any quality provision, specification, statement of work or other provision included in this order addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails. The remedies contained in this clause are in addition to any other rights and remedies the Buyer may have at law, equity or under other provisions hereunder.

(k) Survivability – This clause shall survive the completion, expiration, or termination of this order.

(l) Penalties – This purchase order and activities hereunder are within the jurisdiction of the United States Government. Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this purchase order may be punishable in accordance with applicable Federal statutes.

(m) Indemnification - Seller agrees to indemnify Buyer and to hold Buyer harmless to the full extent of any loss, damage, or expense (including reasonable attorney's fees), including, but not limited to, any amount withheld from Buyer resulting from a violation of these requirements by Seller or its subcontractors at any tier.

Notwithstanding anything to the contrary stated or implied elsewhere, Seller agrees that this indemnification is NOT subject to any limitation of Seller's liability.



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(n) Flow Down Requirement - Seller shall flow the requirements of this clause or substantially equivalent requirements to its subcontractors and suppliers at any tier for the performance of this contract.

### 53.6 FRAUD AND FALSIFICATION.

Refer also to the clause herein entitled "Business Conduct".

Seller shall include all provisions of the following text including this sentence in all lower-tier subcontracts under this Purchase Order.

This Purchase Order is a subcontract or lower-tier subcontract under a Government prime contract. As such, activities thereunder are within the jurisdiction of the U.S. Government. Any knowing and willful act to falsify, conceal, or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this purchase order may be punishable in accordance with applicable Federal statutes.

Seller shall include the following statement preprinted on each Certificate of Conformance initiated by the Seller and provided to the Buyer in connection with this purchase order:

"NOTE: The recording of false, fictitious or fraudulent statements or entries on this document may be punishable as a felony under Federal Statute."

Federal Law (18 USC 1001) provides, in part, as follows:

"Except as otherwise provided in this section, whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully -

- (1) falsifies, conceals or covers up by any trick, scheme, or device, a material fact;
- (2) makes any materially false, fictitious or fraudulent statements or representations; or
- (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or if the offense involves international or domestic terrorism (as defined in section 2331), imprisoned not more than 8 years, or both. ..."

Seller agrees that all employees or other persons engaged in or who will be engaged in the performance of work under this Purchase Order, will be, if they have not been previously, informed in writing of the above language and that there is a risk of Federal criminal penalties associated with any knowing and willful falsification, concealment, or misrepresentation in connection with work performed under Government contracts and subcontracts such as this Purchase Order.

Seller will make employees aware of the above prior to them commencing work under this purchase order.

Any inability or unwillingness of a lower-tier supplier to comply with this provision should be documented in writing and submitted to the Purchaser.

### 53.7 COMPLIANCE WITH LAWS; OBTAINING AND MAINTAINING APPROVALS; PERMITS AND LICENSES; AND WORKSITE SAFETY.

(1) Compliance with Laws - In performing work under this Purchase Order, Seller shall comply with all applicable foreign or domestic laws, orders, rules, ordinances and regulations to include but not limited to the Occupational Safety and Health and Toxic Substance Control Acts and those pertaining to import and export control and compliance.

(2) Approvals/Permits/Licenses - Except for those specifically identified in the Purchase Order as not the responsibility of the Seller, Seller agrees that it shall obtain and maintain in good standing, and shall require its lower-tier subcontractors to obtain and to maintain in good standing, all necessary and applicable approvals, permits and licenses (including export and/or import licenses, when required) required for performance of the work under this Purchase Order; pay all fees and other charges required, and shall comply with all applicable laws, codes, regulations, guidelines and directives of any local, State, and/or Federal governmental authority.

They shall be obtained and maintained for as long as necessary for the satisfactory completion of the Seller's and its subcontractor's responsibilities under this Purchase Order.

If work is to be performed outside the U.S., this includes compliance with those of the foreign country; however, this does not authorize any breach of U.S. law to comply with foreign laws, etc. Any such potential conflicts shall immediately be brought to the attention of the Buyer.

The cost of such permits, licenses, and compliance is deemed to be included in the cost or price stated in this Purchase Order.

This includes, but is not limited to, those in connection with import and export control as well as those in connection with any movement over the public highways of overweight/over-dimensional loads and hazardous materials.

Seller agrees to insert the substance of the above paragraph in all lower-tier subcontracts under this Purchase Order.

(3) Indemnification - Seller agrees to indemnify and hold the Buyer harmless to the full extent of any loss, damages, and expenses, including reasonable attorney's fees, incurred by Buyer as a result of Seller's or its subcontractor's failure to obtain and maintain in good standing the required approvals, permits and licenses for which they are responsible or failure to comply with any applicable law or regulation as required in the performance of the work under this Purchase Order.

Seller shall immediately notify Buyer in writing if any permits, licenses, and/or approvals that Seller is required to obtain in performance of this Order are denied, withheld, suspended, revoked, or expired prior to completion of all work required by this Order and its terms.

(4) Access to Buyer's Premises - Access by non-U.S. citizens to Purchaser's property/worksites is prohibited unless approved in writing by Purchaser.

(5) Worksite Safety - While on Purchaser's owned or controlled property/worksites, Seller, its agents, employees, and subcontractors shall comply with all of Purchaser's safety and security rules and regulations to include but not limited to those identified in the clauses below entitled "Work on Buyer's Owned or Controlled Premises/Property/Work Site" and "Standards of Conduct for Visitors."

(6) Failure to Comply & Default Remedies - In addition to any other remedies Purchaser may be entitled to, Purchaser may, at its sole discretion, without notice and an opportunity to cure:

- (i) terminate this Purchase Order for Default, or for Convenience at the Purchaser's sole option, if Seller is unable to obtain and maintain the necessary approvals, licenses, and/or permits, or if Seller fails to comply with any of the provisions of this clause.

Seller agrees that Buyer may terminate this purchase order for convenience if Buyer is unable to obtain and maintain any licenses, permits, or approvals (including export licenses) on behalf of itself, Seller, or others that Buyer is obligated to obtain or that Buyer has agreed to obtain on another's behalf; or

(ii) deny access to or expel from Purchaser's property/worksites, any employee, subcontractor or agent of Seller found violating any of the provisions of this clause.

Failure by Seller or its subcontractors to obtain in a timely manner and to maintain all necessary approvals, permits and/or licenses when they are required shall NOT constitute an excusable delay or a force majeure and Buyer reserves the right to exercise, at its sole discretion, all rights and remedies available to it under law and in equity.

### 53.8 PROPRIETARY INFORMATION AND INTELLECTUAL PROPERTY.

(Refer also to DFARS clauses in Part III dealing with rights in technical data and rights in non-commercial computer software.)

(a) Purchaser's Information: Except to the extent that information is clearly in the public domain, all information provided by Purchaser to Seller during the performance of this Purchase Order and all improvements, modifications and derivations thereto shall be deemed to be the proprietary information of Purchaser.

Seller agrees:

(i) to hold Purchaser's proprietary information in confidence and to protect it from release to third parties;

(ii) to disclose Purchaser's proprietary information only to Seller's employees who have a need-to-know and only after they have been made aware of the proprietary nature of the information; and

(iii) to use such proprietary information solely for the purposes of performing this Purchase Order.

The restriction on release to third parties contained in this paragraph will not apply to release by the Seller to subcontractors that Seller uses in performing this Purchase Order provided the Seller includes in such subcontracts a provision substantially the same as this paragraph.

(b) Seller's Information: Unless specified to be delivered under this Purchase Order and unless properly marked in accordance with the DFARS clauses invoked herein, Seller shall not provide or disclose any equipment, information, technical data, computer software or computer software documentation ("Information") to Purchaser or its representatives that Seller considers to be proprietary, business sensitive, confidential, or to have limited or restricted rights.

Unless properly marked and in the absence of an appropriate written agreement to the contrary, except as stated above, no information (including knowledge or information about Seller's products, methods, or manufacturing processes which Seller may disclose to Buyer incident to the performance of the work under this order) furnished to Purchaser (whether documentary, oral, visual or otherwise) shall be considered confidential or proprietary or require any particular handling or precaution or have any restriction on Purchaser's right to use, modify, reproduce, perform, display, release, or disclose such information in whole or in part, in any manner, and for any purpose whatsoever, and to have or authorize others to do so.

Accordingly, such Information shall be deemed to be acquired free from any restrictions and shall be deemed to have been disclosed as part of the consideration for this Purchase Order and Seller agrees not to assert any claim (other than a claim for patent infringement) against Buyer by reason of Buyer's use or alleged use thereof. It is Seller's responsibility to control its employees inadvertent disclosure to Buyer of Information not intended to be disclosed.

(c) Non-Incorporation of Seller's Information:

Seller shall not incorporate any patented, proprietary, business sensitive, or limited rights Information, technical data, process, hardware, or software into any item proposed to be designed, modified, manufactured, produced, or delivered under this Purchase Order without notifying Buyer in advance and receiving Buyer's prior written concurrence.

(d) Intellectual Property (Refer also to Clause 61 entitled "Patents and Copyrights"):

(1) Seller warrants that the items, services, and work performed or delivered under this Order will not infringe or otherwise violate the intellectual property rights of any third party in either the United States or in any foreign country.

(2) Rights in Data and Inventions:

In addition to the Government's rights in data and inventions, Seller agrees that the Buyer (Electric Boat Corporation) in performance of its prime contract and higher-tier contract obligation(s), shall have an unlimited, irrevocable, world-wide, paid-up, royalty-free right to make, have made, sell, offer for sale, use, execute, reproduce, display, perform, distribute (internally or externally) copies of, and prepare derivative, and authorize others to do any, some, or all of the foregoing, any and all, inventions, discoveries, improvements, mask works and patents as well as any and all data, copyrights, reports, and works or authorship, conceived, developed, generated or delivered in performance of this Order.

Seller certifies the originality of all deliverable items and states that no portion is protected by any copyright or similar right vested in any third party.

(e) Ownership:



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All reports, memoranda or other materials in written form, including machine readable form, prepared by Seller pursuant to this Order and furnished to Buyer by, or on behalf of, Seller hereunder shall become the sole property of the Buyer (Electric Boat Corporation).

**53.9 ACCESS TO PROPRIETARY DATA OR COMPUTER SOFTWARE.**

1. Performance under this Purchase Order may require that the Seller have access to technical data, computer software, or other sensitive data of another party who asserts that such data or software is proprietary. If access to such data or software is required or to be provided, the Seller shall enter into a written agreement with such party prior to gaining access to such data or software. The agreement shall address, at a minimum,

(a) access to, and use of, the proprietary data or software exclusively for the purposes of performance of the Work required by this Purchase Order; and

(b) safeguards to protect such data or software from unauthorized use or disclosure for so long as the data or software remains proprietary.

In addition, the agreement shall allow Buyer and Government or their employees the same access to such data or software, as provided to Seller. A copy of the executed agreement shall be provided to the Buyer. The Buyer may unilaterally modify the Purchase Order to list those third parties with which the Seller has agreement(s).

2. The Seller agrees to:

(a) indoctrinate its personnel who will have access to the data or software as to the restrictions under which access is granted;

(b) not disclose the data or software to another party or other Seller personnel except as authorized by the Buyer;

(c) not engage in any other action, venture, or employment wherein this information will be used, other than under this Purchase Order, in any manner inconsistent with the spirit and intent of this requirement;

(d) not disclose the data or software to any other party, including, but not limited to, joint venturer, affiliate, successor, or assign of the Seller; and

(e) reproduce the restrictive stamp, marking, or legend on each use of the data or software whether in whole or in part.

3. The restrictions on use and disclosure of the data and software described above also apply to such information received from the Buyer through any means to which the Seller has access in the performance of this Purchase Order that contains proprietary or other restrictive markings.

4. The Seller agrees that it will promptly notify the Buyer of any attempt by an individual, company, or Buyer representative not directly involved in the effort to be performed under this Purchase Order to gain access to such proprietary information. Such notification shall include the name and organization of the individual, company, or Buyer representative seeking access to such information.

5. The Seller shall include this requirement in subcontracts of any tier which involve access to information covered by paragraph A.

**53.10 LOGISTIC SUPPORT REQUIREMENT/MANUFACTURE OF REPAIR PARTS (BASED ON NAVSEA 5252.227-9112, MAY 1998, MODIFIED)**

If (i) the Seller is providing a ship component or an item of equipment; and (ii) the Purchase Order specification, by reference to a Military Specification or otherwise, specifies repair parts or stock components (collectively "repair parts"), and (iii) the Seller intends manufacturing the ship component or equipment outside the United States or Canada; then Seller agrees that, in addition to any other data required by this Purchase Order, Seller shall furnish sufficient data so that the repair parts can be reproduced in the United States or Canada. The requirements of this paragraph shall not apply if Seller has made arrangements satisfactory to the Purchaser and approved by the Government for the manufacturing of repair parts in the United States or Canada. For the purposes of this paragraph, the term "sufficient data" means detail drawings and other technical information sufficiently extensive in detail to show design, construction, dimensions, and operation or function, manufacturing methods or processes, treatment or chemical composition of materials, plant layout, and tooling. Seller shall provide all data in English and according to the United States system of weights and measures. All drawings for components, assemblies, subassemblies and parts protected by U.S. patents shall contain a prominent notation to that effect fully identifying the patent or patents involved, and bearing the number of the Buyer's prime contract and this subcontract.

Unless Seller has made arrangements satisfactory to the Purchaser and approved by the Government for the manufacturing of repair parts in the United States or Canada, Seller shall grant, and shall include in all lower-tier subcontracts for the purchase of ship components or equipments from a foreign source a clause, acceptable to the Buyer's Contracting Officer that grants, to the United States Government for a period of seven (7) years, Government Purpose Rights as defined in the clause of this Purchase Order entitled Rights in Technical Data - Non Commercial Items (DFARS 252.227-7013) in all technical data necessary to manufacture spare and repair parts for such components or equipment.

**53.11 NNPI - NAVAL NUCLEAR PROPULSION INFORMATION SECURITY CONTROLS & ADDITIONAL SECURITY REQUIREMENTS**

(This clause applies if performance of this order involves access to NNPI.)

(a) The provisions of the DOE-DOD Classification Guide for the Naval Nuclear Propulsion Program, CG-RN-1, Revision 3, and its Interpretive Guidance Bulletins and OPNAVINST N9210.3are applicable to all Naval Nuclear Propulsion Information (NNPI) work done under this Purchase Order.

(b) Disclosure of Restricted Data as defined in the Atomic Energy Act of 1954 as amended, relating to the Naval Nuclear Propulsion Program to employees of contractors granted Limited Clearance under the provisions of the DOD 5220.22M, National Industrial Security Program Operating Manual (NISPOM) is denied.

(c) The Seller shall invoke the foregoing provisions, as appropriate, in all subcontracts hereunder which involve access to NNPI.

**53.12 NNPI - TRANSMISSION ABROAD OF EQUIPMENT OR TECHNICAL DATA RELATING TO THE NUCLEAR PROPULSION OF NAVAL SHIPS**

(Based on NAVSEA 5252.227-9101, JAN 2008, MODIFIED)

(Note: Also includes controls for other than equipment or technical data defined as NNPI.)

(a) The supplies specified to be delivered under this contract may relate to the nuclear propulsion of naval ships.

(b) Equipment and technical data defined as Naval Nuclear Propulsion Information (NNPI) under OPNAVINST N9210.3shall not be disclosed to foreign nationals.

(c) For other than equipment or technical defined as NNPI in paragraph (b) above, except with the prior written consent of the Buyer and the Contracting Officer (or his designated representative), the Seller shall not, at any time during or after the performance of this contract, transmit or authorize the transmittal of, any technical data or equipment as defined in paragraph (d) below,

(1) Outside the United States; or

(2) Irrespective of location,

(i) To any foreign national, not working on this contract or any subcontract hereunder; or

(ii) To any foreign organization (including foreign subsidiaries and affiliates of the Seller); or

(iii) To any foreign government; or

(iv) To any international organization.

(d) As used in this requirement, the following terms shall have the following definitions:

(1) "United States" means the States, the District of Columbia, Puerto Rico, American Samoa, the Virgin Islands, Guam, and any areas subject to the complete sovereignty of the United States;

(2) "Equipment" means all supplies of the kind specified to be delivered under this contract, all component parts thereof, and all models of such supplies and component parts; but "equipment" does not include standard commercial supplies and component parts, and models thereof;

(3) "Technical Data" means all professional, scientific, or technical information and data produced or prepared for the performance of this contract, or on or for the operation, maintenance, evaluation, or testing of any contract item, whether or not the information and data were specified to be delivered under this contract including, without limitation, all writings, sound recordings, pictorial reproductions, and drawings or other graphical representations; but "technical data" does not include such information and data on standard commercial supplies and component parts to the extent that the information and data do not relate to the use, operation, maintenance, evaluation and testing of such supplies and component parts in or in connection with any item, or component parts thereof, specified to be delivered under this contract.

(e) Flow Down Requirement:

The Seller agrees to insert in all subcontracts under this contract provisions which shall conform substantially to the language of this requirement, including this paragraph (e).

(f) Notwithstanding any other provisions of this requirement, this requirement shall not apply:

(1) Where the transmittal or authorization for the transmittal of equipment or technical data is to be made pursuant to a contract or agreement to which the United States is a party; and

(2) Where the transmittal is to be of equipment or technical data which the Buyer's Contracting Officer, or his designated representative, has declared in writing to be thereafter exempt from this requirement.

**53.13 REGULATORY CLAUSES INCORPORATED BY REFERENCE:**

Full text versions of these clauses can be made available upon Seller's request to the Buyer's authorized representative. Additionally, full text versions of these clauses are available from the U.S. Government in searchable form on the World Wide Web (WWW) portion of the Internet. The sites to be contacted are: (1) For the FAR-<http://www.acquisition.gov/comp/far/index.html>; and (2) For the DFARS- <http://www.acq.osd.mil/dpap/dars/dfars/index.htm>.

Except as noted below, or where the clause clearly reserves authority to the Government, the following changes to the FAR and DFARS clauses are made for incorporation of these clauses into this Order:

"Contractor" or "prime contractor" shall mean "Seller."

"Government" shall mean "Buyer."

"Contracting Officer" shall mean "Buyer's Purchasing Representative."

"Contract" or "Schedule" shall mean this "Order."

Seller agrees to flow-down, as required, applicable FAR and DFARS clauses to its lower-tier suppliers. Seller further agrees that all notifications and other communications required by these clauses shall be made through the Buyer's Purchasing Representative, unless this Order specifically provides otherwise.

Regulation Reference	Title/Applicability





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**54.0 SPECIAL TERMS AND CONDITIONS – AEROSPACE CONTRACT REQUIREMENTS**

SPECIAL CONTRACT CLAUSES INCORPORATED WHEN REQUIRED BY BOEING, LOCKHEED, GENERAL DYNAMICS, OR OTHER AEROSPACE CONTRACT:

To the extent the following clauses are incorporated as required by Prime or upper tier Subcontract, they are incorporated into this order.

**54.1 PUBLICITY AND CUSTOMER COMMUNICATION**

- a. Without Buyer's prior written approval, Seller shall not, and shall require that its subcontractors at any tier shall not, release any publicity, advertisement, news release or denial or confirmation of same regarding this Contract or the Goods or program to which it pertains. Seller shall be responsible to Buyer for any breach of such obligation by any subcontractor.
- b. Except as otherwise expressly provided in this Contract, Buyer shall be responsible for all coordination and communication with Buyer's customer, including any higher-tier contractor(s), regarding this Contract or the Goods or program to which it pertains. Seller shall have no communications regarding the foregoing with Buyer's customer, including any higher-tier contractor(s), without Buyer's advance written approval and coordination.

**54.2 OFFSET CREDITS/INDUSTRIAL PARTICIPATION**

- a. To the exclusion of all others, Buyer or its assignees shall be entitled to all industrial benefits or offset credits that might result from this Contract. Seller shall provide all information and assistance to Buyer that Buyer may reasonably request in support of Buyer's efforts to secure offset credits related to the Goods to be provided under this Contract.
- b. Before entering into a subcontract for any non-U.S. products or services in excess of \$100,000 in support of this Contract, Seller shall complete and submit to Buyer notification and information covering the intended order.
- c. In addition, Seller shall support Buyer in the fulfillment of offset, industrial participation, co-production or similar obligations that Buyer may have accepted as a requirement for the sale of end products to non-U.S. customers related to the Goods to be provided under this Contract.

**54.3 BUSINESS CONDUCT**

- a. **Compliance with Laws.** Seller and the Goods shall comply with all applicable statutes and government rules, regulations and orders. Without acting as a limitation, Seller shall comply with (i) all applicable country laws relating to anti-corruption or anti-bribery, including, but not limited to, legislation implementing the Organization for Economic Co-operation and Development "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (the "OECD Convention") or other anti-corruption/anti-bribery convention; and (ii) the requirements of the Foreign Corrupt Practices Act, as amended, ("FCPA") (15 U.S.C. §§78dd-1, et. seq.), regardless of whether Seller is within the jurisdiction of the United States, and Seller shall, neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Buyer to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery.
- b. **Gratuities.** Seller warrants that neither it nor any of its employees, agents, or representatives have offered or given, or will offer or give, any gratuities to Buyer's employees, agents or representatives for the purpose of securing this Contract or securing favorable treatment under this Contract.
- c. **Code of Basic Working Conditions and Human Rights.** Buyer is committed to providing a safe and secure working environment and the protection and advancement of basic human rights in its worldwide operations. In furtherance of this commitment, Buyer has adopted a Code of Basic Working Conditions and Human Rights setting out in detail the measures it takes to ensure this commitment is fulfilled. The Boeing Code may be downloaded at <http://www.boeing.com/aboutus/culture/code.html>. Buyer strongly encourages Seller to adopt and enforce concepts similar to those embodied in the Boeing Code, including conducting Seller's operations in a manner that is fully compliant with all applicable laws and regulations pertaining to fair wages and treatment, freedom of association, personal privacy, collective bargaining, workplace safety and environmental protection. Further, any material violation of law by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, of the country or countries in which Seller is performing work under this Contract may be considered a material breach of this Contract for which Buyer may elect to cancel any open orders between Buyer and the Seller for cause in accordance with the "Cancellation for Default" Article. Seller shall include the substance of this clause, including this flowdown requirement, in all subcontracts awarded by Seller for work under this Contract.
- d. **Environmental Health and Safety Performance.** Seller acknowledges and accepts full and sole responsibility to maintain an environment, health and safety management system ("EMS") appropriate for its business throughout the performance of this Contract. Buyer expects that Seller's EMS will promote health and safety, environmental stewardship, and pollution prevention by appropriate source reduction strategies. Seller shall convey the requirement of this clause to its suppliers. Seller shall not deliver Goods that contain any asbestos mineral fibers.
- e. **Seller Facility.** Seller shall provide Buyer written notice of any proposed plans for moving Seller's manufacturing location for the Goods or moving tooling or other equipment utilized in the manufacture of the Goods to another

**54.4 REGULATORY CLAUSES INCORPORATED BY REFERENCE:**

Full text versions of these clauses can be made available upon Seller's request to the Buyer's authorized representative. Additionally, full text versions of these clauses are available from the U.S. Government in searchable form on the World Wide Web (WWW) portion of the Internet.

The sites to be contacted are: (1) For the FAR-<http://www.acquisition.gov/comp/far/index.html>; and (2) For the DFARS- <http://www.acq.osd.mil/dpap/dars/dfars/index.htm>.

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- "Contract" or "Schedule" shall mean this "Order."

Seller agrees to flow-down, as required, applicable FAR and DFARS clauses to its lower-tier suppliers. Seller further agrees that all notifications and other communications required by these clauses shall be made through the Buyer's Purchasing Representative, unless this Order specifically provides otherwise.

Regulation Reference	Title/Applicability
5252.223-9502	<p>Hazardous Material (APR 2009).</p> <p>(a) Packaging, Packing, Marking, Labeling and Certification of Hazardous materials for shipment by any mode or combination of transportation modes shall be prepared (properly classed, described, packaged, marked, labeled, transport vehicle placarded, etc.) for shipment in accordance with M.I.L.-STD-129 and Title 49 Code of Federal Regulations (CFR), Part 100-199 as applicable. In the event of any contradictions between the documents, 49 CFR shall govern or the applicable modal transport regulation.</p> <p>(b) In the event of a conflict between specific requirements in the contract or order and existing applicable modal transport regulations, the regulations shall take precedence. Under no circumstances shall the contractor knowingly use materials, markings or procedures that are not in accordance with laws and regulations applicable to the mode of transportation employed.</p> <p>(c) To ascertain which Department of Defense, or local installation regulations, concerning hazardous materials may have impact on this contract, the contractor should contact: Buyer's Authorized Procurement Representative.</p>
5252.227-9507	<p>NOTICE REGARDING THE DISSEMINATION OF EXPORT-CONTROLLED TECHNICAL DATA (OCT 2005). (a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARs), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.</p> <p>(b) For violation of export laws, the contractor, its employees, officials or agents are subject to:</p> <ul style="list-style-type: none"> <li>(1) Imprisonment and/or imposition of criminal fines; and</li> <li>(2) Suspension or debarment from future Government contracting actions.</li> </ul> <p>(c) The Government shall not be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.</p> <p>(d) The contractor shall include the provisions or paragraphs (a) through (c) above in any subcontracts awarded under this contract.</p>
5252.204-9504	<p>DISCLOSURE OF CONTRACT INFORMATION (JAN 2007). (In paragraph (b), "the Contracting Officer means Buyer. In paragraph (c), "prime contractor" means Buyer.)</p> <p>(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information (e.g., announcement of contract award), regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless the Contracting Officer has given prior written approval.</p> <p>(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least ten (10) days before the proposed date for release.</p> <p>(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.</p>
	<p>5252.223-9501 Material Safety Data Sheet (MSDS) (APR 2009). Applies when Seller ships hazardous materials. The electronic copy addresses in paragraph (a) apply when Seller is required to ship directly to the Government. Otherwise, the electronic copy shall be sent to Buyer. In (b), "Government" means Government or Buyer.</p> <ul style="list-style-type: none"> <li>(a) The contractor shall forward an electronic copy of the Material Safety Data Sheet (MSDS) required under FAR Clause 52.223-3, "Hazardous Material Identification and Material Safety Data", to <a href="mailto:Mar-navymirs@med.navy.mil">Mar-navymirs@med.navy.mil</a> and the Naval Inventory Control Point (NICP) at <a href="mailto:wraps.prime.fct@navy.mil">wraps.prime.fct@navy.mil</a>.</li> <li>(b) One copy of the M SDS shall be enclosed with the shipping documents. If the shipment is received without an attached copy of the MSDS, the Government has the right to refuse receipt.</li> </ul>





<b>PURCHASING FORM</b>
<b>PF005 REV (3) DATE: 01/09/2017</b>
<b>PO TERMS AND CONDITIONS</b>

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	<p>5252.223-9502 Hazardous Material (APR 2009).</p> <p>(a) Packaging, Packing, Marking, Labeling and Certification of Hazardous materials for shipment by any mode or combination of transportation modes shall be prepared (properly classed, described, packaged, marked, labeled, transport vehicle placarded, etc.) for shipment in accordance with MIL-STD-129 and Title 49 Code of Federal Regulations (CFR), Part 100-199 as applicable. In the event of any contradictions between the documents, 49 CFR shall govern or the applicable modal transport regulation.</p> <p>(b) In the event of a conflict between specific requirements in the contract or order and existing applicable modal transport regulations, the regulations shall take precedence. Under no circumstances shall the contractor knowingly use materials, markings or procedures that are not in accordance with laws and regulations applicable to the mode of transportation employed.</p> <p>(c) To ascertain which Department of Defense, or local installation regulations, concerning hazardous materials may have impact on this contract, the contractor should contact: Buyer's Authorized Procurement Representative.</p>
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