

**SUPPLEMENTAL TERMS AND CONDITIONS
(APPLICABLE TO SOLICITATIONS/PURCHASES
UNDER U.S. GOVERNMENT CONTRACTS)**

Military

The following supplementary provisions shall apply whenever this form is incorporated by reference into any Order, subcontract, Purchase Order ("PO"), agreement, other contractual document, or any quotation or solicitation (hereinafter referred to as "RFQ/RFP") entered into or issued by Buyer.

1. Rated Order Contract

A GOVERNMENT CONTRACT APPLIES TO THIS ORDER - PRIORITY DO-A4. THIS IS A RATED ORDER CERTIFIED FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM REGULATION (15 CFR 700).

2. Incorporation of Federal Acquisition Regulation and Supplements

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

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

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

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

meaning as written in the FAR, but also shall mean Buyer. "Subcontractor," however, shall mean "Seller's Subcontractor."

3. FAR
Reference

FAR Clause Title and Modifications Thereof

- 52.203-3 **Gratuities*** (The term "agency head" means Buyer). (Rev. 4/1984.)
- 52.203-5 **Covenant Against Contingent Fees.** (Rev. 4/1984.)
- 52.203-6 **Restrictions on Subcontractor Sales to the Government.** (Rev. 7/1995.) (Applicable if this Order exceeds \$100,000.)
- 52.203-7 **Anti-Kickback Procedures.** (Rev. 7/1995.)
- Applicable if this Order exceeds \$100,000, 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"
- 52.203-10 **Price or Fee Adjustment for Illegal or Improper Activity.** (Rev. 1/1997.)
- 52.203-12 **Limitation on Payments to Influence Certain Federal Transactions.*** (Rev. 9/2005.) (Applicable if this Order exceeds \$100,000).
- 52.204-2 **Security Requirements.*** (Rev. 8/1996.) (Excluding any reference to the Changes clause in the prime contract).
- 52.209-6 **Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment.** (Rev. 1/2005.)
- 52.211-5 **Material Requirements.** (Rev. 8/2000.)
- 52.211-15 **Defense Priority and Allocation Requirements.** (Rev. 9/1990.)
- If this Order is a "rated order" as indicated by a DPAS rating elsewhere in this Order, Seller will follow all the provisions of the Defense Priorities and Allocation System Regulations.

52.214-26 **Audit and records-Sealed Bidding.** (Rev. 10/1997.) (Applicable if this Order exceeds \$550,000 and is awarded by sealed bidding procedures)

52.214-27 **Price Reduction for Defective Cost or Pricing Data — Modifications — Sealed Bidding.** (Rev. 10/1997.)

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

52.214-28 **Subcontractor Cost or Pricing Data — Modifications — Sealed Bidding.** (Rev. 10/1997.)

Applicable if at the time the Order was entered into, it exceeded the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1).

52.215-2 **Audit and Records — Negotiation.*** (Rev. 6/1999.)

Applicable if this Order exceeds the simplified acquisition threshold in FAR 2.101 and this Order is one for which cost or pricing data is required.

52.215-10 **Price Reduction for Defective Cost or Pricing Data.** (Rev. 10/1997.)

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

52.215-11 **Price Reduction and Defective Cost of Pricing Data — Modifications.** (Rev. 10/1997.)

Applicable if the prime contract was awarded through negotiations. Seller shall provide cost or pricing data and execute a Certificate of Current Cost or Pricing Data in substantially the form prescribed in the FAR.

52.215-12 **Subcontractor Cost or Pricing Data — Modifications.** (Rev. 10/1997.)

In paragraph (d), the term “Contracting Officer” does not change. Applicable if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1), and cost or pricing data is required to be submitted in connection with the award of the Prime Contract.

52.215-13 Subcontractor Cost or Pricing Data — Modifications. (Rev. 10/1997.)

Applicable if the Order, when entered into, exceeds the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1), and cost or pricing data is required to be submitted in connection with the award of the Prime Contract.

52.215-14 Integrity of Unit Prices. (Rev. 10/1997.)

52.215-15 Pension Adjustments and Asset Reversions. (Rev. 10/2004.)

Applicable in solicitations and purchase orders for which it is anticipated that cost or pricing data will be required or for which any pre-award or post-award cost determination will be subject to FAR Part 31.

52.215-16 Facilities Cost of Money. (Rev. 6/2003.)

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits. (Rev. 7/2005.)

Applicable in solicitations and purchase orders for which it is anticipated that cost or pricing data will be required or for which any pre-award or post-award cost determination will be subject to FAR Part 31.

52.215-19 Notification of Ownership Changes. (Rev. 10/1997.)

52.219-8 Utilization of Small Business Concerns. (Rev. 5/2004.)
(Applicable only if this Order offers further subcontracting opportunities).

52.219-9 & Alt. 1 Small Business Subcontracting Plan. (Rev. 7/2005.)
(Applicable only if this Order offers further subcontracting opportunities, exceeds \$500,000, and Seller is not a Small Business Concern.)

- 52.219-16 **Liquidated Damages — Subcontracting Plan.** (Rev. 1/1999.)
- 52.219-23 **Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns.** (Rev. 10/2005.)
- 52.222-1 **Notice to the Government of Labor Disputes.** (Rev. 2/1997.)
- 52.222-4 **Contract Work Hours and Safety Standards Act — Overtime Compensation.** (Rev. 7/2005.)

Applicable if this Order requires employment of laborers or mechanics. In addition, Buyer may withhold or recover from the Seller any sums the Contracting Officer withholds or recovers from Buyer because of a violation of a provision of this clause by the Seller or Seller's subcontractor.

- 52.222-20 **Walsh-Healey Public Contracts Act.** (Rev. 12/1996.)
- 52.222-21 **Prohibition of Segregated Facilities.** (Rev. 2/1999.)
- 52.222-26 **Equal Opportunity.** (Rev. 4/2002.)

Subparagraphs (b)(1) through (11) of FAR 52.222-26 only are included in this Order.

- 52.222-35 **Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans.** (Rev. 12/2001.) (Applicable if the Order is for \$25,000 or more.)
- 52.222-36 **Affirmative Action for Workers with Disabilities.** (Rev. 6/1998.)

Applicable if this Order exceeds \$10,000. Paragraph (b)(2) is revised to delete "provided by or through the Contracting Officer" and insert "provided upon request by the Contracting Officer through the Buyer's Purchasing Representative."

- 52.222-37 **Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans.** (Rev. 12/2001.) (Applicable if the clause at 52.222-35 is applicable.)
- 52.223-3 **Hazardous Material Identification and Material Safety Data.** (Rev. 1/1997.)
- 52.224-2 **Privacy Act.** (Rev. 4/1984.)

- 52.225-8 **Duty Free Entry.** (Rev. 2/2000.)
- 52.225-13 **Restrictions on Certain Foreign Purchases.*** (Rev. 3/2005.)
- 52.227-1 **Authorization and Consent.*** (Rev. 7/1995.) (Applicable if the Order is expected to exceed the simplified acquisition threshold at FAR 2.101 and the Prime Contract contains this clause).
- 52.227-2 **Notice and Assistance Regarding Patent and Copyright Infringement.**** (Rev. 8/1996.)
- Applicable if the Order is expected to exceed the simplified acquisition threshold at FAR 2.101.
- 52.227-3 **Patent Indemnity.**** (Rev. 4/1984.)
- 52.227-9 **Refund of Royalties.** (Rev. 4/1984.) (Applicable if the amount of royalties reported during negotiation of the subcontract exceeds \$250).
- 52.227-10 **Filing of Patent Applications — Classified Subject Matter.*** (Rev. 4/1984.)
- 52.227-11 **Patent Rights*** (Applicable if the Subcontractor is a Small Business). (Rev. 6/1997.)
- 52.227-12 **Patent Rights.*** (Rev. 1/1997.) (Applicable if the Subcontractor is a Large Business).
- 52.227-13 **Patent Rights — Acquisition by the Government.*** (Rev. 1/1997.) (If the Prime Contract contains this clause).
- 52.228-3 **Workers' Compensation Insurance** (Defense Base Act). (Rev. 4/1984.)
- 52.228-4 **Workers' Compensation and War-Hazard Insurance Overseas.** (Rev. 4/1984.)
- 52.228-5 **Insurance — Work on a Government Installation.** (Rev. 1/1997.) (Applicable if this Order requires work on a Government installation).
- 52.229-4 **Federal, State, and Local Taxes (State and Local Adjustments).** (Rev. 4/2003.)
- 52.232-17 **Interest.** (Rev. 6/1996.)

- 52.233-3 Protest After Award.** (Rev. 8/1996.)
- Under Paragraph (f) of this clause, the Buyer may withhold or recover from Seller any sums the Contracting Officer withholds or recovers from Buyer because of an intentional or negligent misstatement, misrepresentation or miscertification of the Seller which results in a bid protest being sustained.
- 52.236-7 Permits and Responsibilities.** (Rev. 11/1991.)
- 52.242-1 Notice of Intent to Disallow Costs.** (Rev. 4/1984.)
- 52.242-15 Stop-Work Order.** (Rev. 8/1989.)
- The words “ninety (90) days” are changed to “one hundred (100) days” and the words “thirty (30) days” are changed to “twenty (20) days” wherever they appear.
- 52.244-2 Subcontracts.** (Rev. 8/1998.)
- 52.244-5 Competition in Subcontracting.** (Rev. 12/1996.)
- 52.244-6 Subcontracts for Commercial Items and Commercial Components.** (Rev. 12/2004.)
- 52.245-2 Government Property (Fixed Price Contracts).** (Rev. 5/2004.)
- “Government” means “Government” and/or “Buyer.” The fourth sentence of paragraph (h) is changed to read: “Neither the Government nor the Buyer shall be liable....”
- 52.245-17 Special Tooling.** (Rev. 5/2004.)
- 52.245-18 Special Test Equipment.** (Rev. 2/1993.)
- 52.245-19 Government Property Furnished “As Is.”** (Rev. 4/1984.)
- 52.246-2 Inspection of Supplies.** (Rev. 4/1996.)
- 52.247-63 Preference for U.S.-Flag Air Carriers.** (Rev. 6/2003.)
- 52.248-1 & Alt. I, II, & III Value Engineering.** (Rev. 2/2000.) (Applicable if this Order exceeds \$100,000.)
- 52.249-2 Termination for Convenience — Fixed-Price.** (Rev. 5/2004.)

Paragraph (c): Change 120 days to 60 days.

Paragraph (d): Plant clearance procedure is omitted.

Paragraph (e): The time for submission of the final termination settlement proposal is changed from “1 year” to “6 months” from the effective date of termination.

Paragraph (l): The time for submission of a proposal for an equitable adjustment after a partial termination is changed from “90 days” to “45 days” from the effective date of termination.

4. Certifications

The offeror, by signing its offer, hereby certifies compliance with the following clauses and that it is, therefore, eligible for award.

- 52.203-11 **Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (over \$100,000) . (Rev. 9/2005.)**
- 52.209-5 **Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters (all). (Rev. 12/2001.)**
- 52.222-22 **Previous Contracts and Compliance Reports (over \$10,000) . (Rev. 2/1999.)**
- 52.222-25 **Affirmative Action Compliance. (Rev. 4/1984.)**

5. **Cost Accounting Standards (Applicable unless otherwise exempt)**

Seller shall communicate and otherwise deal directly with the Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Buyer with copies of all communications between Seller and the Contracting Officer respecting Cost Accounting Standards, FAR 52.230-2, and Administration Of Cost Accounting Standards, FAR 52.230-6, provided that Seller shall not be required to disclose to Buyer such communications containing information that is privileged and confidential to the Seller. In addition to any other remedies provided by law or under this Order, Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subjected to any liability as a result of a failure of the Seller or its lower-tier subcontractors to comply with the requirements of the Cost Accounting Standards or of FAR 52.230-2, 52.230-3, or 52.230-6. Paragraph (b) is deleted from each of the foregoing clauses.

6. **DFAR**

<u>Reference</u>	<u>DFAR Clause Title and Modifications Thereof</u>
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies. (Rev. 12/2004.) Applicable to first tier subcontractors only if this Order exceeds the simplified acquisition threshold in FAR Part 2 and the Prime Contract is not for commercial items. "Government" is not changed in this clause.
252.204-7000	Disclosure of Information. (Rev. 12/1991.)
252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material. (Rev. 12/1991.)
252.215-7000	Pricing Adjustments. (Rev. 12/1991.)
252.219-7003	Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan. (Rev. 4/1996.) (Applicable to Orders over \$500,000).
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives. (Rev. 9/1999.)
252.225-7000	Buy American Act — Balance of Payments Program Certificate. (Rev. 6/2005.)

- 252.225-7001 Buy American Act and the Balance of Payments Program.**
(Rev. 6/2005.)
- 252.225-7002 Qualifying Country Sources as Subcontractors.** (Rev. 4/2003.)
- 252.225-7004 Report of Intended Performance Outside the United States and Canada — Submission after Award.** (Rev. 6/2005.)
- Applicable to first tier subcontracts over \$500,000. Paragraphs (c)(4) and (c)(5) are omitted. Seller shall provide reports to the Buyer in substantially the form prescribed in the DFARS.
- 252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States.** (Rev. 7/2005.)
- 252.225-7012 Preference for Certain Domestic Commodities.** (Rev. 6/2004.)
- 252.225-7013 Duty-Free Entry.** (Rev. 6/2005.)
- Paragraph (e) 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 qualifying country supplies for which the shipping documents bear the notation specified in paragraph (f) of this clause.” No change to “Contracting Officer,” “Government,” “prime contractor,” or “prime contract” in paragraphs (c), (d), (i) or (k); except change “Contracting Officer administering the prime contract” and “contract administration office” in paragraph (i) to “Buyer’s Purchasing Representative” and “Contracting Officer” in paragraph (i)(10) to “Government.”
- 252.225-7014 Preference for Domestic Specialty Metals — Alternate 1.** (Rev. 6/2005.)
- 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools.** (Rev. 6/2005.)
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings.** (Rev. 6/2005.)
- 252.225-7025 Restrictions on Acquisition of Forgings.** (Rev. 6/2005.)
- 252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate.** (Rev. 4/2003.)

252.227-7013
& Alt. I

Rights in Technical Data – Noncommercial Items. (Rev. 11/1995.)

“[T]o the Contractor” is deleted from (b)(1)(vi) and “contract or” and “thereunder” is deleted from (b)(1)(ix). “Buyer or” is added before “Government” in (c) and (i). The second and third occurrences of “Contracting Officer” are changed to “Government” in (e)(4) “And the Government” is added after “parties” in (h)(1). In (h)(2) “sixty (60)” is changed to “fifty (50)” days. No substitutions for “Government” are made.

252.227-7014

Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation. (Rev. 6/1995.)

“[T]o the Contractor” is deleted from (b)(1)(iii) and “contract or” and “thereunder” is deleted from (b)(1)(vi). “Buyer or” is added before “Government” in (i). The second and third occurrences of “Contracting Officer” have been changed to “Government” in (e)(4). “And the Government” is added after “parties” in (h)(1). In (h)(2) “sixty (60)” is changed to “fifty (50)” days. No substitutions for “Government” are made.

252.227-7016

Rights in Bid or Proposal Information. (Rev. 6/1995.)

No substitutions for “Government” or “Contracting Officer” are made.

252.227-7019

Validation of Asserted Restrictions — Computer Software. (Rev. 6/1995.)

“Buyer’s Purchasing Representative” is substituted for “Contracting Officer” in paragraph (b), otherwise no substitutions are made for “Contracting Officer” or “Government.” In paragraphs (f)(5) and (f)(6) “the prime contract” is substituted for “this contract.”

252-227-7030

Technical Data — Withholding of Payment. (Rev. 3/2000.)

“Buyer” is substituted for “Contracting Officer” in paragraph (a). In paragraph (b), “or Buyer” is added after “Government.”

- 252.227-7037 Validation of Restrictive Markings on Technical Data.** (Rev. 9/1999.)
- In paragraph (b), “Contractor’s” remains in the clause with a lower case “c.” In paragraphs (c) and (d)(I), “hereunder” is inserted after “subcontract.” In paragraphs (f) and (g)(2)(i), change “this contract” to “the prime contract,” and in paragraph (i), change “a contract” to “the prime contract.” No substitutions for “Government” or “Contracting Officer” are made.
- 252.231-7000 Supplemental Cost Principles.** (Rev. 12/1991.)
- 252.235-7003 Frequency Authorization.** (Rev. 12/1991.)
- 252.236-7000 Modification Proposals — Price Breakdown.** (Rev. 12/1991.)
- 252.243-7001 Pricing of Contract Modifications.** (Rev. 12/1991.)
- 252.247-7023 Transportation of Supplies by Sea.** (Rev. 5/2002.)
- 252.247-7024 Notification of Transportation of Supplies by Sea.** (Rev. 3/2000.)