



## 2018 Annual Supplier Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements

January 1, 2018

Dear Supplier:

We thank you for maintaining your interest in being a supplier to Nasco Aircraft Brake, Inc. Nasco is a U.S. Government prime contractor and must comply with the Federal Acquisition Regulations ("FAR"), Defense Federal Acquisition Regulations ("DFAR") and Export Administration Regulations ("EAR"). Accordingly we must obtain and keep on file the annual certifications below from our suppliers. Please be assured that all this information will be kept strictly confidential.

The attached Supplier Annual Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements form must be filled out and returned.

Please read and complete all of the sections I through V. Sign and date the following page and return the entire document to Nasco via email ([pablo.lara@nascoaircraft.com](mailto:pablo.lara@nascoaircraft.com)), mail or FAX to maintain your approved status as Nasco Supplier:

- **SECTION I, PARAGRAPHS 1-16:** SUPPLIER ANNUAL CERTIFICATIONS, REPRESENTATIONS
- **SECTION II, PARAGRAPHS A-F:** SUPPLEMENTAL TERMS OF PURCHASE- FAR/DFAR CLAUSES AND MANDATORY FLOWDOWN OF GOVERNMENT CONTRACT CLAUSES
- **SECTION III, PARAGRAPHS 1-30:** STANDARD PURCHASE ORDER TERMS AND CONDITIONS AND MANDATORY
- **SECTION IV, PARAGRAPHS A-C:** UNILATERAL CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
- **SECTION V:** TAX PAYER IDENTIFICATION NUMBER & CERTIFICATION W-9 FORM

Thank you for your cooperation in this matter. If you need help in completing any portion of this form, please contact Pablo Lara, Matthew L. Aron or Daniel Aron, at 310-532-4430.

Sincerely,  
Nasco Aircraft Brake, Inc.

A handwritten signature in blue ink, appearing to read 'Daniel L. Aron', is written over a faint, larger version of the signature.

Daniel L. Aron  
President

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*



**2018 Annual Supplier Certifications,  
Representations, Standard Purchasing  
Terms and Conditions and Agreements**

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**SUPPLIER'S SIGNATURE AFFIXED HEREIN CERTIFIES THAT INFORMATION IN SECTIONS I-V, IS ACCURATE AND COMPLETE. (NOTE: CHANGES IN SUPPLIER'S STATUS MUST BE IMMEDIATELY REPORTED TO NASCO).**

CERTIFICATION (SIGNATURE) IS REQUIRED BY AN AUTHORIZED OFFICIAL VERIFYING THE INFORMATION CONTAINED ON THIS FORM IS TRUE AND CORRECT.

Company \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

E-mail \_\_\_\_\_



# 2018 Annual Supplier Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements

## I. Supplier Annual Certifications and Representations

The United States Government requires Nasco to obtain the completed and signed certifications contained herein. These certifications are required annually and will be effective for one year. **Supplier must complete all Sections 1 – 23**

**(SUPPLIER PLEASE NOTE):** Any change in the following representations and certifications shall immediately be brought to the attention of Nasco Aircraft Brake, Inc., CA 90248 (310-532-4430).

### Certifications: country of origin

- A. Definitions. As used in this document:
  - “Buyer” means Nasco Aircraft Brake, Inc.
  - “Government” means the federal government of the United States.
  - “Order” means any contract or subcontract between the Buyer and the Seller for the supply of Products or Services, resulting from the Buyer’s request.
  - “Product” means any products, components, goods or materials agreed in the Order to be supplied to the Buyer by the Seller (including any part or parts of them).
  - “Seller” means the company or corporation named on the quotation or Order acceptance and/or who supplies the Product and/or Services to the Buyer and applies to any reference in the applicable FAR/DFARS provisions to “contractor” or “offeror...”
  - “Services” means any services (including without limitation any maintenance, repair and overhaul services) agreed in the Order to be provided to the Buyer by the Seller (including any part or parts of them).

B. Certifications and Representations.  
 The Seller certifies that the information provided herein shall remain valid from the date of signature until the conclusion of any contract or order accepted by Seller. The Seller agrees to provide immediate written notice to Buyer if any of the Seller's certifications and representations change at any time from the date of signature below through the performance of any contract or order accepted; such notice shall not constitute a waiver of Seller’s obligations to perform as previously certified. The Seller acknowledges that Buyer shall rely on the information provided herein in its performance of U.S. Government contracts. The Seller understands that it may be subject to immediate default termination by Buyer and debarment/suspension or prosecution for potential criminal or civil penalties by the U.S. Government, if the Seller misrepresents or falsely or fraudulently completes any of these certifications or representations. Further, Seller indemnifies and holds Buyer harmless from any damages arising from a false or fraudulent certification herein. Seller shall flow-down these certifications and obligations to its suppliers, to the extent required by the applicable FAR/DFARS provision.

### 1. FAR 52.215-6 Place of Performance (OCT 1997)

- (A) The Seller certifies that it complies with FAR 52.215-6 and that, in the performance of any order from Buyer, the Seller  intends,  does not intend [*check applicable block*] to use one or more plants or facilities located at a different address from the address of the Seller as indicated in this proposal or response to request for information.
- (B) If the Seller checks “intends” in paragraph (A) of this provision, it shall insert in the following spaces the required information:
  - a. Name and address of owner and operator of the plant or facility if other than the seller: \_\_\_\_\_
  - b. Place of performance (street address, city, state, county, zip code): \_\_\_\_\_

### 2. FAR 52.225-2 – Buy American Certificate (MAY 2014)

- (A) As defined in FAR 52.225-1, Buy American – Supplies, the Seller certifies that each end product, except those listed in paragraph (B) of this provision, is a domestic end product and that for other than COTS items, the Seller has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The Seller shall list as foreign end products those end products manufactured in the United States that do not qualify as domestic end products, *i.e.*, an end product that is not a COTS item and does not meet the component test in paragraph (2) of the definition of “domestic end product.” The terms “commercially available off-the-shelf (COTS) item,” “component,” “domestic end product,” “end product,” “foreign end product,” and “United States” are defined in FAR 52.225-1, “Buy American -- Supplies.”
- (B) Foreign end products:  
 [*List as necessary*]  

Line item no/part no	Country of origin	Part no description

### 3. FAR 52.225-13 – Restrictions on Certain Foreign Purchases (JUN 2008)

- (A) Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Seller complies with FAR 52.225-13 and as such shall not acquire, for use in the performance of this order, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 CFR chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.
- (B) Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at <http://www.treas.gov/offices/enforcement/ofac/sdn>. More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 CFR chapter V and/or on OFAC's Web site at <http://www.treas.gov/offices/enforcement/ofac>.

### 4. FAR 52.225-20 – Prohibition on Conducting Restricted Business Operations in Sudan—Certification (AUG 2009)

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*

- (A) Definitions. As used in this provision:  
Business operations means engaging in commerce in any form, including by acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.  
Marginalized populations of Sudan means:  
(1) Adversely affected groups in regions authorized to receive assistance under section 8(c) of the Darfur Peace and Accountability Act (Pub.L. 109-344) (50 U.S.C. 1701 note); and  
(2) Marginalized areas in Northern Sudan described in section 4(9) of such Act.  
Restricted business operations means business operations in Sudan that include power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, as those terms are defined in the Sudan Accountability and Divestment Act of 2007 (Pub. L. 110-174). Restricted business operations do not include business operations that the person (as that term is defined in Section 2 of the Sudan Accountability and Divestment Act of 2007) conducting the business can demonstrate:  
(1) Are conducted under contract directly and exclusively with the regional government of southern Sudan;  
(2) Are conducted pursuant to specific authorization from the Office of Foreign Assets Control in the Department of the Treasury, or are expressly exempted under Federal law from the requirement to be conducted under such authorization;  
(3) Consist of providing goods or services to marginalized populations of Sudan;  
(4) Consist of providing goods or services to an internationally recognized peacekeeping force or humanitarian organization;  
(5) Consist of providing goods or services that are used only to promote health or education; or  
(6) Have been voluntarily suspended.
- (B) Certification. By submission of its offer, the Seller certifies that it complies with FAR 52.225-20 and as such the Seller does not conduct any restricted business operations in Sudan.
- 5. FAR 52.225-25 – Prohibition on Contracting With Entities Engaging in Sanctioned Activities Relating to Iran—Representation and Certifications (OCT 2015)**
- (A) Definitions. As used in this provision:  
Person: (1) Means:  
(i) A natural person;  
(ii) A corporation, business association, partnership, society, trust, financial institution, insurer, underwriter, guarantor, and any other business organization, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise; and  
(iii) Any successor to any entity described in paragraph (1)(ii) of this definition; and  
(2) Does not include a government or governmental entity that is not operating as a business enterprise.  
Sensitive technology:  
(1) Means hardware, software, telecommunications equipment, or any other technology that is to be used specifically:  
(i) To restrict the free flow of unbiased information in Iran; or  
(ii) To disrupt, monitor, or otherwise restrict speech of the people of Iran; and  
(2) Does not include information or informational materials the export of which the President does not have the authority to regulate or prohibit pursuant to section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)).
- (B) Except if a waiver has been granted in accordance with FAR 25.703-4, by submission of its offer, the Seller certifies that it complies with FAR 52.225-25 and as such:  
(1) Represents, to the best of its knowledge and belief, that the Seller does not export any sensitive technology to the Government of Iran or any entities or individuals owned or controlled by, or acting on behalf or at the direction of, the Government of Iran;  
(2) Certifies that the Seller, or any person owned or controlled by the Seller, does not engage in any activities for which sanctions may be imposed under section 5 of the Iran Sanctions Act. These sanctioned activities are in the areas of development of the petroleum resources of Iran, production of refined petroleum products in Iran, sale and provision of refined petroleum products to Iran, and contributing to Iran's ability to acquire or develop certain weapons or technologies; and  
(3) Certifies that the Seller, and any person owned or controlled by the Seller, does not knowingly engage in any transaction that exceeds \$3,500 with Iran's Revolutionary Guard Corps or any of its officials, agents, or affiliates, the property and interests in property of which are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (see OFAC's Specially Designated Nationals and Blocked Persons List at <http://www.treasury.gov/ofac/downloads/t11sdn.pdf>).
- 6. FAR 52.247-63 Preference for U.S.-Flag Air Carriers (JUN 2003)**
- (A) Definitions. As used in this clause:  
International air transportation means transportation by air between a place in the United States and a place outside the United States or between two places both of which are outside the United States.  
United States means the 50 States, the District of Columbia, and outlying areas.  
U.S.-flag air carrier means an air carrier holding a certificate under 49 U.S.C. Chapter 411.
- (B) Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act) requires that all Federal agencies and Government contractors and subcontractors use U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. It requires the Comptroller General of the United States, in the absence of satisfactory proof of the necessity for foreign-flag air transportation, to disallow expenditures from funds, appropriated or otherwise established for the account of the United States, for international air transportation secured aboard a foreign-flag air carrier if a U.S.-flag air carrier is available to provide such services.
- (C) The Seller certifies that, in performing work under this order, it shall use U.S.-flag carriers for international air transportation of personnel (and their personal effects) or property.
- 7. DFARS 252.209-7004 – Subcontracting With Firms That are Owned or Controlled by the Government of a Terrorist Country**

**(OCT 2015)**

- (A) The Seller certifies that it complies with DFARS 252.209-7004 and as such shall not enter into any subcontract in excess of \$35,000 with a firm, or a subsidiary of a firm, that is identified in the exclusion section of the System for Award Management System (SAM Exclusions) as being ineligible for the award of Defense contracts or subcontracts because it is owned or controlled by the government of a terrorist country.

**8. DFARS 252.225-7007 – Prohibition On Acquisition of United States Munitions List Items From Communist Chinese Military Companies (SEP 2006)**

- (A) Definitions. As used in this clause:

Communist Chinese military company means any entity that is:

- (1) A part of the COMMERCIAL OR DEFENSE industrial base of the People's Republic of China; or  
(2) Owned or controlled by, or affiliated with, an element of the Government or armed forces of the People's Republic of China.

United States Munitions List means the munitions list of the International Traffic in Arms Regulation in 22 CFR Part 121.

- (B) The Seller certifies that it complies with DFARS 252.225-7007 and as such it has not acquired, directly or indirectly, from the Communist Chinese military company any supplies or services covered by the United States Munitions List to be delivered under this order.

**9. DFARS 252.225-7009 – Restriction on Acquisition of Certain Articles Containing Specialty Metals (OCT 2014)**

- (A) Definitions. As used in this clause:

Alloy means a metal consisting of a mixture of a basic metallic element and one or more metallic, or non-metallic, alloying elements.

- (i) For alloys named by a single metallic element (*e.g.*, titanium alloy), it means that the alloy contains 50 percent or more of the named metal (by mass).  
(ii) If two metals are specified in the name (*e.g.*, nickel-iron alloy), those metals are the two predominant elements in the alloy, and together they constitute 50 percent or more of the alloy (by mass).

Assembly means an item forming a portion of a system or subsystem that:

- (i) Can be provisioned and replaced as an entity; and  
(ii) Incorporates multiple, replaceable parts.

Commercial derivative military article means an item acquired by the Department of Defense that is or will be produced using the same production facilities, a common supply chain, and the same or similar production processes that are used for the production of articles predominantly used by the general public or by nongovernmental entities for purposes other than governmental purposes.

Commercially available off-the-shelf item--

- (i) Means any item of supply that is:  
(a) A commercial item (as defined in paragraph (1) of the definition of "commercial item" in section 2.101 of the Federal Acquisition Regulation);  
(b) Sold in substantial quantities in the commercial marketplace; and  
(c) Offered to the U.S. Government, under this order or a subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and  
(ii) Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products.

Component means any item supplied to the Government as part of an end item or of another component.

Electronic component means an item that operates by controlling the flow of electrons or other electrically charged particles in circuits, using interconnections of electrical devices such as resistors, inductors, capacitors, diodes, switches, transistors, or integrated circuits. The term does not include structural or mechanical parts of an assembly containing an electronic component, and does not include any high performance magnets that may be used in the electronic component.

End item means the final production product when assembled or completed and ready for delivery under a line item of this order.

High performance magnet means a permanent magnet that obtains a majority of its magnetic properties from rare earth metals (such as samarium).

Produce means:

- (i) Atomization;  
(ii) Sputtering; or  
(iii) Final consolidation of non-melt derived metal powders.

Qualifying country means any country listed in the definition of "Qualifying country" at 225.003 of the Defense Federal Acquisition Regulation Supplement (DFARS).

Required form means in the form of mill product, such as bar, billet, wire, slab, plate, or sheet, and in the grade appropriate for the production of:

- (i) A finished end item to be delivered to the U.S. Government under this contract; or  
(ii) A finished component assembled into an end item to be delivered to the U.S. Government under this order.

Specialty metal means:

- (i) Steel:  
(a) With a maximum alloy content exceeding one or more of the following limits: Manganese, 1.65 percent; silicon, 0.60 percent; or copper, 0.60 percent; or  
(b) Containing more than 0.25 percent of any of the following elements: Aluminum, chromium, cobalt, molybdenum, nickel, niobium (columbium), titanium, tungsten, or vanadium;  
(ii) Metal alloys consisting of:  
(a) Nickel or iron-nickel alloys that contain a total of alloying metals other than nickel and iron in excess of 10 percent; or  
(b) Cobalt alloys that contain a total of alloying metals other than cobalt and iron in excess of 10 percent;  
(iii) Titanium and titanium alloys; or  
(iv) Zirconium and zirconium alloys.

Steel means an iron alloy that includes between .02 and 2 percent carbon and may include other elements.

Subsystem means a functional grouping of items that combine to perform a major function within an end item, such as electrical power, attitude control, and propulsion.

(B) Restriction. Except as provided in paragraph (C) of this clause, any specialty metals incorporated in items delivered under this order shall be melted or produced in the United States, its outlying areas, or a qualifying country and the Seller certifies that it complies with such restrictions in DFARS 252.225-7009 for all items delivered under this order.

(C) Exceptions. If the exceptions in DFARS 252.225-7009(C) apply, the Seller shall notify the Buyer in its offer or in advance of order acceptance. Such exception is not valid until accepted by Buyer in advance by written modification to this order.

**10. DFARS 252.225-7012 – Preference for Certain Domestic Commodities (DEC 2016)**

(A) Definitions. As used in this clause:

Component means any item supplied to the Buyer as part of an end product or of another component.

End product means supplies delivered under a line item of this order.

Qualifying country means a country with a reciprocal defense procurement memorandum of understanding or international agreement with the United States in which both countries agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country, and the memorandum or agreement complies, where applicable, with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and with 10 U.S.C. 2457. Accordingly, the following are qualifying countries:

Australia	Finland	Netherlands	Turkey
Austria	France	Norway	United Kingdom of Great Britain and Northern Ireland
Belgium	Germany	Poland	
Canada	Greece	Portugal	
Czech Republic	Israel	Slovenia	
Denmark	Italy	Spain	
Egypt	Japan	Sweden	
Estonia	Luxembourg	Switzerland	

Structural component of a tent:

(i) Means a component that contributes to the form and stability of the tent (*e.g.*, poles, frames, flooring, guy ropes, pegs);

(ii) Does not include equipment such as heating, cooling, or lighting.

United States means the 50 States, the District of Columbia, and outlying areas.

U.S.-flag vessel means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(B) The Seller certifies that it complies with DFARS 252.225-7012 and as such it shall deliver under this order only such of the following items, either as end products or components, that have been grown, reprocessed, reused, or produced in the United States:

(1) Food.

(2) Clothing and the materials and components thereof, other than sensors, electronics, or other items added to, and not normally associated with, clothing and the materials and components thereof. Clothing includes items such as outerwear, headwear, underwear, nightwear, footwear, hosiery, hand wear, belts, badges, and insignia.

(3) (i) Tents and structural components of tents;  
(ii) Tarpaulins; or  
(iii) Covers.

(4) Cotton and other natural fiber products.

(5) Woven silk or woven silk blends.

(6) Spun silk yarn for cartridge cloth.

(7) Synthetic fabric, and coated synthetic fabric, including all textile fibers and yarns that are for use in such fabrics.

(8) Canvas products.

(9) Wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles).

(10) Any item of individual equipment (Federal Supply Class 8465) manufactured from or containing fibers, yarns, fabrics, or materials listed in this paragraph (B).

(C) This restriction does not apply:

(1) To items listed in section 25.104(a) of the Federal Acquisition Regulation (FAR), or other items for which the U.S. Government has determined that a satisfactory quality and sufficient quantity cannot be acquired as and when needed at U.S. market prices;

(2) To chemical warfare protective clothing produced in a qualifying country; or

(3) To fibers and yarns that are for use in synthetic fabric or coated synthetic fabric (but does apply to the synthetic or coated synthetic fabric itself), if:

(i) The fabric is to be used as a component of an end product that is not a textile product. Examples of textile products, made in whole or in part of fabric, include--

(a) Draperies, floor coverings, furnishings, and bedding (Federal Supply Group 72, Household and Commercial Furnishings and Appliances);

(b) Items made in whole or in part of fabric in Federal Supply Group 83, Textile/leather/furs/apparel/findings/ tents/flags, or Federal Supply Group 84, Clothing, Individual Equipment and Insignia;

(c) Upholstered seats (whether for household, office, or other use); and

(d) Parachutes (Federal Supply Class 1670); or

(ii) The fibers and yarns are para-aramid fibers and continuous filament para-aramid yarns manufactured in a qualifying country.

11. **DFARS 252.225-7015 – Restriction on Acquisition of Hand or Measuring Tools (JUN 2005)**  
The Seller certifies that it complies with DFARS 252.225-7015 and as such any hand or measuring tools delivered under this order are produced in the United States or its outlying areas.
12. **DFARS 252.225-7016 – Restriction on Acquisition of Ball and Roller Bearings (JUN 2011)**  
(A) Definitions. As used in this clause:  
(1) Bearing component means the bearing element, retainer, inner race, or outer race.  
(2) Component, other than a bearing component, means any item supplied to the Buyer or the U.S. Government as part of an end product or of another component.  
(3) End product means supplies delivered under a line item of this order.  
(B) Except as provided in paragraph (C) of this clause, the Seller certifies that it complies with DFARS 252.225-7016 and as such:  
(1) Each ball and roller bearing delivered under this order shall be manufactured in the United States, its outlying areas, or Canada; and  
(2) For each ball or roller bearing, the cost of the bearing components manufactured in the United States, its outlying areas, or Canada shall exceed 50 percent of the total cost of the bearing components of that ball or roller bearing.  
(C) The restriction in paragraph (B) of this clause does not apply to ball or roller bearings that are acquired as:  
(1) Commercial components of a noncommercial end product; or  
(2) Commercial or noncommercial components of a commercial component of a noncommercial end product.
13. **DFARS 252.225-7031 – Secondary Arab Boycott of Israel (JUN 2005)**  
(A) Definitions. As used in this provision:  
(1) Foreign person means any person (including any individual, partnership, corporation, or other form of association) other than a United States person.  
(2) United States means the 50 States, the District of Columbia, outlying areas, and the outer Continental Shelf as defined in 43 U.S.C. 1331.  
(3) United States person is defined in 50 U.S.C. App. 2415(2) and means:  
(i) Any United States resident or national (other than an individual resident outside the United States who is employed by other than a United States person);  
(ii) Any domestic concern (including any permanent domestic establishment of any foreign concern); and  
(iii) Any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern that is controlled in fact by such domestic concern.  
(B) Certification. If the Seller is a foreign person, the Seller certifies that it complies with DFARS 252.225-7031 and as such, by submission of an offer or acceptance of an order, that it:  
(1) Does not comply with the Secondary Arab Boycott of Israel; and  
(2) Is not taking or knowingly agreeing to take any action, with respect to the Secondary Boycott of Israel by Arab countries, which 50 U.S.C. App. 2407(a) prohibits a United States person from taking.
14. **DFARS 252.247-7022 Representation of Extent of Transportation By Sea (AUG 1992)**  
The Seller certifies that it will not transport supplies by sea in the performance of any order or subcontract with the Buyer.

**Certifications: Responsibility**

1. **FAR 52.203-2 – Certificate of Independent Price Determination (APR 1985)**  
(A) The Seller certifies that it complies with FAR 52.203-2 and as such:  
(1) The prices in this offer or order have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Seller or competitor relating to:  
(i) those prices,  
(ii) the intention to submit an offer, or  
(iii) the methods or factors used to calculate the prices offered;  
(2) The prices in this offer have not been and will not be knowingly disclosed by the Seller, directly or indirectly, to any other Seller or competitor before order award unless otherwise required by law; and  
(3) No attempt has been made or will be made by the Seller to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.  
(B) Each signature on the offer is considered to be a certification by the signatory that the signatory:  
(1) Is the person in the Seller's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (A)(1) through (A)(3) above; or  
(2) (i) Has been authorized, in writing, to act as agent for the following principal(s) in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (A)(1) through (A)(3) above  
  
[insert full name of person(s) in the Seller's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the Seller's organization];  
(ii) As an authorized agent, does certify that the principal(s) named in subparagraphs (B)(2)(i) above has/have not participated, and will not participate, in any action contrary to subparagraphs (A)(1) through (A)(3) above; and  
(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (A)(1) through (A)(3) above.  
(C) If the Seller deletes or modifies subparagraph (A)(2) above, the Seller must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.
2. **FAR 52.203-3 – Gratuities (APR 1984)**

- (A) The Seller certifies that it complies with FAR 52.203-3 and as such the Seller, its agent, or another representative has not:
- (1) Offered or given a gratuity (e.g., an entertainment or gift) to an officer, official, or employee of the Buyer and/or the United States Government; where
  - (2) Intended, by the gratuity, to obtain a contract or favorable treatment under a contract.
- 3. FAR 52.203-5 – Covenant Against Contingent Fees (MAY 2014)**
- (A) The Seller certifies that it complies with FAR 52.203-5 and as such no person or agency has been employed or retained to solicit or obtain this order upon an agreement or understanding for a contingent fee, except a bona fide employee or agency.
- (B) Bona fide agency, as used in this clause, means an established commercial or selling agency, maintained by a contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.  
Bona fide employee, as used in this clause, means a person, employed by a contractor and subject to the contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain U.S. Government contracts nor holds out as being able to obtain any U.S. Government contract or contracts through improper influence.
- (C) Contingent fee, as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a U.S. Government contract.  
Improper influence, as used in this clause, means any influence that induces or tends to induce a Government employee or officer to give consideration or to act regarding a U.S. Government contract on any basis other than the merits of the matter.
- 4. FAR 52.203-7 – Anti-Kickback Procedures (MAY 2014)**
- (A) Definitions:  
Kickback, as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract in connection with a subcontract relating to a prime contract.  
Person, as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.  
Prime contract, as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.  
Prime Contractor, as used in this clause, means a person who has entered into a prime contract with the United States.  
Prime Contractor employee, as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.  
Subcontract, as used in this clause, means a contract or contractual action entered into by a prime Contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.  
Subcontractor, as used in this clause, (1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and (2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.  
Subcontractor employee, as used in this clause, means any officer, partner, employee, or agent of a subcontractor.
- (B) The Anti-Kickback Act of 1986 (41 U.S.C. 51-58) (the Act), prohibits any person from:
- (1) Providing or attempting to provide or offering to provide any kickback;
  - (2) Soliciting, accepting, or attempting to accept any kickback; or
  - (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.
- (C) The Seller certifies that it complies with FAR 52.203-7 and as such it has not violated the Anti-Kickback Act and has in place reasonable procedures designed to prevent and detect possible violations described in paragraph (B) of this clause in its own operations and direct business relationships.
- 5. FAR 52.203-8 – Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (MAY 2014)**
- (A) The Buyer certifies that it complies with FAR 52.203-8 and as such it has not engaged in conduct constituting a violation of 41 U.S.C. §§ 2102-2104, Restrictions on Obtaining and Disclosing Certain Information. The Buyer may terminate any order with respect to which:
- (1) The Seller or someone acting for the Seller has been convicted for an offense where the conduct violates 41 U.S.C. § 2102 for the purpose of either:
    - (i) Exchanging the information covered by such subsections for anything of value; or
    - (ii) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or
  - (2) The Buyer has determined that the Seller or someone acting for the Seller has engaged in conduct constituting an offense punishable under 41 U.S.C. § 2105(a).
- 6. FAR 52.203-11 – Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2007)**
- (A) Definitions. As used in this provision--“Lobbying contact” has the meaning provided at 2 U.S.C. 1602(8). The terms “agency,” “influencing or attempting to influence,” “officer or employee of an agency,” “person,” “reasonable compensation,” and “regularly employed” are defined in the FAR clause entitled “Limitation on Payments to Influence Certain Federal Transactions” (52.203-12).
- (B) Prohibition. The prohibition and exceptions contained in the FAR clause entitled “Limitation on Payments to Influence Certain Federal Transactions” (52.203-12) are hereby incorporated by reference in this provision.
- (C) Certification. The Seller certifies that it complies with FAR 52.203-11 and as such, to the best of its knowledge and belief no funds, including Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence, an officer or employee of Customer, an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this order.
- (D) Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the Seller with respect to this order, the Seller shall complete and submit, with its offer or prior to award of any order, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants.

7. **FAR 52.203–13 Contractor Code of Business Ethics and Conduct (OCT 2015)** (*Applies only to orders that have a value in excess of \$5,500,000*)
- (A) Definitions. As used in this clause:  
Agent means any individual, including a director, an officer, an employee, or an independent Contractor, authorized to act on behalf of the organization.  
Full cooperation:  
(1) Means disclosure to the Buyer or the U.S. Government of the information sufficient to identify the nature and extent of the offense and the individuals responsible for the conduct. It includes providing timely and complete response to the Buyer or U.S. Government auditors' and investigators' request for documents and access to employees with information;  
(2) Does not foreclose any rights arising in law, the FAR, or the terms of the order. It does not require:  
(i) A Seller to waive its attorney-client privilege or the protections afforded by the attorney work product doctrine; or  
(ii) Any officer, director, owner, or employee of the Seller, including a sole proprietor, to waive his or her attorney client privilege or Fifth Amendment rights; and  
(3) Does not restrict a Seller from:  
(i) Conducting an internal investigation; or  
(ii) Defending a proceeding or dispute arising under the order or related to a potential or disclosed violation.  
Principal means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).  
Subcontract means any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract.  
Subcontractor means any supplier, distributor, vendor, or firm that furnished supplies or services to or for a prime contractor or another subcontractor.  
United States means the 50 States, the District of Columbia, and outlying areas.
- (B) Code of business ethics and conduct.  
Within 30 days after order award, the Seller certifies that it shall comply with FAR 52.203-13, to the extent applicable and as such:  
(1) The Seller shall:  
(i) Have a written code of business ethics and conduct;  
(ii) Make a copy of the code available to each employee engaged in performance of the order.  
(2) The Seller shall:  
(i) Exercise due diligence to prevent and detect criminal conduct; and  
(ii) Otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.  
(3) (i) The Seller shall timely disclose, in writing, to the Buyer and to the agency Office of the Inspector General (OIG), with a copy to the Contracting Officer identified by the Buyer, whenever, in connection with the award, performance, or closeout of this order or any subcontract thereunder, the Seller has credible evidence that a principal, employee, agent, or subcontractor of the Seller has committed:  
(a) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or  
(b) A violation of the civil False Claims Act (31 U.S.C. 3729–3733).  
(ii) The Buyer and the U.S. Government, to the extent permitted by law and regulation, will safeguard and treat information obtained pursuant to the Seller's disclosure as confidential where the information has been marked "confidential" or "proprietary" by the Seller. To the extent permitted by law and regulation, such information will not be released by the U.S. Government to the public pursuant to a Freedom of Information Act request, 5 U.S.C. Section 552. The U.S. Government may transfer documents provided by the Seller to any department or agency within the Executive Branch if the information relates to matters within the organization's jurisdiction.
- (C) Business ethics awareness and compliance program and internal control system. This paragraph (C) does not apply if the Seller has represented itself as a small business concern pursuant to the award of this order or if this order is for the acquisition of a commercial item as defined at FAR 2.101. The Seller certifies that it shall establish the following within 90 days after order award:  
(1) An ongoing business ethics awareness and compliance program.  
(i) This program shall include reasonable steps to communicate periodically and in a practical manner the Seller's standards and procedures and other aspects of the Seller's business ethics awareness and compliance program and internal control system, by conducting effective training programs and otherwise disseminating information appropriate to an individual's respective roles and responsibilities.  
(ii) The training conducted under this program shall be provided to the Seller's principals and employees, and as appropriate, the Seller's agents and subcontractors.  
(2) An internal control system.  
(i) The Seller's internal control system shall:  
(a) Establish standards and procedures to facilitate timely discovery of improper conduct in connection with Government contracts; and  
(b) Ensure corrective measures are promptly instituted and carried out.  
(ii) At a minimum, the Seller's internal control system shall provide for the following:  
(a) Assignment of responsibility at a sufficiently high level and adequate resources to ensure effectiveness of the business ethics awareness and compliance program and internal control system.  
(b) Reasonable efforts not to include an individual as a principal, whom due diligence would have exposed as having engaged in conduct that is in conflict with the Seller's code of business ethics and conduct.  
(c) Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Seller's code of business ethics and conduct and the special requirements of U.S. Government contracting, including:  
(1) Monitoring and auditing to detect criminal conduct;  
(2) Periodic evaluation of the effectiveness of the business ethics awareness and compliance program and internal control system, especially if criminal conduct has been detected; and

- (3) Periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement, or modify the business ethics awareness and compliance program and the internal control system as necessary to reduce the risk of criminal conduct identified through this process.
- (d) An internal reporting mechanism, such as a hotline, which allows for anonymity or confidentiality, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.
- (e) Disciplinary action for improper conduct or for failing to take reasonable steps to prevent or detect improper conduct.
- (f) Timely disclosure, in writing, to the Buyer, to the agency OIG, with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of any Government contract performed by the Seller or a subcontractor thereunder, the Seller has credible evidence that a principal, employee, agent, or subcontractor of the Seller has committed a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 U.S.C. or a violation of the civil False Claims Act (31 U.S.C. 3729–3733).
  - (1) If a violation relates to more than one U.S. Government contract, the Seller may make the disclosure to the agency OIG and Contracting Officer responsible for the largest dollar value contract impacted by the violation.
  - (2) If the violation relates to an order against a U.S. Government wide acquisition contract, a multi-agency contract, a multiple-award schedule contract such as the Federal Supply Schedule, or any other procurement instrument intended for use by multiple agencies, the Seller shall notify the OIG of the ordering agency and the IG of the agency responsible for the basic contract, and the respective agencies' contracting officers.
  - (3) The disclosure requirement for an individual contract continues until at least 3 years after final payment on the contract.
- (g) Full cooperation with the Buyer and any U.S. Government agencies responsible for audits, investigations, or corrective actions.

**8. FAR 52.203-18 Prohibition on Contracting with Entities that Require Certain Internal Confidentiality Agreements or Statements—Representation (JAN 2017)**

- (A) Definitions. As used in this clause:
- Internal confidentiality agreement or statement means a confidentiality agreement or any other written statement that the Seller requires any of its employees or subcontractors to sign regarding nondisclosure of contractor information, except that it does not include confidentiality agreements arising out of civil litigation or confidentiality agreements that Seller's employees or subcontractors sign at the behest of a Federal agency.
- Subcontract means any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.
- Subcontractor means any supplier, distributor, vendor, or firm (including a consultant) that furnishes supplies or services to or for a prime contractor or another subcontractor.
- (B) The Seller certifies that it will not require its employees or subcontractors to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting waste, fraud, or abuse related to the performance of a Government contract to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information (e.g., Office of the Inspector General of any relevant agency).

**9. FAR 52.204-3 Taxpayer Identification (OCT 1998)**

- (A) Definitions.
- Common parent means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Seller is a member.
- Taxpayer Identification Number (TIN) means the number required by the Internal Revenue Service (IRS) to be used by the Seller in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.
- (B) The Seller certifies that it complies with FAR 52.204-3 and as such the Seller will submit the information required in paragraphs (D) through (F) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting order is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the Seller to furnish the information may result in a 31 percent reduction of payments otherwise due under the order.
- (C) The TIN may be used by the U.S. Government to collect and report on any delinquent amounts arising out of the Seller's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting order is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the Seller's TIN.
- (D) Taxpayer Identification Number (TIN).
- TIN: \_\_\_\_\_.
- TIN has been applied for.
- TIN is not required because:
- Seller is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;
  - Seller is an agency or instrumentality of a foreign government;
  - Seller is an agency or instrumentality of the U.S. Government.
- (E) Type of organization.
- Sole proprietorship;
  - Partnership;
  - Corporate entity (not tax-exempt);
  - Corporate entity (tax-exempt);
  - Government entity (Federal, State, or local);
  - Foreign government;

- International organization per 26 CFR 1.6049-4;
- Other

(F) Common parent.

- Seller is not owned or controlled by a common parent as defined in paragraph (A) of this provision.
- Name and TIN of common parent:

Name \_\_\_\_\_  
TIN \_\_\_\_\_

**10. FAR 52.209-5 Certification Regarding Responsibility Matters (OCT 2015)**

(A) (1) The Seller certifies that it complies with FAR 52.209-5 and as such, to the best of its knowledge and belief, that:

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

- (a) Are ( ) are not ( ) presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
- (b) Have ( ) have not ( ), within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property (if the Seller checks "have", the Seller shall also see 52.209-7);
- (c) Are ( ) are not ( ) presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (A)(1)(i)(b) of this provision; and
- (d) Have ( ), have not ( ), within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied.

(1) Federal taxes are considered delinquent if both of the following criteria apply:

- (i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
- (ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(e) The Seller has ( ) has not ( ), within a 3-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) Principal, for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).

(B) The Seller shall provide immediate written notice to the Buyer if, at any time prior to order award or during order performance, the Seller learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

**11. FAR 52.209-6 Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment (OCT 2015) (Applies only to orders that have a value in excess of \$35,000 and are not for commercially available off-the-shelf items)**

(A) Definition. Commercially available off-the-shelf (COTS) item, as used in this clause:

(1) Means any item of supply (including construction material) that is:

- (i) A commercial item (as defined in paragraph (1) of the definition in FAR 2.101);
- (ii) Sold in substantial quantities in the commercial marketplace; and
- (iii) Offered to the U.S. Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and

(2) Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products.

(B) Other than a subcontract for a commercially available off-the-shelf item, the Seller certifies that it complies with FAR 52.209-6 and as such it will not enter into any subcontract, in excess of \$35,000 with a contractor that is debarred, suspended, or proposed for debarment by any agency of the U.S. Government.

**12. FAR 52.209-7 Information Regarding Responsibility Matters (JULY 2013)**

(A) Definitions. As used in this provision:

Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative Proceedings, Civilian Board of Contract Appeals Proceedings, and Armed Services Board of Contract Appeals Proceedings). This includes administrative proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include agency actions such as contract audits, site visits, corrective plans, or inspection of deliverables.

Federal contracts and grants with total value greater than \$10,000,000 means:

- (1) The total value of all current, active contracts and grants, including all priced options; and
- (2) The total value of all current, active orders including all priced options under indefinite-delivery, indefinite-quantity, 8(a), or requirements contracts (including task and delivery and multiple-award Schedules).

Principal means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).

(B) The Seller ( ) has ( ) does not have current active Federal contracts and grants with total value greater than \$10,000,000.

- (C) If the Seller checked “has” in paragraph (B) of this provision, the Seller represents, by submission of this offer, that the information it has entered in the Federal Awardee Performance and Integrity Information System (FAPIS) is current, accurate, and complete both as of the date of submission of an offer and throughout the performance of any order issued hereunder with regard to the following information:
- (1) Whether the Seller, and/or any of its principals, has or has not, within the last five years, in connection with the award to or performance by the Seller of a Federal contract or grant, been the subject of a proceeding, at the Federal or State level that resulted in any of the following dispositions:
- (i) In a criminal proceeding, a conviction.
  - (ii) In a civil proceeding, a finding of fault and liability that results in the payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more.
  - (iii) In an administrative proceeding, a finding of fault and liability that results in:
    - (a) The payment of a monetary fine or penalty of \$5,000 or more; or
    - (b) The payment of a reimbursement, restitution, or damages in excess of \$100,000.
  - (iv) In a criminal, civil, or administrative proceeding, a disposition of the matter by consent or compromise with an acknowledgment of fault by the Seller if the proceeding could have led to any of the outcomes specified in paragraphs (C)(1)(i), (C)(1)(ii), or (C)(1)(iii) of this provision.
- (2) If the Seller has been involved in the last five years in any of the occurrences listed in (C)(1) of this provision, whether the Seller has provided the requested information with regard to each occurrence.
- (D) The Seller shall post the information in paragraphs (C)(1)(i) through (C)(1)(iv) of this provision in FAPIS as required through maintaining an active registration in the System for Award Management database via <https://www.acquisition.gov> (see 52.204-7) and shall notify the Buyer in writing of advance of any modifications to the certifications above during performance of any order hereunder.
- 13. FAR 52.215-22 Limitations on Pass-Through Charges-Identification of Subcontract Effort (OCT 2009)** (*Applies only when order exceeds \$750,000 and Seller certified cost or pricing data under FAR 15 is required*)
- (A) Definitions. Added value, excessive pass-through charge, subcontract, and subcontractor, are defined in the clause entitled “Limitations on Pass-Through Charges” (FAR 52.215-23).
- (B) General. The Seller certifies that it complies with FAR 52.215-22 and as such the Seller's proposal excludes excessive pass-through charges.
- (C) Performance of work by the Seller or a subcontractor.
- (1) The Seller shall identify in its proposal the total cost of the work to be performed by the Seller, and the total cost of the work to be performed by each subcontractor, under the order.
- (2) If the Seller intends to subcontract more than 70 percent of the total cost of work to be performed under the order, the Seller certifies that it has identified in its proposal:
- (i) The amount of the Seller's indirect costs and profit/fee applicable to the work to be performed by the subcontractor(s); and
  - (ii) A description of the added value provided by the Seller as related to the work to be performed by the subcontractor(s).
- (3) If any subcontractor proposed under the order intends to subcontract to a lower-tier subcontractor more than 70 percent of the total cost of work to be performed under its subcontract, the Seller shall identify in its proposal:
- (i) The amount of the subcontractor's indirect costs and profit/fee applicable to the work to be performed by the lower-tier subcontractor(s); and
  - (ii) A description of the added value provided by the subcontractor as related to the work to be performed by the lower-tier subcontractor(s).
- 14. DFARS 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC 2008)**
- (A) Definitions. As used in this clause:
- (1) Arising out of a contract with the DOD means any act in connection with:
- (i) Attempting to obtain;
  - (ii) Obtaining; or
  - (iii) Performing a contract or first-tier subcontract of any agency, department, or component of the Department of Defense (DOD).
- (2) Conviction of fraud or any other felony means any conviction for fraud or a felony in violation of state or Federal criminal statutes, whether entered on a verdict or plea, including a plea of nolo contendere, for which sentence has been imposed.
- (3) Date of conviction means the date judgment was entered against the individual.
- (B) The Seller certifies that it complies with DFARS 252.203-7001 and as such no individual who is convicted after September 29, 1988, of fraud or any other felony arising out of a contract with the DOD serves or will serve:
- (1) In a management or supervisory capacity on this order;
  - (2) On the board of directors of the Seller;
  - (3) As a consultant, agent, or representative for the Seller; or
  - (4) In any other capacity with the authority to influence, advise, or control the decisions of the Seller with regard to this order.
- (C) The prohibition in paragraph (B) of this clause applies for not less than 5 years from the date of conviction.
- 15. DFARS 252.203-7005 Representation Relating to Compensation of Former DOD Officials (NOV 2011)**
- (A) Definition. Covered DOD official is defined in the clause at 252.203-7000, Requirements Relating to Compensation of Former DOD Officials.
- (B) By submission of this offer, the Seller certifies that it complies with DFARS 252.203-7005 and as such that all covered DOD officials employed by or otherwise receiving compensation from the offeror, and who are expected to undertake activities on behalf of the offeror for any resulting order, are presently in compliance with all post-employment restrictions covered by 18 U.S.C. 207, 41 U.S.C. 2101-2107, and 5 CFR parts 2637 and 2641, including Federal Acquisition Regulation 3.104-2.
- 16. DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (OCT 2016)**
- (A) Definitions. As used in this provision:

Adequate security means protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information.

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

Contractor attributional/proprietary information means information that identifies the Seller, whether directly or indirectly, by the grouping of information that can be traced back to the Seller (e.g., program description, facility locations), personally identifiable information, as well as trade secrets, commercial or financial information, or other commercially sensitive information that is not customarily shared outside of the company.

Controlled technical information means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information would meet the criteria, if disseminated, for distribution statements B through F using the criteria set forth in DOD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

Covered contractor information system means an unclassified information system that is owned, or operated by or for Seller and that processes, stores, or transmits covered defense information.

Covered defense information means unclassified controlled technical information or other information, as described in the Controlled Unclassified Information (CUI) Registry at <http://www.archives.gov/cui/registry/category-list.html>, that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, and Government wide policies, and is—

(1) Marked or otherwise identified in the contract, task order, or delivery order and provided to the Seller by or on behalf of DOD in support of the performance of the contract; or

(2) Collected, developed, received, transmitted, used, or stored by or on behalf of the Seller in support of the performance of the contract.

Cyber incident means actions taken through the use of computer networks that result in a compromise or an actual or potentially adverse effect on an information system and/or the information residing therein.

Forensic analysis means the practice of gathering, retaining, and analyzing computer-related data for investigative purposes in a manner that maintains the integrity of the data.

Information system means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

Malicious software means computer software or firmware intended to perform an unauthorized process that will have adverse impact on the confidentiality, integrity, or availability of an information system. This definition includes a virus, worm, Trojan horse, or other code-based entity that infects a host, as well as spyware and some forms of adware.

Media means physical devices or writing surfaces including, but not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which covered defense information is recorded, stored, or printed within a covered contractor information system.

Operationally critical support means supplies or services designated by the Government as critical for airlift, sealift, intermodal transportation services, or logistical support that is essential to the mobilization, deployment, or sustainment of the Armed Forces in a contingency operation.

Rapidly report means within 72 hours of discovery of any cyber incident.

Technical information means technical data or computer software, as those terms are defined in the clause at DFARS 252.227-7013, Rights in Technical Data—Noncommercial Items, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(B) Adequate security. The Seller certifies that it will provide adequate security on all covered contractor information systems. To provide adequate security, the Seller certifies that it will implement, at a minimum, the following information security protections:

(1) For covered contractor information systems, the following security requirements apply:

(i) Except as provided in paragraph (B)(1)(ii) of this certification, the covered contractor information system shall be subject to the security requirements in National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations" (available via the internet at <http://dx.doi.org/10.6028/NIST.SP.800-171>) in effect at the time the Order is issued, unless otherwise specified in the Order.

(ii) (A) The Seller shall implement NIST SP 800-171, as soon as practical, but not later than December 31, 2017.

(B) The Seller shall submit any requests to vary from NIST SP 800-171 in writing only to a designated Government Contracting Officer, for consideration by the DOD CIO, as set out in DFARS 252.204-7012.

(C) If the DOD CIO has adjudicated the Seller's requests indicating that a requirement is not applicable or that an alternative security measure is equally effective, a copy of that approval shall be provided to the Buyer prior to accepting any Order subject to DFARS 252.204-7012. Seller shall not vary from NIST SP 800-171 requirements unless the DOD CIO favorably adjudicates Seller's request and Seller provides written evidence of this determination to Buyer.

Seller reports the following approved requests for variance from NIST SP 800-171 presently in effect as follows (attach a copy of the adjudication):

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(D) If the Seller intends to use an external cloud service provider to store, process, or transmit any covered defense information in performance of an Order, the Seller shall require and ensure that the cloud service provider meets security requirements equivalent to those established by the Government for the Federal Risk and Authorization Management Program (FedRAMP) Moderate baseline (<https://www.fedramp.gov/resources/documents/>) and that the cloud service provider complies with requirements in paragraphs (C) through (G) of this provision for cyber incident reporting, malicious software, media preservation and protection, access to additional information and equipment necessary for forensic analysis, and cyber incident damage assessment.

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- (2) The Seller shall utilize other information systems security measures when the Seller reasonably determines that information systems security measures, in addition to those identified in paragraph (B)(1) of this certification, may be required to provide adequate security in a dynamic environment or to accommodate special circumstances (e.g., medical devices) and any individual, isolated, or temporary deficiencies based on an assessed risk or vulnerability. These measures may be addressed in a system security plan.
- (C) Cyber incident reporting requirement. The Seller certifies that:
- (1) When the Seller discovers a cyber-incident that affects a covered contractor information system or the covered defense information residing therein, or that affects the Seller's ability to perform the requirements of an Order that are designated as operationally critical support and identified in the Order, it will—
- (i) Conduct a review for evidence of compromise of covered defense information, including, but not limited to, identifying compromised computers, servers, specific data, and user accounts. This review shall also include analyzing covered contractor information system(s) that were part of the cyber incident, as well as other information systems on the Seller's network(s), that may have been accessed as a result of the incident in order to identify compromised covered defense information, or that affect the Seller's ability to provide operationally critical support; and
  - (ii) Rapidly report cyber incidents to the Buyer and to the DOD at <http://dibnet.dod.mil>.
  - (iii) Provide the DOD incident report number to Buyer immediately thereafter but not later than 3 days after receiving the incident report number.
  - (iv) Cooperate with and provide such information to Buyer, its customers or DOD as they may require regarding the incident, as set out in this paragraph (C), as is necessary to conduct reasonable damage assessment.
- (2) Cyber incident report. The Seller shall treat the cyber incident report as information created by or for DOD and shall include, at a minimum, the required elements at <http://dibnet.dod.mil>.
- (3) Medium assurance certificate requirement. In order to report cyber incidents in accordance with this provision, the Seller certifies that it has or will acquire a DOD-approved medium assurance certificate to report cyber incidents. For information on obtaining a DOD-approved medium assurance certificate, see <http://iase.disa.mil/pki/eca/Pages/index.aspx>.
- (D) Malicious software. The Seller certifies that in the event it discovers and isolates malicious software in connection with a reported cyber incident, it will submit the malicious software to DOD Cyber Crime Center (DC3) in accordance with instructions provided by DC3 or the designated Government Contracting Officer.
- (E) Media preservation and protection. In the event the Seller discovers that a cyber-incident has occurred, the Seller certifies that it will preserve and protect images of all known affected information systems identified in paragraph (c) of DFARS 252.204-7012 and all relevant monitoring/packet capture data for at least 90 days from the submission of the cyber incident report to allow the Buyer and the DOD to request the media or decline interest.
- (F) Access to additional information or equipment necessary for forensic analysis. Upon request by the Buyer, its customers or the DOD, the Seller certifies that it will provide the Buyer, its customers or the DOD with access to additional information or equipment that is necessary to conduct a forensic analysis.
- (G) Cyber incident damage assessment activities. If the Buyer or the DOD elects to conduct a damage assessment, the Buyer or DOD will request that the Seller provide all of the damage assessment information gathered in accordance with paragraph (E) of this clause and the Seller certifies that it will cooperate with such requests.
- (H) To the maximum extent practicable, the Seller shall identify and mark attributional/proprietary information of Seller. In making an authorized release of such information, the Government will implement appropriate procedures to minimize the Seller attributional/proprietary information that is included in such authorized release, seeking to include only that information that is necessary for the authorized purpose(s) for which the information is being released.
- (I) The Seller understands that information that is obtained from the Seller (or derived from information obtained from the Seller) under this provision that is not created by or for DOD is authorized to be released outside of DOD by DOD—
- (1) To entities with missions that may be affected by such information;
  - (2) To entities that may be called upon to assist in the diagnosis, detection, or mitigation of cyber incidents;
  - (3) To Government entities that conduct counterintelligence or law enforcement investigations;
  - (4) For national security purposes, including cyber situational awareness and defense purposes (including with Defense Industrial Base (DIB) participants in the program at 32 CFR part 236); or
  - (5) To a support services contractor ("recipient") that is directly supporting Government activities under a contract that includes the clause at 252.204-7009, Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information.
- (J) Information that is obtained from the Seller (or derived from information obtained from the Seller) under this provision that is created by or for DOD (including the information submitted pursuant to paragraph (c) of DFARS 252.204-7012) is authorized to be used and released outside of DOD for purposes and activities authorized by paragraph (I) of this provision, and for any other lawful Government purpose or activity, subject to all applicable statutory, regulatory, and policy based restrictions on the Government's use and release of such information.
- (K) The Seller shall conduct activities under this provision in accordance with applicable laws and regulations on the interception, monitoring, access, use, and disclosure of electronic communications and data.
- (L) Other safeguarding or reporting requirements. The safeguarding and cyber incident reporting required by this clause in no way abrogates the Seller's responsibility for other safeguarding or cyber incident reporting pertaining to its unclassified information systems as required by other applicable Order clauses, or as a result of other applicable U.S. Government statutory or regulatory requirements.
- (M) The Seller certifies that it complies with DFARS 252.204-7012 and will comply with the requirements above in the performance of any Order where covered defense information is present and will require any subcontractors or suppliers to which it supplies covered defense information to likewise comply with the foregoing requirements..

**Certifications: Environmental protections**

1. FAR 52.223-3 Hazardous Material Identification and Material Safety Data (JAN 1997)

- (A) Hazardous material, as used in this clause, includes any material defined as hazardous under the latest version of Federal Standard no 313 (including revisions adopted during the term of the order).
- (B) The Seller certifies that it complies with FAR 52.223-3 and as such must list any hazardous material, as defined in paragraph (A) of this clause, to be delivered under this order. The hazardous material shall be properly identified and include any applicable identification number, such as National Stock Number or Special Item Number. This information shall also be included on the Material Safety Data Sheet submitted under this order. Material (If none, insert "None"):

Identification no: \_\_\_\_\_

- (C) This list must be updated during performance of the order whenever the Seller determines that any other material to be delivered under this order is hazardous.
- (D) The Seller agrees to submit, for each item as required prior to award, a Material Safety Data Sheet, meeting the requirements of 29 CFR 1910.1200(g) and the latest version of Federal Standard no 313, for all hazardous material identified in paragraph (B) of this clause. Data shall be submitted in accordance with Federal Standard no 313, whether or not the Seller is the actual manufacturer of these items. Failure to submit the Material Safety Data Sheet prior to award may result in the Seller being considered ineligible for award.
- (E) If, after award, there is a change in the composition of the item(s) or a revision to Federal Standard no 313, which renders incomplete or inaccurate the data submitted under paragraph (D) of this clause, the Seller shall promptly notify the Buyer and resubmit the data.
- (F) Neither the requirements of this clause nor any act or failure to act by the Buyer or the Government shall relieve the Seller of any responsibility or liability for the safety of U.S. Government, Buyer, Seller, or subcontractor personnel or property.
- (G) Nothing contained in this clause shall relieve the Seller from complying with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits) in connection with hazardous material.
- (H) The Buyer's and the U.S. Government's rights in data furnished under this order with respect to hazardous material are as follows:
- (1) To use, duplicate and disclose any data to which this clause is applicable. The purposes of this right are to:
    - (i) Apprise personnel of the hazards to which they may be exposed in using, handling, packaging, transporting, or disposing of hazardous materials;
    - (ii) Obtain medical treatment for those affected by the material; and
    - (iii) Have others use, duplicate, and disclose the data for the Buyer and the Government for these purposes.
  - (2) To use, duplicate, and disclose data furnished under this clause, in accordance with subparagraph (H)(1) of this clause, in precedence over any other clause of this order providing for rights in data.
  - (3) The Buyer and the Government are not precluded from using similar or identical data acquired from other sources.

### 2. FAR 52.223-7 Notice of Radioactive Materials (JAN 1997)

- (A) The Seller certifies that it complies with FAR 52.223-7 and as such shall notify the Buyer, in writing, prior to the delivery of, or prior to completion of any servicing required by this order of, items containing either:
- (1) Radioactive material requiring specific licensing under the regulations issued pursuant to the Atomic Energy Act of 1954, as amended, as set forth in title 10 of the Code of Federal Regulations, in effect on the date of this order, or
  - (2) Other radioactive material not requiring specific licensing in which the specific activity is greater than 0.002 microcuries per gram or the activity per item equals or exceeds 0.01 microcuries. Such notice shall specify the part or parts of the items which contain radioactive materials, a description of the materials, the name and activity of the isotope, the manufacturer of the materials, and any other information known to the Seller which will put users of the items on notice as to the hazards involved (OMB no 9000-0107).
- (B) All items, parts, or subassemblies which contain radioactive materials in which the specific activity is greater than 0.002 microcuries per gram or activity per item equals or exceeds 0.01 microcuries, and all containers in which such items, parts or subassemblies are delivered to the Buyer shall be clearly marked and labeled as required by the latest revision of MIL-STD 129 in effect on the date of the order.

### 3. FAR 52.223-11 Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (JUN 2016)

- (A) Definitions. As used in this clause:
- (1) Global warming potential means how much a given mass of a chemical contributes to global warming over a given time period compared to the same mass of carbon dioxide. Carbon dioxide's global warming potential is defined as 1.0.
  - (2) High global warming potential hydrofluorocarbons means any hydrofluorocarbons in a particular end use for which EPA's Significant New Alternatives Policy (SNAP) program has identified other acceptable alternatives that have lower global warming potential. The SNAP list of alternatives is found at 40 CFR part 82, subpart G, with supplemental tables of alternatives available at (<http://www.epa.gov/snap/>).
  - (3) Ozone-depleting substance, means any substance the Environmental Protection Agency designates in 40 CFR part 82 as:
    - (i) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or
    - (ii) Class II, including, but not limited to, hydrochlorofluorocarbons.
- (B) The Seller certifies that it complies with FAR 52.223-11 and as such shall label products which contain or are manufactured with ozone-depleting substances in the manner and to the extent required by 42 U.S.C. 7671j(b), (c), (d) and (e) and 40 CFR part 82, subpart E, as follows: "WARNING: Contains (or manufactured with, if applicable) \_\_\_\_\_

\*, a substance(s) which harm(s) public health and environment  
by destroying ozone in the upper atmosphere." \* The Seller shall insert the name of the substance(s).

### 4. DFARS 252.223-7001 Hazard Warning Labels (DEC 1991)

- (A) "Hazardous material," as used in this clause, is defined in the Hazardous Material Identification and Material Safety Data clause of this order.
- (B) The Seller certifies that it complies with DFARS 252.223-7001 and as such shall label the item package (unit container) of any hazardous material to be delivered under this order in accordance with the Hazard Communication Standard (29 CFR 1910.1200 et seq.). The Standard requires that the hazard warning label conform to the requirements of the standard unless the material is otherwise subject to the labeling requirements of one of the following statutes:

- (1) Federal Insecticide, Fungicide and Rodenticide Act;
  - (2) Federal Food, Drug and Cosmetics Act;
  - (3) Consumer Product Safety Act;
  - (4) Federal Hazardous Substances Act; or
  - (5) Federal Alcohol Administration Act.
- (C) The Seller further certifies that it shall list which hazardous material listed in the Hazardous Material Identification and Material Safety Data clause of this order will be labeled in accordance with one of the Acts in paragraphs (B)(1) through (5) of this clause instead of the Hazard Communication Standard. Any hazardous material not listed will be interpreted to mean that a label is required in accordance with the Hazard Communication Standard.  
Material (if none, insert "None.") Act:  
\_\_\_\_\_
- (D) The Seller agrees to submit, before order acceptance, a copy of the hazard warning label for all hazardous materials not listed in paragraph (C) of this clause. The Seller shall submit the label with the Material Safety Data Sheet being furnished under the Hazardous Material Identification and Material Safety Data clause of this order.
- (E) The Seller shall also comply with MIL-STD-129, Marking for Shipment and Storage (including revisions adopted during the term of this order).
- 5. DFARS 252.223-7008 Prohibition of Hexavalent Chromium (JUN 2013)**
- (A) Definitions. As used in this clause:  
Homogeneous material means a material that cannot be mechanically disjointed into different materials and is of uniform composition throughout.  
(1) Examples of homogeneous materials include individual types of plastics, ceramics, glass, metals, alloys, paper, board, resins, and surface coatings.  
(2) Homogeneous material does not include conversion coatings that chemically modify the substrate. Mechanically disjointed means that the materials can, in principle, be separated by mechanical actions such as unscrewing, cutting, crushing, grinding, and abrasive processes.
- (B) Prohibition. The Seller certifies that it complies with DFARS 252.223-7008 and as such:  
(1) The Seller shall not provide any deliverable or construction material under this order that:  
(i) Contains hexavalent chromium in a concentration greater than 0.1 percent by weight in any homogenous material; or  
(ii) Requires the removal or reapplication of hexavalent chromium materials during subsequent sustainment phases of the deliverable or construction material.  
(2) This prohibition does not apply to hexavalent chromium produced as a by-product of manufacturing processes.
- (C) If incorporation of hexavalent chromium in a deliverable or construction material is required, the Seller must submit a request to the Buyer prior to order acceptance. Such incorporation is subject to Buyer's express approval, at Buyer's sole discretion, by modification of order.

**Certifications: Small Business/EEO**

- 1. FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (OCT 2016)** *(Applies only where Buyer is prime contractor to U.S. Government agency).*
- (A) Definitions. As used in this clause:  
Subcontractor means the Seller.  
Executive means officers, managing partners, or any other employees in management positions.  
Month of award means the month in which an order is accepted by the Seller.  
Total compensation means the cash and noncash dollar value earned by the executive during the Seller's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):  
(1) Salary and bonus.  
(2) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) 718, Compensation-Stock Compensation.  
(3) Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.  
(4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.  
(5) Above-market earnings on deferred compensation which is not tax-qualified.  
(6) Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- (B) Section 2(d)(2) of the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282), as amended by section 6202 of the Government Funding Transparency Act of 2008 (Pub.L. 110-252), requires the Buyer to report information on subcontract awards. The law requires all reported information be made public, therefore, the Seller is notified that the required information will be made public.
- (C) (1) First-tier subcontract information. Seller shall cooperate with the Buyer in Buyer's obligation to report the following information at <http://www.frs.gov> for each first-tier order above \$30,000.  
(i) Unique entity identifier for the subcontractor receiving the award and for the subcontractor's parent company, if the subcontractor has a parent company.  
(ii) Name of the subcontractor.  
(iii) Amount of the subcontract award.  
(iv) Date of the subcontract award.  
(v) A description of the products or services (including construction) being provided under the subcontract, including the overall purpose and expected outcomes or results of the subcontract.  
(vi) Subcontract number (the order number assigned by the Buyer).

- (vii) Subcontractor's physical address including street address, city, state, and country. Also include the nine-digit zip code and congressional district.
  - (viii) Subcontractor's primary performance location including street address, city, state, and country. Also include the nine-digit zip code and congressional district.
  - (ix) The prime contract number, and order number if applicable.
  - (x) Awarding agency name and code.
  - (xi) Funding agency name and code.
  - (xii) U.S. Government contracting office code.
  - (xiii) Treasury account symbol (TAS) as reported in FPDS.
  - (xiv) The applicable North American Industry Classification System code (NAICS).
- (D) (2) Executive compensation of the Seller. By the end of the month following the month of award of an order with a value of \$30,000 or more, and annually thereafter during the performance of such order, the Seller shall report to Buyer the names and total compensation of each of the five most highly compensated executives for the Seller for the Seller's preceding completed fiscal year, if:
- (i) In the Seller's preceding fiscal year, the Seller received:
    - (A) 80 percent or more of its annual gross revenues from U.S. Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of U.S. Federal financial assistance; and
    - (B) \$25,000,000 or more in annual gross revenues from U.S. Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of U.S. Federal financial assistance; and
  - (ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
- (E) The Seller certifies that it will cooperate fully with the Buyer to ensure that the Buyer has the information needed to comply with FAR 52.204-10.

**2. FAR 52.219-1 – Small Business Program Representations (OCT 2014)**

- (A) Representations under definitions IAW FAR 52.219-1:
- (1) The Seller represents as part of its offer that it  is,  is not a small business concern under applicable size standards established by the Small Business Administration.
  - (2) *(Complete only if the Seller represented itself as a small business concern in paragraph (A)(1) of this provision.)* The Seller represents that it  is,  is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.
  - (3) *(Complete only if the Seller represented itself as a small business concern in paragraph (A)(1) of this provision.)* The Seller represents as part of its offer that it  is,  is not a women-owned small business concern.
  - (4) Women-owned small business (WOSB) concern eligible under the WOSB Program. *[Complete only if the Seller represented itself as a women-owned small business concern in paragraph (A)(3) of this provision.]* The Seller represents as part of its offer that:
    - (i) It  is,  is not a WOSB concern eligible under the WOSB Program, has provided all the required documents to the WOSB Repository, and no change in circumstances or adverse decisions have been issued that affects its eligibility; and
    - (ii) It  is,  is not a joint venture that complies with the requirements of 13 CFR part 127, and the representation in paragraph (A)(4)(i) of this provision is accurate for each WOSB concern eligible under the WOSB Program participating in the joint venture. *[The Seller shall enter the name or names of the WOSB concern eligible under the WOSB Program and other small businesses that are participating in the joint venture: \_\_\_\_\_.]* Each WOSB concern eligible under the WOSB Program participating in the joint venture shall submit a separate signed copy of the WOSB representation.
  - (5) Economically disadvantaged women-owned small business (EDWOSB) concern. *[Complete only if the Seller represented itself as a women-owned small business concern eligible under the WOSB Program in (A)(4) of this provision.]* The Seller represents as part of its offer that:
    - (i) It  is,  is not an EDWOSB concern eligible under the WOSB Program, has provided all the required documents to the WOSB Repository, and no change in circumstances or adverse decisions have been issued that affects its eligibility; and
    - (ii) It  is,  is not a joint venture that complies with the requirements of 13 CFR part 127, and the representation in paragraph (A)(5)(i) of this provision is accurate for each EDWOSB concern participating in the joint venture. *[The Seller shall enter the name or names of the EDWOSB concern and other small businesses that are participating in the joint venture: \_\_\_\_\_.]* Each EDWOSB concern participating in the joint venture shall submit a separate signed copy of the EDWOSB representation.
  - (6) *[Complete only if the Seller represented itself as a small business concern in paragraph (A)(1) of this provision.]* The Seller represents as part of its offer that it  is,  is not a veteran-owned small business concern.
  - (7) *[Complete only if the Seller represented itself as a veteran-owned small business concern in paragraph (A)(6) of this provision.]* The Seller represents as part of its offer that it  is,  is not a service-disabled veteran-owned small business concern.
  - (8) *[Complete only if the Seller represented itself as a small business concern in paragraph (A)(1) of this provision.]* The Seller represents, as part of its offer, that:
    - (i) It  is,  is not a HUB Zone small business concern listed, on the date of this representation, on the List of Qualified HUB Zone Small Business Concerns maintained by the Small Business Administration, and no material changes in ownership and control, principal office, or HUB Zone employee percentage have occurred since it was certified in accordance with 13 CFR Part 126; and
    - (ii) It  is,  is not a HUB Zone joint venture that complies with the requirements of 13 CFR Part 126, and the representation in paragraph (A)(8)(i) of this provision is accurate for each HUB Zone small business concern participating in the HUB Zone joint venture. *[The Seller shall enter the names of each of the HUB Zone small business concerns participating in the HUB Zone joint venture: \_\_\_\_\_.]* Each HUB Zone small business concern participating in the HUB Zone joint venture shall submit a separate signed copy of the HUB Zone representation.
- (B) Definitions. As used in this provision:

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Economically disadvantaged women-owned small business (EDWOSB) concern means a small business concern that is at least 51 percent directly and unconditionally owned by, and the management and daily business operations of which are controlled by, one or more women who are citizens of the United States and who are economically disadvantaged in accordance with 13 CFR part 127.

Service-disabled veteran-owned small business concern:

Means a small business concern:

- (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
- (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

Small business concern means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (A) of this provision.

Small disadvantaged business concern, consistent with 13 CFR 124.1002," means a small business concern under the size standard applicable to the acquisition, that--

(1) Is at least 51 percent unconditionally and directly owned (as defined at 13 CFR 124.105) by--

- (i) One or more socially disadvantaged (as defined at 13 CFR 124.103) and economically disadvantaged (as defined at 13 CFR 124.104) individuals who are citizens of the United States, and
- (ii) Each individual claiming economic disadvantage has a net worth not exceeding \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(2) The management and daily business operations of which are controlled (as defined at 13 CFR 124.106) by individuals who meet the criteria in paragraphs (1)(i) and (ii) of this definition.

Veteran-owned small business concern means a small business concern:

Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

The management and daily business operations of which are controlled by one or more veterans.

Women-owned small business (WOSB) concern means a small business concern:

That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

Whose management and daily business operations are controlled by one or more women.

WOSB concern eligible under the WOSB Program (in accordance with 13 CFR part 127), means a small business concern that is at least 51 percent directly and unconditionally owned by, and the management and daily business operations of which are controlled by, one or more women who are citizens of the United States.

**NOTE: A copy of SBA Certification letters, NMSDC or WBENC Certifications MUST be provided with this form. In accordance with 15 U.S.C. 645(d), any person or concern who misrepresents a firm's proper size classification shall (1) be punished by imposition of a fine, imprisonment or both; (2) be subject to administrative remedies (including suspension and debarment); and (3) be subject to ineligibility for participation in programs conducted under the authority of the Small Business Act.**

### **3. FAR 52.222-3 – Convict Labor (JUN 2003)**

- (A) Except as provided in paragraph (B) of this clause, the Seller certifies that it complies with FAR 52.222-3 and as such shall not employ in the performance of this order any person undergoing a sentence of imprisonment imposed by any court of a State, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, or the U.S. Virgin Islands.
- (B) The Seller is not prohibited from employing persons:
  - (1) On parole or probation to work at paid employment during the term of their sentence;
  - (2) Who have been pardoned or who have served their terms; or
  - (3) Confined for violation of the laws of any of the States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, or the U.S. Virgin Islands who are authorized to work at paid employment in the community under the laws of such jurisdiction, if:
    - (i) The worker is paid or is in an approved work training program on a voluntary basis;
    - (ii) Representatives of local union central bodies or similar labor union organizations have been consulted;
    - (iii) Such paid employment will not result in the displacement of employed workers, or be applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services;
    - (iv) The rates of pay and other conditions of employment will not be less than those paid or provided for work of a similar nature in the locality in which the work is being performed; and
    - (v) The Attorney General of the United States has certified that the work-release laws or regulations of the jurisdiction involved are in conformity with the requirements of Executive Order 11755, as amended by Executive Orders 12608 and 12943.

### **4. FAR 52.222-18 – Certification Regarding Knowledge of Child Labor for Listed End Products (FEB 2001)**

- (C) Definition.

Forced or indentured child labor means all work or service:  
Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or  
Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.
- (D) Listed end products. The following end product(s) being acquired is (are) included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor available at [www.dol.gov/ilab/regs/eo13126/main.htm](http://www.dol.gov/ilab/regs/eo13126/main.htm), identified by their country of origin. There is a reasonable

basis for the Seller to believe that listed end products from the listed countries of origin may have been mined, produced, or manufactured by forced or indentured child labor.

Listed End Product \_\_\_\_\_

Listed Countries of Origin \_\_\_\_\_

- (E) Certification. The Seller, by checking the appropriate block, certifies to either paragraph (C)(1) or paragraph (C)(2) of this provision.
- (1) The Seller will not supply any end product listed in paragraph (B) of this provision that was mined, produced, or manufactured in a corresponding country as listed for that end product.
- (2) The Seller may supply an end product listed in paragraph (B) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The Seller certifies that it has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture such end product. On the basis of those efforts, the Seller certifies that it is not aware of any such use of child labor.

**5. FAR 52.222-21 – Prohibition of Segregated Facilities (APR 2015)**

- (A) Gender identity has the meaning given by the Department of Labor's Office of Federal Contract Compliance Programs, and is found at [www.dol.gov/ofccp/LGBT/LGBT\\_FAQs.html](http://www.dol.gov/ofccp/LGBT/LGBT_FAQs.html). Segregated facilities, as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between the sexes. Sexual orientation has the meaning given by the Department of Labor's Office of Federal Contract Compliance Programs, and is found at [www.dol.gov/ofccp/LGBT/LGBT\\_FAQs.html](http://www.dol.gov/ofccp/LGBT/LGBT_FAQs.html).
- (B) The Seller certifies that it complies with FAR 52.222-21 and as such agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Seller agrees that a breach of this clause is a violation of the Equal Opportunity clause in this order.

**6. FAR 52.222-22 – Previous Contracts and Compliance Reports (FEB 1999)**

The Seller certifies that:

- It  has,  has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this order or subcontract;
- It  has,  has not, filed all required compliance reports; and
- Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

**7. FAR 52.222-25 – Affirmative Action Compliance (APR 1984)**

The Seller certifies that:

- It  has developed and has on file,  has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or
- It  has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

**8. FAR 52.222-26 – Equal Opportunity (SEP 2016)**

- (A) Definitions.
- Compensation means any payments made to, or on behalf of, an employee or offered to an applicant as remuneration for employment, including but not limited to salary, wages, overtime pay, shift differentials, bonuses, commissions, vacation and holiday pay, allowances, insurance and other benefits, stock options and awards, profit sharing, and retirement.
- Compensation information means the amount and type of compensation provided to employees or offered to applicants, including, but not limited to, the desire of the Contractor to attract and retain a particular employee for the value the employee is perceived to add to the Contractor's profit or productivity; the availability of employees with like skills in the marketplace; market research about the worth of similar jobs in the relevant marketplace; job analysis, descriptions, and evaluations; salary and pay structures; salary surveys; labor union agreements; and Contractor decisions, statements and policies related to setting or altering employee compensation.
- Essential job functions means the fundamental job duties of the employment position an individual holds. A job function may be considered essential if—
- (1) The access to compensation information is necessary in order to perform that function or another routinely assigned business task; or
- (2) The function or duties of the position include protecting and maintaining the privacy of employee personnel records, including compensation information.
- Gender identity has the meaning given by the Department of Labor's Office of Federal Contract Compliance Programs, and is found at [www.dol.gov/ofccp/LGBT/LGBT\\_FAQs.html](http://www.dol.gov/ofccp/LGBT/LGBT_FAQs.html).
- Sexual orientation has the meaning given by the Department of Labor's Office of Federal Contract Compliance Programs, and is found at [www.dol.gov/ofccp/LGBT/LGBT\\_FAQs.html](http://www.dol.gov/ofccp/LGBT/LGBT_FAQs.html).
- United States, as used in this clause, means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.
- (B) (1) If, during any 12-month period (including the 12 months preceding the award of this order), the Seller has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Seller certifies that it complies with FAR 52.222-26 and as such shall comply with this clause, except for work performed outside the United States by employees who were not recruited within the United States. Upon request, the Seller shall provide information necessary to determine the applicability of this clause.

- (C) The Seller certifies that it:
- (1) Does not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. However, it shall not be a violation of this clause for the Seller to extend a publicly announced preference in employment to Indians living on or near an Indian reservation, in connection with employment opportunities on or near an Indian reservation, as permitted by 41 CFR 60-1.5.
  - (2) Shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. This shall include, but not be limited to, (i) employment, (ii) upgrading, (iii) demotion, (iv) transfer, (v) recruitment or recruitment advertising, (vi) layoff or termination, (vii) rates of pay or other forms of compensation, and (viii) selection for training, including apprenticeship.
  - (3) Shall post in conspicuous places available to employees and applicants for employment the notices that explain this clause.
  - (4) Shall, in all solicitations or advertisements for employees placed by or on behalf of the Seller, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
  - (5)
    - (i) Shall not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This prohibition against discrimination does not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Seller's legal duty to furnish information.
    - (ii) Shall disseminate the prohibition on discrimination in paragraph (c)(5)(i) of this clause, using language prescribed by the Director of the Office of Federal Contract Compliance Programs (OFCCP), to employees and applicants by—
      - (A) Incorporation into existing employee manuals or handbooks; and
      - (B) Electronic posting or by posting a copy of the provision in conspicuous places available to employees and applicants for employment.
  - (6) Shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice advising the labor union or workers' representative of the Seller's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
  - (7) Shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
  - (8) Shall furnish all information required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor. The Seller shall also file Standard Form 100 (EEO-1), or any successor form, as prescribed in 41 CFR part 60-1. Unless the Seller has filed within the 12 months preceding the date of order award, the Seller shall, within 30 days after order award, apply to either the regional Office of Federal Contract Compliance Programs (OFCCP) or the local office of the Equal Employment Opportunity Commission for the necessary forms.
  - (9) Shall permit access, in accordance with Executive Order 11246, to its premises, during normal business hours, by the contracting agency or the OFCCP for the purpose of conducting on-site compliance evaluations and complaint investigations.
  - (10) Shall, if the OFCCP and/or the Buyer determine that the Seller is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, be canceled, terminated, or suspended in whole or in part and the Government may declare the Seller ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended.

**9. FAR 52.222-35 – Equal Opportunity for Veterans (OCT 2015) (Applies to orders above \$150,000)**

- (A) Definitions. As used in this clause:
- Active duty wartime or campaign badge veteran means a veteran who served on active duty in the U.S. military, ground, naval, or air service, during a war or in a campaign or expedition for which a campaign badge has been authorized under the laws administered by the Department of Defense.
- Armed Forces service medal veteran means any veteran who, while serving on active duty in the U.S. military, ground, naval, or air service, participated in a United States military operation for which an Armed Forces service medal was awarded pursuant to Executive Order 12985 (61 FR 1209).
- Disabled veteran means:
- (1) A veteran of the U.S. military, ground, naval, or air service, who is entitled to compensation (or who, but for the receipt of military retired pay, would be entitled to compensation) under laws administered by the Secretary of Veterans Affairs; or
  - (2) A person who was discharged or released from active duty because of a service-connected disability.
- Protected veteran means a veteran who is protected under the non-discrimination and affirmative action provisions of 38 U.S.C. 4212; specifically, a veteran who may be classified as a "disabled veteran," "recently separated veteran," "active duty wartime or campaign badge veteran," or an "Armed Forces service medal veteran," as defined by this section.
- Qualified disabled veteran means a disabled veteran who has the ability to perform the essential functions of the employment positions with or without reasonable accommodation.
- Recently separated veteran means any veteran during the three-year period beginning on the date of such veteran's discharge or release from active duty in the U.S. military, ground, naval, or air service.
- (B) General.
- (1) The Seller certifies that it complies with FAR 52.222-35 and as such the Seller shall not discriminate against any employee or applicant for employment because the individual is a disabled veteran, recently separated veteran, active duty wartime or campaign badge veteran, or Armed Forces service medal veteran (hereinafter collectively referred to as "protected veteran(s)") regarding any position for which the employee or applicant for employment is qualified. The Seller shall take affirmative action to employ, advance in employment, and otherwise treat qualified individuals, including qualified disabled veterans, without discrimination based upon their status as a protected veteran in all employment practices including the following:
    - (i) Recruitment, advertising, and job application procedures.
    - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring.

- (iii) Rate of pay or any other form of compensation and changes in compensation.
  - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists.
  - (v) Leaves of absence, sick leave, or any other leave.
  - (vi) Fringe benefits available by virtue of employment, whether or not administered by the Seller.
  - (vii) Selection and financial support for training, including apprenticeship, and on-the-job training under 38 U.S.C. 3687, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training.
  - (viii) Activities sponsored by the Seller including social or recreational programs.
  - (ix) Any other term, condition, or privilege of employment.
- (2) The Seller shall comply with the rules, regulations, and relevant orders of the Secretary of Labor issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended (38 U.S.C. 4211 and 4212).
- (3) Sellers with 50 or more employees and an order of \$100,000 or more are required to have an affirmative action program for veterans. *See* 41 CFR part 60-300, subpart C.

**Listing openings.**

- (1) The Seller shall immediately list all employment openings that exist at the time of the execution of this order and those which occur during the performance of this order, including those not generated by this order, and including those occurring at an establishment of the Seller other than the one where the order is being performed, but excluding those of independently operated corporate affiliates, at an appropriate employment service delivery system where the opening occurs. Listing employment openings with the State workforce agency job bank or with the local employment service delivery system where the opening occurs shall satisfy the requirement to list jobs with the appropriate employment service delivery system.
- (2) The Seller shall make the listing of employment openings with the appropriate employment service delivery system at least concurrently with using any other recruitment source or effort and shall involve the normal obligations of placing a bona fide job order, including accepting referrals of veterans and nonveterans. This listing of employment openings does not require hiring any particular job applicant or hiring from any particular group of job applicants and is not intended to relieve the Seller from any requirements of Executive orders or regulations concerning nondiscrimination in employment.
- (3) Whenever the Seller becomes contractually bound to the listing terms of this clause, it shall advise the State workforce agency in each State where it has establishments of the name and location of each hiring location in the State. As long as the Seller is contractually bound to these terms and has so advised the State agency, it need not advise the State agency of subsequent orders. The Seller may advise the State agency when it is no longer bound by this order clause.

**Applicability.** This clause does not apply to the listing of employment openings that occur and are filled outside the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

**Postings.**

- (1) The Seller shall post-employment notices in conspicuous places that are available to employees and applicants for employment.
- (2) The employment notices shall:
- (i) State the rights of applicants and employees as well as the Seller's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants who are protected veterans; and
  - (ii) Be in a form prescribed by the Director, Office of Federal Contract Compliance Programs.
- (3) The Seller shall ensure that applicants or employees who are disabled veterans are informed of the contents of the notice (*e.g.*, the Seller may have the notice read to a visually disabled veteran, or may lower the posted notice so that it can be read by a person in a wheelchair).
- (4) The Seller shall notify each labor union or representative of workers with which it has a collective bargaining agreement, or other contract understanding, that the Seller is bound by the terms of the Act and is committed to take affirmative action to employ, and advance in employment, qualified protected veterans.
- (5) The Seller must, in all solicitations or advertisements for employees placed by or on behalf of the Seller, state that all qualified applicants will receive consideration for employment without regard to their protected veteran status.

**10. FAR 52.222-36 – Equal Opportunity for Workers With Disabilities (JULY 2014) (Applies to orders above \$15,000)**

**(A) General.**

- (1) Regarding any position for which the employee or applicant for employment is qualified, the Seller shall not discriminate against any employee or applicant because of physical or mental disability. The Seller agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified individuals with disabilities without discrimination based upon their physical or mental disability in all employment practices such as:
- (i) Recruitment, advertising, and job application procedures;
  - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff, and rehiring;
  - (iii) Rates of pay or any other form of compensation and changes in compensation;
  - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
  - (v) Leaves of absence, sick leave, or any other leave;
  - (vi) Fringe benefits available by virtue of employment, whether or not administered by the Seller;
  - (vii) Selection and financial support for training, including apprenticeships, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
  - (viii) Activities sponsored by the Seller, including social or recreational programs; and
  - (ix) Any other term, condition, or privilege of employment.
- (2) The Seller certifies that it complies with FAR 52.222-36 and as such agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Rehabilitation Act of 1973 (29 U.S.C. 793) (the Act), as amended.

**(B) Postings.**

- (1) The Seller agrees to post employment notices stating:
- (i) The Seller's obligation under the law to take affirmative action to employ and advance in employment qualified individuals with disabilities; and
  - (ii) The rights of applicants and employees.

***Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.***

- (2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. The Seller shall ensure that applicants and employees with disabilities are informed of the contents of the notice (*e.g.*, the Seller may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair). The notices shall be in a form prescribed by the Deputy Assistant Secretary for Federal Contract Compliance of the U.S. Department of Labor (Deputy Assistant Secretary).
- (3) The Seller shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Seller is bound by the terms of Section 503 of the Act and is committed to take affirmative action to employ, and advance in employment, qualified individuals with physical or mental disabilities.

**11. FAR 52.222-37 – Employment Reports on Veterans (FEB 2016)** (*Applies only to orders that have a value of \$150,000 or more*)

- (A) Definitions. As used in this clause, “active duty wartime or campaign badge veteran,” “Armed Forces service medal veteran,” “disabled veteran,” “protected veteran,” and “recently separated veteran,” have the meanings given in FAR 22.1301.
- (B) The Seller certifies that if complies with FAR 52.222-37 and as such shall report at least annually, as required by the Secretary of Labor, on:
- (1) The total number of employees in the Seller’s workforce, by job category and hiring location, who are protected veterans (*i.e.*, active duty wartime or campaign badge veterans, Armed Forces service medal veterans, disabled veterans, and recently separated veterans);
- (2) The total number of new employees hired during the period covered by the report, and of the total, the number of protected veterans (*i.e.*, active duty wartime or campaign badge veterans, Armed Forces service medal veterans, disabled veterans, and recently separated veterans); and
- (3) The maximum number and minimum number of employees of the Seller or subcontractor at each hiring location during the period covered by the report.
- (C) The Seller shall report the above items by completing the Form VETS-4212, entitled “Federal Contractor Veterans’ Employment Report (VETS-4212 Report).”
- (D) The Seller shall submit VETS-4212 Reports no later than September 30 of each year.
- (E) The employment activity report required by paragraphs (B)(2) and (B)(3) of this clause shall reflect total new hires, and maximum and minimum number of employees, during the most recent 12-month period preceding the ending date selected for the report. Seller may select an ending date:
- (1) As of the end of any pay period between July 1 and August 31 of the year the report is due; or
- (2) As of December 31, if the Seller has prior written approval from the Equal Employment Opportunity Commission to do so for purposes of submitting the Employer Information Report EEO-1 (Standard Form 100).
- (F) The number of veterans reported must be based on data known to the Seller when completing the VETS-100A. The Seller’s knowledge of veteran’s status may be obtained in a variety of ways, including an invitation to applicants to self-identify (in accordance with 41 CFR 60-300.42), voluntary self-disclosure by employees, or actual knowledge of veteran status by the Seller. This paragraph does not relieve the Seller of liability for discrimination under 38 U.S.C. 4212.

**12. FAR 52.222-40 – Notification of Employee Rights Under the National Labor Relations Act (DEC 2010)** (*Applies only to orders that have a value in excess of \$10,000*)

- (A) The Seller certifies that it complies with FAR 52.222-40 and as such during the term of this order, the Seller shall post an employee notice, of such size and in such form, and containing such content as prescribed by the Secretary of Labor, in conspicuous places in and about its plants and offices where employees covered by the National Labor Relations Act engage in activities relating to the performance of the order, including all places where notices to employees are customarily posted both physically and electronically, in the languages employees speak, in accordance with 29 CFR 471.2(d) and (f).
- (1) Physical posting of the employee notice shall be in conspicuous places in and about the Seller’s plants and offices so that the notice is prominent and readily seen by employees who are covered by the National Labor Relations Act and engage in activities related to the performance of the order.
- (2) If the Seller customarily posts notices to employees electronically, then the Seller shall also post the required notice electronically by displaying prominently, on any Web site that is maintained by the Seller and is customarily used for notices to employees about terms and conditions of employment, a link to the Department of Labor’s Web site that contains the full text of the poster. The link to the Department’s Web site, as referenced in (B)(3) of this section, must read, “Important Notice about Employee Rights to Organize and Bargain Collectively with Their Employers.”
- (B) This required employee notice, printed by the Department of Labor, may be:
- (1) Obtained from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW., Room N-5609, Washington, DC 20210, (202) 693-0123, or from any field office of the Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;
- (2) Downloaded from the Office of Labor-Management Standards Web site at <http://www.dol.gov/olms/regs/compliance/EO13496.htm>; or
- (3) Reproduced and used as exact duplicate copies of the Department of Labor’s official poster.
- (C) The required text of the employee notice referred to in this clause is located at Appendix A, Subpart A, 29 CFR Part 471.
- (D) The Seller shall comply with all provisions of the employee notice and related rules, regulations, and orders of the Secretary of Labor.

**13. FAR 52.222-50 – Combating Trafficking in Persons (MAR 2015)**

- (A) Definitions. As used in this clause:
- Agent means any individual, including a director, an officer, an employee, or an independent contractor, authorized to act on behalf of the organization.
- Coercion means:
- Threats of serious harm to or physical restraint against any person;
- Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or
- The abuse or threatened abuse of the legal process.
- Commercial sex act means any sex act on account of which anything of value is given to or received by any person.
- Commercially available off-the-shelf (COTS) item means:
- (1) Any item of supply (including construction material) that is:

- (i) A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);
- (ii) Sold in substantial quantities in the commercial marketplace; and
- (iii) Offered to the U.S. Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and

(2) Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products.

Debt bondage means the status or condition of a debtor arising from a pledge by the debtor of his or her personal services or of those of a person under his or her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the liquidation of the debt or the length and nature of those services are not respectively limited and defined.

Employee means an employee of the Seller directly engaged in the performance of work under the order who has other than a minimal impact or involvement in order performance.

Forced Labor means knowingly providing or obtaining the labor or services of a person:

By threats of serious harm to, or physical restraint against, that person or another person;

By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or

By means of the abuse or threatened abuse of law or the legal process.

Involuntary servitude includes a condition of servitude induced by means of:

Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint; or

The abuse or threatened abuse of the legal process.

Severe forms of trafficking in persons means:

Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or

The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

Sex trafficking means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

Subcontract means any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract.

Subcontractor means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

United States means the 50 States, the District of Columbia, and outlying areas.

(B) Policy. The Buyer and the United States Government have adopted a zero tolerance policy regarding trafficking in persons. The Seller certifies that it complies with FAR 52.222-50 and as such the Seller and the Seller's employees shall not:

(1) Engage in severe forms of trafficking in persons during the period of performance of the order;

(2) Procure commercial sex acts during the period of performance of the order; or

(3) Use forced labor in the performance of the order.

(4) Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;

(5) (i) Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work;

(ii) Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;

(6) Charge employees recruitment fees;

(7) (i) Fail to provide return transportation or pay for the cost of return transportation upon the end of employment—

(A) For an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on a U.S. Government contract or subcontract (for portions of contracts performed outside the United States); or

(B) For an employee who is not a United States national and who was brought into the United States for the purpose of working on a U.S. Government contract or subcontract, if the payment of such costs is required under existing temporary worker programs or pursuant to a written agreement with the employee (for portions of contracts performed inside the United States); except that—

(ii) The requirements of paragraphs (B)(7)(i) of this clause shall not apply to an employee who is:

(A) Legally permitted to remain in the country of employment and who chooses to do so; or

(B) Exempted by an authorized official of the contracting agency from the requirement to provide return transportation or pay for the cost of return transportation;

(iii) The requirements of paragraph (B)(7)(i) of this clause are modified for a victim of trafficking in persons who is seeking victim services or legal redress in the country of employment, or for a witness in an enforcement action related to trafficking in persons. The Seller shall provide the return transportation or pay the cost of return transportation in a way that does not obstruct the victim services, legal redress, or witness activity. For example, the Seller shall not only offer return transportation to a witness at a time when the witness is still needed to testify. This paragraph does not apply when the exemptions at paragraph (B)(7)(ii) of this clause apply.

(8) Provide or arrange housing that fails to meet the host country housing and safety standards; or

(9) If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

- (C) Seller requirements. The Seller further shall:
- (1) Notify its employees of:
    - (i) The Buyer's and the United States Government's zero tolerance policy described in paragraph (B) of this clause; and
    - (ii) The actions that will be taken against employees for violations of this policy. Such actions may include, but are not limited to, removal from the order, reduction in benefits, or termination of employment; and
  - (2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph (B) of this clause.
- (D) Notification. The Seller shall inform the Buyer immediately of:
- (1) Any information it receives from any source (including host country law enforcement) that alleges a Seller employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy; and
  - (2) Any actions taken against Seller employees, subcontractors, or subcontractor employees pursuant to this clause.
- (E) Mitigating Factor. The Buyer may consider whether the Seller had a Trafficking in Persons awareness program at the time of the violation as a mitigating factor when determining remedies. Additional information about Trafficking in Persons and examples of awareness programs can be found at the website for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/g/tip>.
- (F) Full cooperation.
- (1) The Seller shall, at a minimum:
    - (i) Disclose to the Buyer and the agency Inspector General information sufficient to identify the nature and extent of an offense and the individuals responsible for the conduct;
    - (ii) Provide timely and complete responses to U.S. Government auditors' and investigators' requests for documents;
    - (iii) Cooperate fully in providing reasonable access to its facilities and staff (both inside and outside the U.S.) to allow contracting agencies and other responsible Federal agencies to conduct audits, investigations, or other actions to ascertain compliance with the Trafficking Victims Protection Act of 2000 (22 U.S.C. chapter 78), E.O. 13627, or any other applicable law or regulation establishing restrictions on trafficking in persons, the procurement of commercial sex acts, or the use of forced labor; and
    - (iv) Protect all employees suspected of being victims of or witnesses to prohibited activities, prior to returning to the country from which the employee was recruited, and shall not prevent or hinder the ability of these employees from cooperating fully with U.S. Government authorities.
  - (2) The requirement for full cooperation does not foreclose any Seller rights arising in law, the FAR, or the terms of the contract. It does not:
    - (i) Require the Seller to waive its attorney-client privilege or the protections afforded by the attorney work product doctrine;
    - (ii) Require any officer, director, owner, employee, or agent of the Seller, including a sole proprietor, to waive his or her attorney client privilege or Fifth Amendment rights; or
    - (iii) Restrict the Seller from:
      - (A) Conducting an internal investigation; or
      - (B) Defending a proceeding or dispute arising under the order or related to a potential or disclosed violation.
- (G) Compliance plan.
- (1) This paragraph (G) applies to any portion of the order that:
    - (i) Is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and
    - (ii) Has an estimated value that exceeds \$500,000.
  - (2) The Seller shall maintain a compliance plan during the performance of the order that is appropriate:
    - (i) To the size and complexity of the order; and
    - (ii) To the nature and scope of the activities to be performed for the Buyer, including the number of non-United States citizens expected to be employed and the risk that the order or subcontract will involve services or supplies susceptible to trafficking in persons.
  - (3) Minimum requirements. The compliance plan must include, at a minimum, the following:
    - (i) An awareness program to inform Seller employees about the U.S. Government's policy prohibiting trafficking-related activities described in paragraph (B) of this clause, the activities prohibited, and the actions that will be taken against the employee for violations. Additional information about Trafficking in Persons and examples of awareness programs can be found at the Web site for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/j/tip/>.
    - (ii) A process for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons, including a means to make available to all employees the hotline phone number of the Global Human Trafficking Hotline at 1-844-888-FREE and its email address at [help@befree.org](mailto:help@befree.org).
    - (iii) A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging recruitment fees to the employee, and ensures that wages meet applicable host-country legal requirements or explains any variance.
    - (iv) A housing plan, if the Seller intends to provide or arrange housing, that ensures that the housing meets host-country housing and safety standards.
    - (v) Procedures to prevent agents and subcontractors at any tier and at any dollar value from engaging in trafficking in persons (including activities in paragraph (B) of this clause) and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engaged in such activities.
  - (4) Posting.
    - (i) The Seller shall post the relevant contents of the compliance plan, no later than the initiation of contract performance, at the workplace (unless the work is to be performed in the field or not in a fixed location) and on the Seller's Web site (if one is maintained). If posting at the workplace or on the Web site is impracticable, the Seller shall provide the relevant contents of the compliance plan to each worker in writing.
    - (ii) The Seller shall provide the compliance plan to the Buyer upon request.
  - (5) Certification. Seller certifies to the Buyer at award and annually thereafter that:

- (i) It has implemented a compliance plan to prevent any prohibited activities identified at paragraph (B) of this clause and to monitor, detect, and terminate any agent, subcontractor or subcontractor employee engaging in prohibited activities; and
- (ii) After having conducted due diligence, either:
  - (A) To the best of the Seller's knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or
  - (B) If abuses relating to any of the prohibited activities identified in paragraph (B) of this clause have been found, the Seller or subcontractor has taken the appropriate remedial and referral actions.

**14. FAR 52.222-54 – Employment Eligibility Verification (OCT 2015) (Not applicable to COTS items)**

- (A) Definitions. As used in this clause:
- Commercially available off-the-shelf (COTS) item:  
Means any item of supply that is:
- (iii) A commercial item (as defined in paragraph (1) of the definition at 2.101);
  - (iv) Sold in substantial quantities in the commercial marketplace; and
  - (v) Offered to the U.S. Government, without modification, in the same form in which it is sold in the commercial marketplace; and
- Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products. Per 46 CFR 525.1(c)(2), "bulk cargo" means cargo that is loaded and carried in bulk onboard ship without mark or count, in a loose unpackaged form, having homogenous characteristics. Bulk cargo loaded into intermodal equipment, except LASH or Seabee barges, is subject to mark and count and, therefore, ceases to be bulk cargo.
- Employee assigned to the order means an employee who was hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), who is directly performing work, in the United States, under an order that is required to include the clause prescribed at 22.1803. An employee is not considered to be directly performing work under an order if the employee:
- Normally performs support work, such as indirect or overhead functions; and
  - Does not perform any substantial duties applicable to the order.
- Subcontract means any contract, as defined in FAR 2.101, entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.
- Subcontractor means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor or another subcontractor. United States, as defined in 8 U.S.C. 1101(a)(38), means the 50 States, the District of Columbia, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands and the U.S. Virgin Islands.
- (B) Enrollment and verification requirements. The Seller certifies that it complies with FAR 52.222-54 and as such:
- (1) If the Seller is not enrolled as a Federal Contractor in E-Verify at time of order award, the Seller shall:
    - (i) Enroll. Enroll as a Federal Contractor in the E-Verify program within 30 calendar days of order award;
    - (ii) Verify all new employees. Within 90 calendar days of enrollment in the E-Verify program, begin to use E-Verify to initiate verification of employment eligibility of all new hires of the Seller, who are working in the United States, whether or not assigned to the order, within 3 business days after the date of hire (but see paragraph (B)(3) of this section); and
    - (iii) Verify employees assigned to the order. For each employee assigned to the order, initiate verification within 90 calendar days after date of enrollment or within 30 calendar days of the employee's assignment to the order, whichever date is later (but see paragraph (B)(4) of this section).
  - (2) If the Seller is enrolled as a Federal Contractor in E-Verify at time of order award, the Seller shall use E-Verify to initiate verification of employment eligibility of:
    - (i) All new employees.
      - (a) Enrolled 90 calendar days or more. The Seller shall initiate verification of all new hires of the Seller, who are working in the United States, whether or not assigned to the order, within 3 business days after the date of hire (but see paragraph (B)(3) of this section); or
      - (b) Enrolled less than 90 calendar days. Within 90 calendar days after enrollment as a Federal Contractor in E-Verify, the Seller shall initiate verification of all new hires of the Seller, who are working in the United States, whether or not assigned to the order, within 3 business days after the date of hire (but see paragraph (B)(3) of this section); or
    - (ii) Employees assigned to the order. For each employee assigned to the order, the Seller shall initiate verification within 90 calendar days after date of order award or within 30 days after assignment to the order, whichever date is later (but see paragraph (B)(4) of this section).
  - (3) Option to verify employment eligibility of all employees. The Seller may elect to verify all existing employees hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), rather than just those employees assigned to the order. The Seller shall initiate verification for each existing employee working in the United States who was hired after November 6, 1986 (after November 27, 2009, in the Commonwealth of the Northern Mariana Islands), within 180 calendar days of:
    - (i) Enrollment in the E-Verify program; or
    - (ii) Notification to E-Verify Operations of the Seller's decision to exercise this option, using the contact information provided in the E-Verify program Memorandum of Understanding (MOU).
  - (4) The Seller shall comply, for the period of performance of this order, with the requirements of the E-Verify program MOU.
    - (i) The Department of Homeland Security (DHS) or the Social Security Administration (SSA) may terminate the Seller's MOU and deny access to the E-Verify system in accordance with the terms of the MOU. In such case, the Seller will be referred to a suspension or debarment official.
    - (ii) During the period between termination of the MOU and a decision by the suspension or debarment official whether to suspend or debar, the Seller is excused from its obligations under paragraph (B) of this clause. If the suspension or debarment official determines not to suspend or debar the Seller, then the Seller must reenroll in E-Verify.

- (C) Web site. Information on registration for and use of the E-Verify program can be obtained via the Internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.
- (D) Individuals previously verified. The Seller is not required by this clause to perform additional employment verification using E-Verify for any employee:
- (1) Whose employment eligibility was previously verified by the Seller through the E-Verify program;
  - (2) Who has been granted and holds an active U.S. Government security clearance for access to confidential, secret, or top secret information in accordance with the National Industrial Security Program Operating Manual; or
  - (3) Who has undergone a completed background investigation and been issued credentials pursuant to Homeland Security Presidential Directive (HSPD)-12, Policy for a Common Identification Standard for Federal Employees and Contractors.
- 15. DFARS 252.222-7006 – Restrictions on the Use of Mandatory Arbitration Agreements (DEC 2010)** (*Applicable only for orders above \$1,000,000 million for non-commercial items under FAR 2-101 definition*)
- (A) Definitions. As used in this clause:  
Covered subcontractor means any entity that has a subcontract valued in excess of \$1 million, except a subcontract for the acquisition of commercial items, including commercially available off-the-shelf items.  
Subcontract means any contract, as defined in Federal Acquisition Regulation subpart 2.1, to furnish supplies or services for performance of this order or a higher-tier subcontract thereunder.
- (B) The Seller certifies that it complies with DFARS 252.222-7006 and as such, the Seller:
- (1) Agrees not to:
    - (i) Enter into any agreement with any of its employees or independent contractors that requires, as a condition of employment, that the employee or independent contractor agree to resolve through arbitration:
      - (a) Any claim under title VII of the Civil Rights Act of 1964; or
      - (b) Any tort related to or arising out of sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention; or
    - (ii) Take any action to enforce any provision of an existing agreement with an employee or independent contractor that mandates that the employee or independent contractor resolve through arbitration:
      - (a) Any claim under title VII of the Civil Rights Act of 1964; or
      - (b) Any tort related to or arising out of sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention; and
  - (2) Certifies, by acceptance of the order, that it requires each covered subcontractor to agree not to enter into, and not to take any action to enforce, any provision of any existing agreements, as described in paragraph (B)(1) of this clause, with respect to any employee or independent contractor performing work related to such subcontract.
- (C) The prohibitions of this clause do not apply with respect to Seller's or subcontractor's agreements with employees or independent contractors that may not be enforced in a court of the United States.
- 16. DFARS 252.225-7028 – Exclusionary Policies and Practices of Foreign Governments (APR 2003)** (*Applies only to sale of commercial products or services for international military education training and FMS*)
- (A) The Seller certifies that it complies with DFARS 252.225-7028 and as such the Seller and its subcontractors shall not take into account the exclusionary policies or practices of any foreign government in employing or assigning personnel, if:
- (B) The personnel will perform functions required by this order, either in the United States or abroad; and
- (C) The exclusionary policies or practices of the foreign government are based on race, religion, national origin, or sex.

**II. SUPPLEMENTAL TERMS OF PURCHASE - FAR/DFARS CLAUSES**

Goods furnished under this purchase order are for use under a United States (US) Government prime contract or subcontract. Seller shall comply with all applicable US Government provisions and clauses identified by Buyer as flow-down provisions for any order, including Federal Acquisition Regulation (FAR), Department of Defense FAR Supplement (DFARS), or other agency supplement contract provisions (together "FAR Clauses").

The clauses set out below are each incorporated by reference and made part of this Order in addition to Buyer's Global Standard Purchasing Conditions clauses. These FAR and DFARS clauses are available at [www.acquisition.gov](http://www.acquisition.gov) and by acceptance of this Order, Seller acknowledges and agrees to such incorporation by reference.

1. The terms and conditions of this Order include all applicable US Government provisions and certifications listed below and all such other US Government provisions expressly mandated by operation of law or regulation ("Flow-down Clauses"). Such provisions include FAR, DFARS or other agency supplement contract provisions (together "FAR Clauses"). Seller shall incorporate applicable Flow-Down Clauses into each lower-tier subcontract placed in support of this Order, as required by the individual clause. The applicable version date of such provisions is as specified below; if no version date is specified, then the version date as of the date the Order is executed shall apply, unless otherwise specified in the Order. To the extent there is a conflict or overlap between the Flow-down Clauses and the Global Standard Purchasing Conditions terms, the language shall be read to the maximum extent possible to render the clauses compatible, including by using the interpretation most restrictive of the requirements in Buyer's favor.
2. Seller shall indemnify and hold Buyer harmless from and against any cost, price reduction, withholding, offset, penalty, interest, claim, demand, determination of unallowability or prohibition of allocation or any other civil, criminal or administrative liability, whether arising under statute, regulation, contract or common law and shall reimburse Buyer for all of its damages and associated costs, including reasonable attorney fees and other expenses arising from Seller's failure to comply with applicable Flow-down Clauses. Seller shall reimburse Buyer for any loss by or damage to Buyer in the event that Buyer or Buyer's customer makes a determination that, where applicable, Seller failed to furnish Buyer with any certified cost or pricing data or failed to provide the current, accurate and complete version of such data; failed to provide or comply with certifications as required by the Flow-down Clause; or failed to take any such other action required by the Flow-down Clauses.
3. Any reference to a "Disputes" clause shall mean the disputes provision of this Order. Pending resolution of any dispute arising under this Order, which incorporates FAR or DFARS clauses, Seller will proceed diligently as directed by Buyer with the performance of this Order. Notwithstanding any choice of law provision, any provision in this Order that is: (i) incorporated in full text or by reference below to FAR or DFARS, or (ii) that is substantially based on any FAR or DFARS provision below or on any agency regulation interpreting such FAR or DFARS provisions, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the United States Government. No FAR or DFARS provision herein shall establish privity between Seller and Buyer's customer. Notwithstanding any FAR or DFARS provisions below, the Contract Disputes Act shall not apply to this Order, except as permitted by Buyer for disputes with Buyer's customer.
4. Seller agrees that its books, records and facilities or such parts of its facilities as may be engaged in the performance of this Order, shall at all reasonable times be subject to inspection and audit by Buyer and, to the extent provided by the Flow-down Clauses, any authorized representatives of the US Government or Buyer's Customer. Seller hereby grants to Buyer the right to examine at reasonable times its relevant books, records and data that permit the adequate evaluation of (1) cost and pricing data and of any claims/proposals submitted by Seller pursuant to the Flow-down Clauses, (2) its security and data protection procedures as required below and (3) its quality, testing and inspection procedures as required below. Seller shall allow Buyer and Buyer's customer to reasonably review Seller's compliance with applicable FAR and DFARS provisions below, upon request.
5. Flow-down Clauses are incorporated by reference, with the same force and effect as if they were given full text. These FAR/DFARS provisions are accessible at <https://www.acquisition.gov>. The clauses apply to this Order in accordance with the regulatory language of prescription in the controlling FAR Part or clause, such as limiting the applicability to particular types of subcontracts, subcontracts exceeding certain thresholds in monetary value, the location of performance or the size status of the Seller. Notwithstanding the foregoing, Flow-down Clauses listed below apply to this Order, regardless of whether they are expressly mandated for flow-down, since Buyer may in its discretion incorporate clauses which it deems appropriate.
6. The clauses listed below may require the submission of certifications and representations. Seller shall furnish any certification or representation required under these Flow-down Clauses. Failure to provide a certification or representation by Seller shall be interpreted to mean that Seller complies with the Flow-down Clause in the most restrictive sense of performance, in favor of Buyer.
7. Intellectual Property Rights. All FAR 52.227/DFARS 252.227 terms on intellectual property are as defined in FAR 27 or DFARS 227 or applicable agency regulations. Seller acknowledges and agrees that any rights in Technical Data and Computer Software to be granted to the US Government will be determined in accordance with the regulations set forth in FAR Part 27 and DFARS Part 227 based upon the specific Technical Data, Computer Software and Goods to be performed under this Order and the assertions of restrictions on use, release or disclosure of Seller's Intellectual Property that are provided to Buyer for delivery to the US Government, in order to fulfill Buyer's obligations under Buyer's customer's contract. Under any referenced FAR 52.227 or DFARS 252.227 provision below, the rights granted are vested in the US Government, except that Seller grants Buyer an irrevocable, nonexclusive royalty-free worldwide license to sell and use Seller's technical data and computer software delivered in the performance of this Order, to the extent needed to fulfill Buyer's obligations under its customer's US Government contract or subcontract pursuant to which this order is issued. Seller shall identify and assert prior to Order award any Seller's rights in technical data and software delivered with other than unlimited rights as required by the applicable FAR or DFARS provision, and all technical data and software submissions shall be to Buyer.

8. Except as otherwise provided in this provision, whenever necessary to make the context of the clauses applicable to this Order, the term "Contractor" shall mean Seller, the term "Contract" shall mean this Order, the term "Government," "Contracting Officer," and equivalent phrases shall mean Buyer, except that the terms "Government" and "Contracting Officer" shall not change in the Government Property, patent, intellectual property or data rights clauses incorporated herein, or when a right, act, authorization or obligation can be granted or performed only by the US Government or the Contracting Officer or a duly authorized representative, in which case Seller grants Buyer such additional rights as are needed to perform such clause under Buyer's contract with its customer. These FAR and DFARS clauses apply to Seller in a manner which reflects the position of Seller as a subcontractor to Buyer, to ensure Seller's obligations to Buyer and to the US Government and to enable Buyer to meet its obligations under its contract or subcontract with Buyer's customer.
9. For all Seller performance in the United States: Equal Employment Opportunity and Non-Discrimination: Buyer is a US government contractor and is subject to the requirements of Executive Order 11246, Section 503 of the Rehabilitation Assistance Act and VEVRAA. Pursuant to these requirements, the Equal Opportunity Clauses found at 41 Code of Federal Regulations are as follows: Seller shall abide by the requirements of all applicable Equal Opportunity Clauses including 41 CFR 60-1.4(a), 60-20, 60-250.5, 60-300.5(a) and 60-741.5(a) and all applicable executive orders, including Executive Order 11246. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, sexual stereotypes, gender identification or transgender status, pregnancy, childbirth or related conditions, or national origin. Moreover, these regulations and clauses require that covered US Government contractors or subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, sexual stereotypes, gender identification or transgender status, pregnancy, childbirth or related conditions, national origin, protected veteran status or disability. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay; fringe benefits or other forms of compensation; and selection for training, including apprenticeship. Seller agrees to post in conspicuous places, available to employees and applicants for employment, required notices setting forth the provisions of this nondiscrimination clause.

By accepting this order, Seller certifies the representations and certifications submitted to Buyer previously or with Seller's quote/proposal for this order (as applicable) remain valid from the date of submission until the conclusion of this Order. Seller agrees to provide immediate written notice to Buyer if any of the Seller's certifications and representations change at any time from the date of Seller's acceptance of this order through Seller's performance and closeout of this order; such notice shall not constitute a waiver of Seller's obligations to perform as previously certified.

If this is a DPAS-rated order, Seller is required to follow all the provisions of the Defense Priorities and Allocation System Regulation 15 CFR 700 unless an exemption applies.

NO WORK PERFORMED UNDER THIS ORDER WILL BE PERFORMED IN A US FACILITY WHICH IS IN VIOLATION OF THE STANDARDS, ORDERS OR REGULATIONS ISSUED PURSUANT TO THE CLEAN AIR ACT (42 U.S.C. 7401 ET SEQ) OR THE FEDERAL WATER POLLUTION CONTROL ACT AS AMENDED (33 U.S.C. 1251 ET SEQ).

BY ACCEPTANCE OF THIS PURCHASE ORDER, THE SELLER CERTIFIES THAT NEITHER THE SELLER NOR ITS PRINCIPALS ARE DEBARRED, SUSPENDED OR PROPOSED FOR DEBARMENT BY THE US FEDERAL GOVERNMENT.

The following Flow-down Clauses apply to this Purchase Order. The definitions of FAR 2-101 shall apply to these clauses, including to determinations of commercial items. All currency referenced is in US dollars.

**A. FAR AND DFARS FOR ALL FIRM FIXED PRICE ORDERS TO SELLER- FAR**

- 52.203-3 Gratuities (Apr. 1984) (Applicable if Order exceeds \$150,000)
- 52.203-6 Restrictions on Subcontractor Sales to the Government (Sep 2006) (No substitution for "Government") (Applicable if Order exceeds \$150,000)
- 52.203-7 Anti-Kickback Procedures (May 2014) (Applicable if Order exceeds \$150,000) (Excluding (c)(1) and "Prime Contractor" shall mean Buyer; no substitutions for Contracting Officer; "Subcontractor" shall mean Seller and Seller's Sellers)
- 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (May 2014)
- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 2007)
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Oct 2010) (Applicable if Order exceeds \$150,000)
- 52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (Apr 2014) (Applicable if Order exceeds \$150,000)
- 52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Jan 2017)
- 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (October 2016) (Applicable only to the extent Seller shall cooperate with Buyer in reporting required information on first tier subcontract awards.)
- 52.204-21 Basic Safeguarding of Covered Contractor Information Systems (June 2016) (Applicable only if Seller may have Federal contract information residing in or transiting through its information system.) (Not applicable to commercial off the shelf products.)
- 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (October 2015) (Applicable if Order exceeds \$35,000) (Not applicable to commercial or commercial off the shelf products and no substitution for "Government")
- 52.215-14 Integrity of Unit Prices (Oct 2010) (Applicable if Order exceeds \$150,000) (Not applicable to commercial items)
- 52.222-50 Combating Trafficking in Persons (March 2015)
- 52.223-3 Hazardous Material Identification and Material Safety Data (Jan 1997)
- 52.223-7 Notice of Radioactive Materials (Jan 1997) (The blank in paragraph (a) shall be "60") (Applicable only to Orders for radioactive materials)
- 52.223-11 Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (June 2016)
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011) (Applicable if Order exceeds \$3,500)
- 52.225-8 Duty-Free Entry (Oct 2010) (Applicable to Orders with supplies identified as duty-free entry that will be imported into the United States or foreign supplies in excess of \$20,000)

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52.225-13	Restrictions on Certain Foreign Purchases (Jun 2008)
52.225-20	Prohibition on Conducting Restricted Business Operations in Sudan – Certification (Aug 2009)
52.225-25	Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to Iran—Representation and Certifications (Dec 2012)
52.227-1	Authorization and Consent (Dec 2007) (Applicable if Order exceeds \$150,000) (Not applicable if both complete performance and delivery are outside of the US)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007) (Applicable if Order exceeds \$150,000) (Not applicable if both complete performance and delivery are outside the US)
52.227-9	Refund of Royalties (Apr 1984) (Applicable if royalties paid by Seller exceed \$250)
52.227-11	Patent Rights—Ownership by the Contractor (May 2014) (Applicable if Order is for experimental, developmental, or research work)
52.232-40	Providing Accelerated Payments to Small Business Subcontractors (Dec 2013)
52.234-1	Industrial Resources Developed Under Title III, Defense Production Act (Sep 2016)
52.242-15	Stop-Work Order (Aug 1989)
52.243-1	Changes – Fixed Price (Aug 1987) (For changes directed for the US Government)
52.244-6	Subcontracts for Commercial Items (Jan 2017)
52.245-1	Government Property (Jan 2017) (Applicable to Orders where Seller is furnished US Government property for performance)
52.247-63	Preference for U.S.-Flag Air Carriers (June 2003)
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (Applicable to Orders for other than commercial items)
52.248-1	Value Engineering (Oct 2010) (Applicable if Order exceeds \$150,000)
	<b>B. <u>DFARS</u></b>
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (Dec 2008) (Applicable if Order exceeds \$150,000) (Not applicable if Order is for commercial items)
252.203-7002	Requirement to Inform Employees of Whistleblower Rights (Sep 2013)
252.204-7000	Disclosure of Information (Oct 2016)
252.204-7009	Limitations on the Use or Disclosure of Third-party Contractor Reported Cyber Incident Information (Oct 2016) (Applicable if Order involves services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting.)
252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting (Oct 2016) (Applicable where unclassified controlled defense information is collected, developed, received, used, transmitted or stored; incident reports and notifications under (m)(2) shall be reported by Seller to Buyer (as “prime contractor” under this provision) utilizing Buyer designated process)
252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support (May 2016)
252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material (Dec 1991)
252.209-7004	Subcontracting With Firms That are Owned or Controlled by the Government of a Terrorist Country (Oct 2015)
252.211-7003	Item Unique Identification and Valuation (Mar 2016) (Applicable if item price exceeds \$5,000 per unit)
252.223-7001	Hazard Warning Labels (Dec 1991)
252.223-7008	Prohibition of Hexavalent Chromium (Jun 2013)
252.225-7001	Buy American and Balance of Payments Program (Dec 2016) (Applies only to Sellers outside the US)
252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies (Sep 2006)
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals. (Oct 2014)
252.225-7012	Preference for Certain Domestic Commodities (Dec 2016)
252.225-7013	Duty-Free Entry (May 2016)
252.225-7015	Restriction on Acquisition of Hand or Measuring Tools (June 2005)
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings (June 2011) (Not applicable if Order is for commercial items or for supplies not containing ball or roller bearings)
252.225-7048	Export-Controlled Items (Jun 2013)
252.227-7013	Rights in Technical Data–Noncommercial Items (Feb 2014) (Applicable if Order requires delivery of Seller technical data pertaining to non-commercial items or commercial items for which the US Government will have paid for any portion of the development costs)
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Feb 2014) (Applicable if Order requires delivery of computer software or computer software documentation)
252.227-7015	Technical Data–Commercial Items (Feb 2014) (Applicable if Order requires delivery of technical data pertaining to commercial items)
252.227-7016	Rights in Bid or Proposal Information (Jan 2011)
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions (Jan 2011)
252.227-7019	Validation of Asserted Restrictions—Computer Software (Sep 2016) (Applicable if Order requires delivery of computer software)
252.227-7026	Deferred Delivery of Technical Data or Computer Software (Apr 1988)
252.227-7027	Deferred Ordering of Technical Data or Computer Software (Apr 1988)
252.227-7028	Technical Data or Computer Software Previously Delivered to the Government (June 1995)
252.227-7030	Technical Data–Withholding of Payment (Mar 2000)
252.227-7037	Validation of Restrictive Markings on Technical Data (Sep 2016) (Applicable if Order requires delivery of technical data)
225.228-7001	Ground and Flight Risk (June 2010)
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (Dec 1991) (Applicable if Order involves the manufacture, modification, overhaul, or repair of aircrafts, missiles, and space launch vehicles or components thereof)
252.235-7003	Frequency Authorization (Mar 2014) (Applicable only to Orders for developing, producing, constructing, testing, or operating a device requiring a frequency authorization)
252.243-7001	Pricing of Contract Modifications (Dec 1991)
252.244-7000	Subcontracts for Commercial Items (Jun 2013)



## 2018 Annual Supplier Certifications, Representations, Standard Purchasing Terms and Conditions and Agreements

- 252.246-7000 Material Inspection and Receiving Report (Mar 2008) (Seller shall cooperate with Buyer to ensure that necessary reports are provided to the Government)
- 252.246-7003 Notification of Potential Safety Issues (Jun 2013) (Applicable if Order is for parts identified as critical safety items; systems and subsystems, assemblies, and subassemblies integral to a system; or repair, maintenance, logistics support, or overhaul services for the foregoing items; Notice in (c) shall be to Buyer and notice shall be as provided in (f)(2) without modification of terms)
- 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System (Aug 2016)
- 252.246-7008 Sources of Electronic Parts (Oct 2016) (Not applicable if Seller is the original manufacturer)
- 252.247-7023 Transportation of Supplies by Sea—Basic (Apr 2014) (Applicable if Order exceeds \$150,000)
- 252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000)
- 252.249-7002 Notification of Anticipated Contract Termination or Reduction (Oct 2010) (Applicable if Order exceeds \$150,000)

### C. ADDITIONAL FAR/DFARS FOR FIRM FIXED PRICE ORDERS TO SELLERS PERFORMING IN THE US- FAR

- 52.211-15 Defense Priority and Allocation Requirements (Apr 2008)
- 52.219-08 Utilization of Small Business Concerns (Nov 2016)
- 52.219-09 Small Business Subcontracting Plan (Jan 2017) (Applicable if Order exceeds \$700,000)
- 52.219-16 Liquidated Damages—Subcontracting Plan (Jan 1999) (Applicable if Order exceeds \$700,000)
- 52.222-04 Contract Work Hours and Safety Standards— Overtime Compensation (May 2014) (Applicable if Order involves employment of laborers and mechanics)
- 52.222-20 Contracts for Materials, Supplies, Articles and Equipment Exceeding \$15,000 (May 2014)
- 52.222-21 Prohibition of Segregated Facilities (Apr 2015)
- 52.222-26 Equal Opportunity (Sep 2016)
- 52.222-35 Equal Opportunity for Veterans (Oct 2015) (Applicable if Order exceeds \$150,000)
- 52.222-36 Equal Opportunity for Workers with Disabilities (July 2014) (Applicable if Order exceeds \$15,000)
- 52.222-37 Employment Reports on Veterans (Feb 2016) (Applicable if Orders exceeds \$150,000)
- 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (Applicable if Order exceeds \$10,000)
- 52.222-41 Service Contract Labor Standards (May 2014) (Applicable if Order is subject to the Service Contract Labor Standards)
- 52.222-51 Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment— Requirements (May 2014)
- 52.222-53 Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services – Requirements (May 2014)
- 52.222-54 Employment Eligibility Verification (Oct 2015) (Not applicable if Order is under \$3,500)
- 52.222-55 Minimum Wages Under Executive Order 13658 (Dec 2015) (Applicable if Order is subject to the Service Contract Labor Standards statute)
- 52.222-60 Paycheck Transparency (Executive Order 13673) (Oct 2016) (Applicable if Order exceeds \$500,000) (Not applicable if Order is for commercial off the shelf products)
- 52.222-62 Paid Sick Leave Under Executive Order 13706 (Jan 2017) (Applicable if Order is subject to the Service Contract Labor Standards)
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011) (Applicable if Order exceeds \$3,500)
- 52.225-1 Buy American – Supplies (May 2014) (Applies only to Sellers in the US)

### D. DFARS

- 252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements (Dec 2010) (Applicable if Order exceeds \$1,000,000 and is for a non-commercial product)
- 252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Sep 2004) (Applicable if Order exceeds \$500,000)

### E. ADDITIONAL FAR/DFARS FOR FIRM FIXED PRICE ORDERS TO SELLER OVER \$750,000- FAR

- 52.203-13 Contractor Code of Business Ethics and Conduct (Oct 2015) (Applicable if Order exceeds \$5,500,000)
- 52.203-14 Display of Hotline Poster(s) (Oct 2015) (Applicable if Order exceeds \$5,500,000) (Not applicable if Order is for commercial items or for performance entirely outside the United States)
- 52.215-02 Audit and Records – Negotiation (Oct 2010) (Applicable if Order requires certified cost or pricing data under FAR 15.403-1)
- 52.215-10 Price Reduction for Defective Certified Cost or Pricing Data (Aug 2011)
- 52.215-11 Price Reduction for Defective Certified Cost or Pricing Data—Modifications (Aug 2011)
- 52.215-12 Subcontractor Certified Cost or Pricing Data (Oct 2010) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost/pricing data under FAR 15.403-1)
- 52.215-13 Subcontractor Certified Cost or Pricing Data—Modifications (Oct 2010) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
- 52.215-15 Pension Adjustments and Asset Reversions (Oct 2010) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
- 52-215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Jul 2005) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
- 52.215-19 Notification of Ownership Changes (Oct 1997) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
- 52.215-23 Limitations on Pass-Through Charges (Oct 2009) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
- 52.230-02 Cost Accounting Standards (October 2015) (Applicable if Order exceeds \$750,000 and not otherwise exempt under FAR 15.403-1)
- 52.230-03 Disclosure and Consistency of Cost Accounting Practices (Oct 2015) (Applicable if Order exceeds \$750,000 and not otherwise exempt under FAR 15.403-1)

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- 52.230-04 Disclosure and Consistency of Cost Accounting Practices—Foreign Concerns (Oct 2015) (Applicable if Order exceeds \$750,000 unless otherwise exempt from certified cost or pricing data under FAR 15.403-1)
- 52.230-06 Administration of Cost Accounting Standards (Jun 2010) (Applicable if Order exceeds \$750,000)
- F. **DFARS**
- 252.203-7004 Display of Hotline Posters (Oct 2016) (Applicable if Order exceeds \$5,500,000) (Not applicable if Order is for commercial items or will be performed entirely outside of the US)
- 252.211-7000 Acquisition Streamlining (Oct 2010) (Applicable if Order exceeds \$1,500,000)
- 252.215-7000 Pricing Adjustments (Dec 2012)
- 252.225-7033 Waiver of United Kingdom Levies (Apr 2003) (Applicable if Seller expects to issue lower-tier orders to a UK firm exceeding \$1,000,000)

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**III. STANDARD PURCHASE ORDER TERMS AND CONDITIONS**

**1. CONTRACT.** The provisions contained herein and of the Nasco Aircraft Brake, Inc. ("Buyer"), Purchase Order constitute the entire agreement between the parties, shall become effective upon execution of this contract by both parties hereto or upon commencement of performance hereunder by Seller and supersedes all previous communications, representations, or Agreements, whether oral or written, between the parties with respect to the subject matter hereof; no agreement or understanding varying or extending the terms or conditions of the contract and no conditions stated by the Seller in its acknowledgment of this contract, if in conflict with or in addition to the terms and conditions contained herein, shall be binding upon Buyer unless expressly agreed to by an authorized Procurement Representative of Buyer. This contract shall be construed and interpreted in accordance with the laws of the State of California.

**2. ISSUING AUTHORITY.** This contract and any amendments supplement or change hereto or any notice authorization or advice pertaining hereto, shall not be binding on Buyer unless made in writing by an authorized Procurement Representative of Buyer.

**3. PAYMENT.** Seller shall be paid upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, fewer deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by Buyer when the amount due on such deliveries so warrants. In no event shall payment waive any breach of the warranty provisions of this contract or any of Buyer's rights under this contract or at law.

**4. DELIVERIES AND DEFAULT**

(a) Time is of the essence in this contract.

(b) Deliveries are to be made both in quantities and at the times specified in this contractor modification thereof. Buyer will have no liability for payment for material or items delivered which are in excess of quantity specified in the delivery schedules, unless such excess is agreed upon by Buyer in writing. Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefore have been authorized in writing by Buyer.

(c) Buyer may by written notice of default to the Seller terminate the whole or any part of the contract in any one of the following circumstances: (i) if the Seller fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or (ii) if the Seller fails to perform any of the other provisions of the contract, or so fails to make progress as to endanger performance of the contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of five (5) days (or such longer period as Buyer may authorize in writing) after receipt of notice from Buyer specifying such failure.

(d) In the event Buyer terminates this contract in whole or in part as provided in paragraph(c) of this clause, Buyer may procure upon such terms and in such manner as Buyer may deem appropriate, supplies or services similar to those so terminated and the Seller shall be liable to Buyer for any excess costs for such similar supplies or services and the Seller shall continue the performance of the contract to the extent not terminated under the provisions of this clause.

e) Except with respect to defaults of subcontractors, the Seller shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Seller. Such causes may include but are not restricted to, acts of God or of the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault of negligence of the Seller. If the failure to perform is caused by the default of a subcontractor and if such default arises out of causes beyond the control of both the Seller and subcontractor and without the fault or negligence of either of them, the Seller shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Seller to meet the required delivery schedule.

(f) If this contract is terminated as provided in paragraph (c) of this clause, Buyer, in addition to any other rights provided in this clause, may require the Seller to transfer title and deliver to Buyer in the manner and to the extent directed by Buyer (i) any completed supplies and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and contract rights (herein after called "manufacturing materials" as the Seller has specifically produced or specifically acquired for the performance of such part of the contract as has been terminated; and the Seller shall upon direction of Buyer, protect and preserve property in possession of the Seller in which Buyer of the Government has an interest, payment for completed supplies, delivered to and accepted by Buyer shall be at the contract price. Payment for manufacturing materials delivered to and accepted by Buyer and for the protection and Preservation of property shall be in an amount agreed upon by the Seller and Buyer or if they shall fail to agree, in a reasonable amount; provided, however, that in no event will the amount payable by Buyer for any manufacturing materials exceed the contract price for the supplies for which the manufacturing materials have been produced or procured multiplied by the percentage of completion of such supplies that is represented by such manufacturing materials. Buyer may withhold from amounts otherwise due the Seller for such completed supplies or manufacturing materials such sum as Buyer determines to be necessary to protect Buyer against loss because of outstanding liens or claims of former lien holders.

(g) Failure of Buyer to enforce any right under this clause shall not be deemed a waiver of any other right hereunder. The rights and remedies of Buyer under this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

(h) If, after notice of termination of this contract has been given as provided above, it is determined that the failure to perform this contract is due to causes beyond Seller's control, such notice of default shall be deemed to have been issued pursuant to clause 17 here of and the right, and obligations of the parties hereto shall, in such event, be governed by said clause provided Seller notifies Buyer promptly of the occurrence of such occasion.

**5. WARRANTY.** Seller expressly warrants that all the material and work procured by this contract will conform to the specifications, drawings, samples or other description furnished or specified by Buyer or furnished by Seller and accepted by Buyer and will be merchantable, of good material and workmanship and free from defect. Seller expressly warrants that all the specifications, drawings, samples or other description furnished by Buyer will be fit and sufficient for the purposes intended. Seller shall indemnify and hold Buyer harmless from any and all claims, suits, demands, costs and expenses arising out of or by reason of Seller's breach of any of the warranties contained herein or breach of any other provisions of this contract.

**6. INSPECTION.** Materials purchased are subject to Buyer's inspection and approval at destination. If rejected, supplies will be returned for credit or replacement at Seller's risk, and all handling and transportation expenses both ways shall be assumed by Seller. No goods returned as defective shall be replaced without written authorization from Buyer. Payment for material on this order prior to inspection shall not constitute an acceptance of the quality or quantity thereof, and payment after inspection shall not constitute waiver of any of the warranty provisions hereof; any quantities delivered over and above the amounts

shown hereon, or releases issued hereunder, or any nonconforming or defective supplies may be returned to the Seller with shipping costs therefore for Seller's account.

**7. PATENT INDEMNIFICATION.** Seller covenants that it will, at its own expense, defend any claim brought by others against Buyer, its successors, assigns, or its customers or users of its products because the sale or use of the equipment or material covered hereby, which equipment or material is not of Buyer's design or specification is alleged to infringe rights in, to, or under patents or inventions and will save Buyer, its customers or users, harmless from any liability of any nature or kind, including all costs or expenses. In the event that sale or use of such equipment or material is enjoined, Seller shall at its own expense, either procure for Buyer the right to continue using said equipment or material or replace same with equivalent non-infringing product, or modify such equipment or material so it becomes non-infringing, or remove same and refund the purchase price, including transportation, installation, removal and other charges incidental thereto, as mutually agreed upon between Buyer and Seller. Seller's covenants shall not apply to any infringement, based solely upon the use of articles or materials supplied here under in combination with other articles or materials not furnished by Seller, unless such combination is in accordance with recommendations and detailed specifications furnished by Seller.

**8. CHANGES.** Buyer shall have the right-at any time before completion of this purchase order to make changes in drawings, designs, specifications, quantities, methods of shipment, packaging, and place of delivery. If any such changes cause an increase or decrease in the cost of, or the time required for performance of this purchase order or otherwise affect any other provision of this purchase order, an equitable adjustment shall be made and the purchase order modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted in writing, within thirty (30) days from the date of receipt and set upon any such claim asserted at any time prior to final payment under this purchase order, nothing contained in this clause shall relieve Seller from proceeding without delay in the performance of this order as changed.

**9. TERMINATION DUE TO INSOLVENCY OF SELLER.** Buyer may forthwith terminate this contract in the event of the happening of any of the following insolvency of the Seller; the filing of a voluntary petition in bankruptcy; the filing of an involuntary petition to have Seller declared bankrupt; the appointment of a Receiver or Trustee for Seller; the execution by Seller of an assignment for the benefit of creditors. In the event of termination pursuant to the provisions of this paragraph 9, in addition to all other rights that Buyer may have Buyer shall have the rights specified in paragraphs 4 (d) and 4 (f) hereof

**10. CRATING, PACKAGING, SPECIAL TOOLING, PREPARATION CHARGES.**

(a) Seller's price shown herein includes all materials and labor required to adequately package the item(s) ordered herein so as to assure in-transit protection and delivery at Buyer's plant in an undamaged condition. Special gages and checking fixtures shall be shipped in a box designed to serve as a permanent handling and storage box.

(b) No charges for special tooling or setup or preparation will be allowed unless specified on the face of this contract.

**11. SHIPMENT TO DESTINATIONS OTHER THAN BUYERS PLANT.** When shipments to destinations other than Buyer's plant are authorized, Seller invoices will be paid by Buyer upon acknowledgment of receipt of shipment by the Consignee Seller's responsibility for shortages, damages and freight claims will be exactly the same as if shipments were made to Buyer.

**12. NON-ASSIGNMENT OF THIS ORDER.** This contractor monies due here under may not be assigned by Seller without Buyer's prior written consent.

**13. COMPLIANCE WITH LAWS.** Seller shall, in the performance of work or services under this order, fully comply with all applicable federal, state, or local laws, rules, regulations, or ordinances and shall hold Buyer harmless from any liability resulting from failure of such compliance.

**14. RIGHTS OF BUYER.** Any right expressly conferred on the Buyer herein shall not limit or modify any right which the Buyer would otherwise have.

**15. INDEMNITY.** Seller shall indemnify, save harmless and defend Buyer from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs and expenses of what so ever kind or character (including but not limited to reasonable attorneys' fees and expenses) arising out of or by reason of any liability or obligation, including but not limited to claims arising out of or by reason of any default by Seller in the performance of this contract or any injury (including death) or damage to the persons or property of employees of either Buyer or Seller or of third parties, in any manner caused or, occasioned, or claimed to be caused or occasioned by any act, omission, fault or negligence of Seller or anyone acting on his behalf in connection with or incident to this contractor the work to be performed hereunder.

**16. LIMITATION OF LIABILITY FOR TERMINATION.** The exercise by Buyer of the rights or termination reserved in paragraphs 4, 9, and 17 hereof, shall not impose, any liability upon Buyer by reason of such termination, except as specifically provided in the clause herein under the authority of which the termination is made, nor shall the exercise of such rights of termination have the effect of waiving damages to which Buyer might otherwise be entitled.

**17. TERMINATION OF CONVENIENCE.** Buyer may terminate this contract in whole, or from time to time in part, effective as of the date specified by Buyer, in accordance with the provisions of the "Termination for Convenience of the Government" clause, 48 CFR 52.249-2, which provisions are incorporated herein by reference except that "Contracting Officer" means Buyer's Materiel Representative, and "government" means Buyer, in paragraph(c) the term "45 days" is changed to "50 days"; the term "one year" in paragraph (a) is changed to "six months."

**18. STOP WORK ORDER.**

(a) The Buyer, may at any time by written order to the Seller, require the Seller to stop all, or any part of the work called for by this contract for a period of Ninety (90) days after the Stop Work Order is delivered to the Seller, and for any further period to which the parties may agree. Any such order shall be specifically identified as a Stop Work Order issued pursuant to this clause. Upon receipt of such an order, the Seller shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs, allocable to the work covered by the order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to the Seller or within any extension of that period to which the parties shall have agreed, the Buyer shall either (i) cancel the Stop Work Order, or (ii) terminate the work covered by such order as provided in the "Termination for Convenience" clause of this contract.

(b) If a Stop Work Order issued under this clause is canceled or the period of the order or any extension thereof expires, the Seller shall resume work. An equitable adjustment shall be made in the delivery schedule or contract cost, or both and the contract shall be modified in writing accordingly, if (i) the Stop Work Order results in an increase in the time required for or of the Seller's cost properly allocable to the performance of any part of this contract, and (ii) the Seller asserts a claim for such adjustment within thirty (30) days after the end of the period of work stoppage provided that, if the Buyer decides the facts justify such action, he may receive and act upon any such claim asserted at any time prior to final payment under this contract.

(c) If a Stop Work Order is not canceled and the work covered by such order is terminated for the convenience of the Government, the reasonable costs resulting from the Stop Work Order shall be allowed in arriving at the termination settlement.

#### **19. SUBCONTRACTS.**

(a) The Seller shall give advance notification to Buyer of any proposed subcontract (which term includes purchase orders) which subcontract involves the Payment of more than the amount specified on the face hereof the Seller shall not, without Buyer's prior written approval, place any such subcontract. In addition to and without limitation of the foregoing, the Seller shall not, without Buyer's prior written approval, place subcontracts that differ in kind or amount from the subcontracting indicated in the Seller's quotation.

(b) Any approval obtained by the Seller pursuant to the provisions of this clause shall in no way relieve the Seller of any of its obligations under this contract.

(c) This provision shall not apply to any subcontract or purchase order placed for procurement of standard commercial components or raw materials.

**20. TAXES.** Seller's prices shall be exclusive of any federal, state or local sales, use or excise taxes levied upon, or measured by the sale, the sales price, or use of goods required in the performance of this order. Seller shall list separately in its pricing quotation and on its invoice any such tax lawfully applicable to any such goods and payable by Buyer, with respect to which Buyer does not furnish to Seller lawful evidence of exemption. Any such taxes not so separately stated shall not be reimbursable to Seller or otherwise payable by Buyer. Seller's prices shall not include any taxes on property owned by the United States Government unless authorized in writing by Buyer. Seller agrees to comply with any reasonable request by Buyer regarding payments under protest, and regarding any refunds, claims, litigation or proceedings with respect to any such taxes. With the exception of the foregoing specified taxes, Seller's price shall be deemed to include all other federal, state and local taxes.

**21. BUYER'S PROPERTY.** All drawings, specifications, tools, materials, information and other property furnished by Buyer shall be taken and held by Seller in strict confidence, shall remain Buyer's property, shall be duplicated, used or disclosed only for the purpose and to the extent necessary for the performance of the contract and, upon completion of this contract such property together with all copies thereof, shall be delivered to Buyer or destroyed by the Seller as Buyer specified; provided that the foregoing shall not limit the Seller's right to use such drawings, specifications, tools, materials and other property in the performance of contracts with the Government (or in the performance of subcontracts of any tier under contracts with the Government) If the Government has the right to authorize such use of the drawings, specifications, tools, materials and other property, if such use will not interfere with the Seller's performance of the contract or other contracts with Buyer and if prior written notice of the contemplated use is given by the Seller to Buyer. The Seller shall require a similar agreement from each of its vendors or subcontractors. The Seller will indemnify Buyer and hold Buyer harmless from and against any loss, destruction or damage, from whatever cause arising, of or to any property received by the Seller from Buyer or held by the Seller or any of its vendors or subcontractors for Buyer's account.

**22. RESPONSIBILITY FOR SUPPLIES.** Except as otherwise provided in the contract:

(a) the Seller shall be responsible for the supplies covered by the contract until they are delivered at the designated delivery point regardless of the point of inspection;

(b) after delivery to Buyer at the designated point and prior to acceptance by Buyer or rejection and giving notice thereof by Buyer, Buyer shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of Buyer acting within the scope of their employment.

#### **23. EXAMINATION OF RECORDS.**

(a) The seller agrees that the Comptroller General of the United States or any of his duly authorized representatives, shall, until the expiration of three years after final payment under the contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Seller, involving transactions related to the contract.

(b) The Seller further agrees to include in all his subcontracts, hereunder a provision to the effect that the subcontractor agrees that the Comptroller General to the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract.

The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding \$2,500 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

**24. INSPECTION AND AUDIT.** Seller agrees that its books and records and its plants, or such part thereof as may be engaged in the performance of the contract, shall at all reasonable times be subject to inspection and audit by Buyer or an authorized representative of the Department of Defense.

**25. ASSIGNMENT OF BUYER.** Buyer may, without prior notice to Seller or Seder's sureties, assign this contract in whole or in part to the U.S. Government or to any higher-tier contractor or subcontractor acting under the U.S. Government contract under which this contract is entered.

**26. DISPUTES.** The parties agree that any dispute or claim arising or related to this Agreement, its performance, breach, or interpretation (including issues about its validity or enforceability), shall be exclusively (except as provided below) resolved by final binding arbitration before the American Arbitration Association (AAA), utilizing its Commercial Arbitration Rules. One arbitrator shall be selected using AAA procedures. The arbitrator shall use all reasonable efforts to minimize discovery and to complete the arbitration proceedings as expeditiously as possible. The Arbitrator shall render a written decision within thirty (30) calendar days of the hearing. The arbitrator will not award attorney's fees, or punitive, incidental, consequential, treble or other multiple or exemplary damages, and the parties hereby agree to waive and not seek such damages. Either party may seek judicial relief to compel the other party to comply with the provisions of this Section, or injunctive or other equitable relief to protect its intellectual property rights, provided (unless prohibited by applicable law) that the remainder of the dispute or claim is submitted to arbitration. The arbitration shall be held in Los Angeles California; both parties hereby give their irrevocable



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consent to jurisdiction of courts of or in the State of California, as well as processes of the AAA in California. Awards shall be final, binding and non-appealable (except on the minimal grounds required under the Federal Arbitration Act or other applicable law). All awards may be filed with one or more courts, state, federal or foreign having jurisdiction over the party against whom such award is rendered or its property, as a basis of judgment and of the issuance of execution for its collection. The United Nations Convention for the International sale of goods is excluded from application to this contract.

**27. DEBARMENT.** The seller certifies, to the best of its knowledge and belief, that the seller and/or any of its principals are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any federal agency.

**28. PROCUREMENT INTEGRITY.** The seller certifies that to the best of its knowledge and belief, that it has no information concerning a violation or possible violation of subsection (a), (b), (d) or (f) of 41 U.S.C. 423, Procurement Integrity, or its implementing regulations that may have occurred during the conduct of this procurement.

**29. EXPORT COMPLIANCE.**

The information which the Parties may wish to disclose pursuant to this Agreement may be subject to the provisions of the Export Administration Act of 1979 (50 USC 2401-2420), the Export Administration Regulations promulgated there under (15 CFR 730-774), the Arms Export Control Act of -1976 (22 USC 2778), the International Traffic in Arms Regulations [ITAR] promulgated there under (22 CFR 120-130) and the U.S. Treasury Department's Foreign Assets Control Regulations (31 CFR 500). The Parties acknowledge that these statutes and regulations impose restrictions on import, export and transfer to third countries of certain categories of data, technical services and articles, and that licenses from the U.S. Department of State, the U.S. Department of Commerce and/or the U.S. Department of Treasury may be required before such data, technical services and articles can be disclosed hereunder, and that such licenses may impose further restrictions on use and further disclosure of such, data, technical services and articles. Disclosure of such data, technical services and articles to foreign persons, as defined at ITAR 120.16, is subject to the above regulations regardless if the export occurs in the U.S. or abroad. The Parties agree to comply with all U.S. governmental regulations mentioned above as they relate to the import, export and re-export of data, technical services and articles. Each Party shall indemnify and hold the other Party harmless to the full extent of any loss, damage or expense, excluding lost profits, for any failure of the Party to comply with the above referenced laws and regulations.

**30. COMPLIANCE WITH LAWS:**

Nasco also includes by reference the equal employment opportunity clause covered by Executive Order 11246 Affirmative Action Program for Women and Minorities and (2) Affirmative Action Program for Workers with Disabilities and (3) Covered Veterans, Disabled Veterans and Special Disabled Veterans (4) Executive Order 13496 Notification of Employee Rights under Federal Labor Laws.

*Nasco Aircraft Brake is an Equal Opportunity Employer, M/F/D/V.*

**IV. UNILATERAL CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT**

This Unilateral Confidentiality and Non-Disclosure Agreement (“Agreement”) is effective as the date below (“Effective Date”), between Nasco Aircraft Brake, Inc., having a place of business at 13300 Estrella Ave, Gardena, California (“Nasco”), and the supplier identified in paragraph A. 1 (“Company”). Nasco and Company may be referred to individually as a “Party,” or collectively, as the “Parties”.

For purposes of this Agreement, Nasco shall be referred to as the “Disclosing Party,” and the Company shall be referred to as the “Receiving Party.”

**A. RECITALS**

- 1.1 Nasco owns uses and develops valuable technical and non-technical information in the course of its business. This information is confidential and proprietary to Nasco and Nasco protects and desires to continue to protect such information by keeping it confidential.
- 1.2 Company may perform subcontracting services, provide material, perform special processing, etc., herein referred to as “the Purpose” with Nasco in a capacity in which Company may receive or be exposed to certain of Nasco’s Confidential Information.
- 1.3 Nasco is willing to pursue the Purpose with Company, and in so doing, disclose certain of its Confidential Information to Company under the terms and conditions of this Agreement

THEREFORE, in consideration of the above recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

**B. CONFIDENTIAL INFORMATION**

**2.1 Confidential Information and Trade Secrets**

2.1.1. Confidential Information and Trade Secrets (collectively “Confidential Information”) means, without limitation and by example, all tangible and intangible proprietary information, materials, processes, process parameters, methods, practices, techniques, technical plans, drawings, data, algorithms, hardware, computer software, firmware and programs, source code, computer screens, product and process specifications and related documentation, formulas, patterns, sketches, drawings, models, inventions and invention disclosures, know-how, apparatus, equipment, chemical or biological materials, discoveries, information regarding research, experimental work, developments, improvements, prototypes and devices, engineering plans, procurement requirements, customer information and lists, pricing information, price lists, supplier information and lists, marketing, manufacturing and business plans, forecasts, and strategies, financial information, responses to RFP’s and other bid information, and all other summaries and compilations of information, which relate in any way to the business of the Disclosing Party, which have not been disclosed by the Disclosing Party to the general public, and which is or are disclosed to the Receiving Party by the Disclosing Party, or on its behalf, either directly or indirectly, in writing, verbally, electronically or by drawings or by inspection of facilities, or in any other way. Confidential Information shall also include all Derivatives thereof, any information that qualifies as a “trade secret” under the Uniform Trade Secret Act, and any Confidential Information that was acquired by the Disclosing Party from a third party.

2.1.2 Derivatives shall mean and include, with respect to any copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; any improvement on patentable or patented material, and for trade secrets, any new material derived from such existing trade secret material, including new material which may be protected under copyright, patent and/or trade secret laws.

**2.2 Marking**

Anything to be treated as Confidential Information shall be supplied in written or electronic form, or if disclosed verbally or visually, shall be identified as confidential at the time of disclosure and may be documented thereafter. All materials in written or electronic form shall be clearly marked with a “Confidential” or other similar legend, or otherwise designated as being “Confidential.” The Disclosing Party may designate disclosed information as “Confidential” after presentation or disclosure, and the Receiving Party shall thereafter treat the information as Confidential, but the Receiving Party shall have no liability for disclosure or use during the interim period of time.

**2.3 Exceptions**

Confidential Information shall not include:

- (a) Information which the Receiving Party can clearly demonstrate was in the public domain at the time of disclosure hereunder; or
- (b) Information which the Receiving Party can clearly demonstrate was rightfully in the Receiving Party’s possession prior to the time of its disclosure hereunder; or
- (c) Information which the Receiving Party can clearly demonstrate has subsequently become part of the public knowledge or literature through no fault of the Receiving Party, but only from such date as the information becomes so available; or
- (d) Information which the Receiving Party can clearly demonstrate has subsequently been received by the Receiving Party without obligations of secrecy from a third party who is free to disclose the information; or
- (e) Information which the Receiving Party can clearly demonstrate was independently developed by the Receiving Party without any use of Confidential Information received hereunder.

**C. OBLIGATIONS REGARDING CONFIDENTIAL INFORMATION****3.1 Confidentiality**

The Receiving Party hereby agrees to treat all Confidential Information received from the Disclosing Party according to the terms and conditions set forth in this Agreement. The Receiving Party's confidentiality obligations, and liabilities for any breach thereof, shall survive any termination of this Agreement. Each Party agrees that the disclosure of Confidential Information under this Agreement does not waive or otherwise relinquish any privileges, trade secret status or other protections that otherwise might apply to the Disclosing Party's Confidential Information.

**3.2 Limitations on Disclosure and Use of Confidential Information**

3.2.1 Except as expressly authorized in writing by the Disclosing Party, except as permitted under subsection 3.2.3 below and except for the disclosure to the Receiving Party's employees and agents permitted under section 3.3 below, the Receiving Party shall not at any time disclose any of Disclosing Party's Confidential Information to any person, or permit any person to examine and/or make copies of any reports or any documents containing same that are prepared by the Receiving Party for the Disclosing Party or that come into Receiving Party's possession or control from the Disclosing Party.

3.2.2 Upon demand, or termination of this Agreement, whichever is earlier, the Receiving Party shall (a) cease all use of the Disclosing Party's Confidential Information, (b) return all Confidential Information received under this Agreement on physical media including paper documents and portable electronic media, e.g., compact disk or digital video disk, to the Disclosing Party, (c) delete all Confidential Information residing on non-portable electronic media, e.g., e-mails and other electronic documents residing on networks, and (d) certify in writing to the Disclosing Party in a timely manner its compliance with this subsection 3.2.2. The requirements of this subsection 3.2.2 shall extend to excerpts, summaries or reports of Confidential Information, as well as all notes of verbal communications of Confidential Information.

3.2.3 The Receiving Party shall use the Disclosing Party's Confidential Information solely in connection with the Purpose. The Receiving Party agrees not to make or allow to be made copies of, or otherwise reproduce, Confidential Information of the Disclosing Party, except as reasonably required for purposes of this Agreement, or as otherwise permitted with the specific prior written consent of the Disclosing Party. Without limiting the foregoing, the Receiving Party shall not reverse engineer or otherwise decompile or disassemble the Disclosing Party's Confidential Information.

3.2.4 If the Receiving Party is requested or required, in the course of any litigation or proceeding, to produce or disclose information that has been designated as Confidential Information by the Disclosing Party, the Receiving Party shall take the following steps prior to any such production or disclosure:

(a) Promptly notify the Disclosing Party in writing that the Confidential Information has been so required or requested, in such time and in such detail that the Disclosing Party has the opportunity to seek a protective order or otherwise appear or intervene in the litigation or proceeding for purposes of protecting its Confidential Information.

(b) If the Disclosing Party after such notice does not consent to the requested production or disclosure, the Receiving Party shall reasonably assist the Disclosing Party in (at the Disclosing Party's expense) prosecuting an objection (or, if so requested by the Disclosing Party, shall join in the Disclosing Party's objection) to the production and/or disclosure of the Confidential Information.

3.2.5 The Receiving Party shall have no liability for disclosing Confidential Information so required or requested if the Disclosing Party consents to the disclosure or if a court of competent jurisdiction overrules said objection(s) and orders the production or disclosure.

3.2.6 The Receiving Party shall not be entitled to use the disclosed Confidential Information in the sale of products or provisions of services to a third party unless pursuant to a subsequent written agreement between the Parties that authorizes such use, and which either specifies a royalty or other compensation for such use, or confirms that such use is royalty free.

3.2.7 Company agrees and undertakes that all the rights, restrictions and obligations for the protection of Confidential Information as set out in this Agreement shall apply to any Confidential Information of Nasco's parent company or any group subsidiary of its parent company which is disclosed pursuant to this Agreement.

**3.3 Standard of Care**

The Receiving Party agrees that Confidential Information received hereunder will be treated with the care necessary to protect the Disclosing Party's Confidential Information, and with at least the same care that the Receiving Party uses in the protection of its own confidential or proprietary information, which in any event shall at least be in a reasonable and prudent manner. Confidential Information shall be disclosed only to those of the Receiving Party's employees or agents who need to evaluate and use it for the purposes of the Purpose. All employees or agents of a Receiving Party who are provided access to the Disclosing Party's Confidential Information shall be advised of its confidential nature and must be subject to confidentiality obligations that are at least as restrictive as those set forth in this Agreement. Neither Party shall communicate any information to the other in violation of the proprietary rights of any third party.

**3.4 Injunctive Relief**

The Receiving Party acknowledges that disclosure of any Confidential Information by it would give rise to irreparable injury to the Disclosing Party, for which the Disclosing Party would lack adequate remedies at law. Accordingly, the Disclosing Party may seek injunctive or other equitable relief against the breach or threatened breach of this Agreement's undertakings relating to Confidential Information, in addition to any other remedies which may be available. The Receiving Party further acknowledges and agrees that in the event of the termination of this Agreement, the Receiving Party's experience and capabilities are such that the enforcement of a remedy hereunder by way of injunction will not prevent the Receiving Party from earning a reasonable livelihood. The Receiving Party further acknowledges and agrees that the covenants contained herein are necessary for the protection of the Disclosing Party's legitimate business interests and are reasonable in scope and content.

**3.5 Duty of Receiving Party Regarding Unauthorized Use**

The Receiving Party shall promptly advise the Disclosing Party in writing if it learns of any misappropriation or unauthorized use or disclosure of Confidential Information by any person, including any Receiving Party personnel or former Receiving Party personnel. The Receiving Party shall take all steps reasonably requested by the Disclosing Party to limit, stop or otherwise remedy such misappropriation or unauthorized use or disclosure.

**3.6 Duty to Notify Disclosing Party if Receiving Party Believes Information is Non-Confidential**

If the Receiving Party believes that information labeled by the Disclosing Party to be Confidential Information is not in fact Confidential Information pursuant to subsections 2.3(a)-(e), the Receiving Party shall promptly provide notice thereof to the Disclosing Party in writing of the grounds for that belief. Providing such notice shall not, however, relieve the Receiving Party of its obligations under this Agreement to protect the confidentiality of that information unless or until the Disclosing Party agrees, or a court of competent jurisdiction in a final and non-appeal Order or Decision declares the information not to constitute Confidential Information.

**3.7 Term and Termination**

This Agreement shall remain in effect until the earlier of (a) five (5) years from the Effective Date, (b) the completion of the Purpose, (c) the date on which the Parties enter into an agreement containing substantially similar confidentiality provisions, which agreement is intended to entirely supersede this Agreement, or (d) the date on which either Party terminates this Agreement upon thirty (30) days written notice to the other Party. Any confidentiality obligations and liabilities for any breach thereof, shall survive any termination of this Agreement.

**3.8 No License, Transfer of Ownership or Joint Venture**

Confidential Information shall remain the property of the Disclosing Party. Neither this Agreement nor any exchange of Confidential Information hereunder shall be construed to grant any license to nor any ownership rights in the Disclosing Party's Confidential Information or intellectual property rights therein. "Intellectual property rights" shall include patent, copyright and trademark rights. Nothing in this Agreement shall constitute a joint venture, or establish the Parties as joint ventures or the agent of the other, or create any liability to any third party for the other's debts or obligations. There are no third party beneficiaries under this Agreement.

**3.9 Disclaimer of Warranties; Independent Development**

3.9.1 The Parties agree that Confidential Information disclosed or otherwise provided under this Agreement is provided "as-is," and that no warranties of any kind are given with respect to Confidential Information provided under this Agreement as well as any use thereof. The Disclosing Party shall not be liable for errors or omissions in, or any decisions made by the Receiving Party in reliance on, any Confidential Information disclosed under this Agreement, and a Receiving Party shall use and rely on Confidential Information at its sole risk and expense.

3.9.2 Each of the Parties may now or in the future be developing information internally, or receiving information from other Parties that may be similar to such the Disclosing Party's Confidential Information. Accordingly, neither Party warrants or represents it will not develop products or services, or have products or services developed by or for itself that will compete with the products or services contemplated by such Disclosing Party's Confidential Information, provided such products and services were developed without use of the Disclosing Party's Confidential Information or otherwise in breach of this Agreement.

**3.10 Enforceability**

The provisions of this Agreement shall be enforceable notwithstanding the existence of any claim or cause of action on the part of the Receiving Party against the Disclosing Party whether predicated on this Agreement or otherwise.

**3.11 Governing Law; Arbitration**

3.11.1 This Agreement shall be governed by the laws of the State of California, without reference to its conflicts of law principles.

3.11.2 Unless otherwise agreed, any dispute, including any question regarding the existence, validity or termination of this Agreement, shall be referred to and finally resolved by arbitration under the JAMS' International Arbitration Rules. The applicable rules and procedures are deemed to be incorporated by reference into this Section 3.11.2. The number of arbitrators shall be one unless the parties otherwise agree.

3.11.3 The place of arbitration shall be Los Angeles County, California. The language to be used in the arbitral proceedings shall be English.

3.11.4 Notwithstanding the foregoing, either Party may apply to any court with the competent jurisdiction for an order for specific performance or any interim, injunctive or protective order as may be necessary to protect its interests, and Nasco may apply to any court with competent jurisdiction in relation to any dispute concerning payment.

**3.12 Entire Agreement, No Implied Waiver**

This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and all prior and contemporaneous agreements and understandings concerning the subject matter hereof are superseded hereby. No term or provision hereof will be considered waived by either Party, and no breach excused by either Party, unless such waiver or consent is in writing signed by the Party against whom such waiver or consent is asserted. The waiver by either Party of, or consent of either Party to, a breach of any provision of this Agreement by the other Party shall not operate or be construed as a waiver of, consent to, or excuse of any other or subsequent breach by the other Party.

**3.13 No Further Agreement; Attorney's Fees**

Nothing in this Agreement shall be construed to obligate either Party to enter into another agreement or business relationship in connection with the Purpose or otherwise. Each Party shall bear all costs and expenses incurred in connection with this Agreement; provided that a prevailing Party in any litigation commenced to enforce or construe the terms of this Agreement shall be entitled to collect from the other Party its actual litigation costs, including reasonable attorneys' fees.

**3.14 Export and Governmental Compliance**

The Receiving Party agrees to comply with all applicable export laws and regulations. Without limiting the foregoing, the Receiving Party shall not disclose any Confidential Information or other information provided hereunder in any manner contrary to the laws and regulations of the United States

of America or any applicable foreign export laws and regulations. The information that the Disclosing Party may wish to disclose pursuant to this Agreement may be subject to the provisions of the Export Administration Act of 1979 (50 USC 2401-2410), the Export Administration Regulations promulgated there under (15 CFR 768-799), the International Traffic in Arms Regulations (22 CFR 120-128 and 130) and the Foreign Corrupt Practices Act. The Parties acknowledge that these statutes and regulations impose restrictions on import, export and transfer to third countries of certain categories of data and articles, and that licenses from the United States Department of State and/or the United States Department of Commerce may be required before such data and articles can be disclosed hereunder, and that such licenses may impose further restrictions on use and further disclosure of such data and articles. Disclosure of such data and articles to foreign persons is subject to the above regulations regardless if the export occurs in the United States or abroad. The Receiving Party agrees to comply with all United States governmental regulations mentioned above as they relate to the import, export, and re-export of data. Responsibility for compliance with the provisions of this Section resides with the Receiving Party, who indemnifies the Disclosing Party fully for any violations of the provisions of this Section as to any of Disclosing Party's Confidential Information.

**3.15 Joint Preparation**

This Agreement shall be deemed to have been jointly prepared by the Parties.

**3.16 Notices**

Any notice to be given under this Agreement shall be sufficient if it is in writing, to the attention of the chief executive officer of the company, and delivered personally, or via registered or certified mail (postage prepaid with return receipt requested) (with a request for confirmation in a manner typical to the communication types listed previously) or otherwise as directed by each Party, from time to time. Notice shall be deemed sent and received on the date of actual receipt at each Party's principle place of business.

**3.17 Successors and Assigns**

This Agreement is intended to benefit and is binding on the successors and assigns of each Party. Except in the case of a change of control, this Agreement shall not be assigned by the Receiving Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld. In the event of a change of control, such Party's rights and obligations hereunder shall be automatically assumed by the new controlling entity.

**3.18 Separate Enforcement of Provisions**

If for any reason any part of this Agreement is unenforceable, the remainder of the Agreement shall be enforced to the extent possible. In no event shall the unenforceability of any portion of this Agreement relieve the Receiving Party of its obligations to protect the confidentiality of Confidential Information it has received from the Disclosing Party.

**3.19 Modification of Agreement**

This Agreement may only be modified by a writing signed by authorized representatives of each Party.

**3.20 Counterpart**

This Agreement may be executed in counterparts, each of which shall be deemed equally authentic with the other. A copy of this Agreement is admissible in any legal proceeding.

**3.21 Read and Understood; Authority to Sign and Bind**

Each Party acknowledges that it has read and understands this Agreement and agrees to be bound by its terms. Each Party also represents that the person signing on its behalf below has the actual and apparent authority to execute this Agreement on its behalf, and that such execution has been duly approved by all necessary corporate or other acts required for the Party to be legally bound hereby.

**3.22 Survival**

Notwithstanding any other provision herein, the Parties acknowledge and agree that upon termination of this Agreement, their respective obligations set forth in Sections 3.1, 3.2, 3.3, 3.4, 3.9, 3.11, 3.14 and 3.16 shall continue in full force and effect.

**V. TAX PAYER IDENTIFICATION NUMBER & CERTIFICATION W-9 FORM**

<p><b>Form W-9</b> (Rev. December 2014) Department of the Treasury Internal Revenue Service</p>	<p><b>Request for Taxpayer Identification Number and Certification</b></p>	<p><b>Give Form to the requester. Do not send to the IRS.</b></p>																					
<p>Print or type See Specific Instructions on page 2.</p>	<p><b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p> <hr/> <p><b>2</b> Business name/disregarded entity name, if different from above</p> <hr/> <p><b>3</b> Check appropriate box for federal tax classification; check only one of the following seven boxes:  <input type="checkbox"/> Individual/sole proprietor or single-member LLC  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____  <small>Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.</small>  <input type="checkbox"/> Other (see instructions) ▶ _____</p>	<p><b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):          Exempt payee code (if any) _____          Exemption from FATCA reporting code (if any) _____  <small>(Applies to accounts maintained outside the U.S.)</small></p>																					
	<p><b>5</b> Address (number, street, and apt. or suite no.)</p> <hr/> <p><b>6</b> City, state, and ZIP code</p> <hr/> <p><b>7</b> List account number(s) here (optional)</p> <hr/>	<p>Requester's name and address (optional)</p> <hr/>																					
<p><b>Part I Taxpayer Identification Number (TIN)</b></p> <p>Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.</p> <p><b>Note.</b> If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.</p>																							
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<p><b>Part II Certification</b></p> <p>Under penalties of perjury, I certify that:</p> <ol style="list-style-type: none"> <li>The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and</li> <li>I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and</li> <li>I am a U.S. citizen or other U.S. person (defined below); and</li> <li>The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.</li> </ol> <p><b>Certification instructions.</b> You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.</p>																							
<p><b>Sign Here</b>      Signature of U.S. person ▶ _____</p>		<p><b>Date</b> ▶ _____</p>																					
<p><b>General Instructions</b></p> <p>Section references are to the Internal Revenue Code unless otherwise noted.</p> <p><b>Future developments.</b> Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at <a href="http://www.irs.gov/fw9">www.irs.gov/fw9</a>.</p> <p><b>Purpose of Form</b></p> <p>An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>Form 1099-INT (interest earned or paid)</li> <li>Form 1099-DIV (dividends, including those from stocks or mutual funds)</li> <li>Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)</li> <li>Form 1099-B (stock or mutual fund sales and certain other transactions by broker)</li> <li>Form 1099-S (proceeds from real estate transactions)</li> <li>Form 1099-K (merchant card and third party network transactions)</li> </ul> <ul style="list-style-type: none"> <li>Form 1099 (home mortgage interest), 1099-E (student loan interest), 1099-T (tuition)</li> <li>Form 1099-C (canceled debt)</li> <li>Form 1099-A (acquisition or abandonment of secured property)</li> </ul> <p>Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.</p> <p><i>If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.</i></p> <p>By signing the filled-out form, you:</p> <ol style="list-style-type: none"> <li>Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).</li> <li>Certify that you are not subject to backup withholding, or</li> <li>Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and</li> <li>Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See <i>What is FATCA reporting?</i> on page 2 for further information.</li> </ol>																							
<p>Cat. No. 10231X</p>		<p>Form <b>W-9</b> (Rev. 12-2014)</p>																					