

Pacific Ship Repair & Fabrication, Inc.

SPECIAL TERMS AND CONDITIONS FOR

ALL PROGRAMS IN SUPPORT OF BAE'S PRIME CONTRACTS:

N00024-11-C-4400 CGs:

USS BUNKER HILL (CG-52)	USS MOBILE BAY (CG-53)
USS ANTIETAM (CG-54)	USS LAKE CHAMPLAIN (CG-57)
USS PRINCETON (CG-59)	USS CHANCELLORSVILLE (CG-62)
USS COWPENS (CG-63)	USS-67 USS SHILOW
USS LAKE ERIE (CG-70)	USS CAPE ST. GEORGE (CG-71)
CG-47 CLASS – VISITING	

N00024-12-C-4403 LPD-4 & LSD 41/49 CLASS:

USS COMSTOCK (LSD-45)	USS RUSHMORE (LSD-47)
USS HARPERS FERRY (LSD-49)	USS PEARL HARBOR (LSD-52)
LPD-4 CLASS – VISITING	LSD 41/49 VISITING

N00024-11-C-4408 DDGs:

USS JOHN PAUL JONES (DDG-53)	USS CURTIS WILBUR (DDG-54)
USS JOHN MCCAIN (DDG-56)	USS BENFOLD (DDG-65)
USS MILIUS (DDG-69)	USS DECATUR (DDG-73)
USS HIGGINGS (DDG-76)	USS HOWARD (DDG-83)
USS PREBLE (DDG-88)	USS PINCKNEY (DDG-91)
USS HALSEY (DDG-97)	USS KIDD (DDG-100)
USS GRIDLEY (DDG-101)	USS SAMPSON (DDG-102)
USS STERETT (DDG-104)	USS DEWEY (DDG-105)
USS SOCKDALE (DDG-106)	USS WAYNE E. MEYER (DDG-108)
USS W. P. LAWRENCE (DDG-110)	USS SPRUANCE (DDG-111)
USS TBD (DDG TBD)	

PRIME CONTRACT CLAUSES

The following clauses are flowed down from Buyer to Seller pursuant to the requirements of Buyer's subcontract with BAE in support of BAE's Prime Contract with the Government.

Section A – Solicitation/Contract Form – The Prime Contract is a rated order certified for national defense, emergency preparedness, and energy program use, and the Contractor shall follow all the requirements of the Defense Priorities and Allocations System regulation (15 CFR 700). The rating is DO-A3. If applicable to subcontracts, the rating will be included on the face of the Order.

Section B – Supplies or Services and Prices

PLACE OF PERFORMANCE [*Modified by Buyer*] All Contract Work under this Contract is to be performed as follows: CNO scheduled availability Contract Work will be performed at Buyer's Customer's Facility at the assigned homeport in San Diego, CA unless otherwise stipulated in the Contract Work package. Seller may be required to provide non-scheduled repair support to ships in remote locations. Inter-availability planning and ship assessment functions may be performed at Buyer's Customer's Facility, at various Government activities, or onboard Vessels, in accordance with the Contract Work and specifications.

TRAVEL COSTS [*Modified by Buyer*] Travel costs are non-fee bearing. Seller must obtain prior written approval from Buyer before traveling because Buyer is obligated under the Prime Contract to receive BAE's approval per trip occurrence and the requirement applies to Buyer as well as to all subcontractors. All estimated and incurred travel costs shall be in accordance with FAR 31.205-46.

TRAVEL COSTS (NAVSEA) (MAY 1993) [*Modified by Buyer*]

- (a) Seller shall not charge, and Buyer shall not pay, as an allowable cost under this Contract, any man-hour costs (whether straight-time or overtime) for Seller personnel or subcontractor personnel traveling to or from worksites, including travel to worksites other than the Facility designated in the SOW for performance of the Contract Work.
- (b) Workers being paid under this Contract will complete a full shift at the worksite, and no compensation will be paid for travel time before or after the shift.
- (c) This requirement pertains only to payments for travel time before or after these workers' regular shifts, and does not apply to legitimate travel costs incurred during normal working hours, provided that those costs are otherwise reasonable, allocable and allowable. This requirement does not apply to manufacturers' representatives or Original Equipment Manufacturer ("OEM") representatives when specifically required by the Government provided requirements or as specified by Buyer.
- (d) Additionally, Seller shall not charge, and Buyer shall not pay, any transportation costs under this Contract associated with transporting Seller's personnel between the Facility designated in the SOW or any other worksite to perform Phased Maintenance Availabilities ("PMAs")/Dry-docking Phased Maintenance Availabilities ("DPMAs"). Transportation costs include, but are not limited to, bus fare, car fare, train fare, or boat fare, paid by the work force, or paid by Seller on behalf of the work force.

Section C – Description and Specifications

ACCOMPLISH THE REPAIR AND ALTERATION REQUIREMENTS [*Modified by Buyer*]

- (a) "New Work" is identified after provision of the authorized availability package. "Growth Work" will be related to a previously identified specification item. New Work will not be related to any previously authorized specification item, and the New Work will be assigned a new specification item number. (1) GROWTH WORK. When tasked, Seller shall prepare and submit Growth Work specified in a format to be specified by Buyer that will be compatible with the format Buyer is required to use with the Government. Each Contract Work item shall include work operations, trade skills involved, material requirements, estimated man-hours by trades and schedule of which work is to be completed. Buyer will review each costed or priced work item when submitted. Authorization to proceed with Growth Work will be provided by Buyer after Buyer receives approval from the Government's ACO and will be subject to the LIMITATION OF FUNDS CLAUSE. (2) NEW WORK. All New Work specifications written by Seller shall be authorized by Buyer and also authorized by the Government's ACO, and approved by the Government's NSA/Government designated representative. Upon receipt of a New Work specification, Seller shall propose a change in the estimated cost and fee to be incorporated into the Contract. Each New Work item shall include work operations, trade skills involved, material requirements, estimated man-hours by trades and schedule of which New Work is to be completed. After receipt of the information from Seller, Buyer will provide it to the NSA/Government designated representative for review and approval. Authorization to proceed with New Work shall only be granted by the Government's ACO to Buyer, who will then authorize Seller, but only after the New Work has been priced, and always subject to the LIMITATION OF FUNDS CLAUSE. Once authorization is granted, Seller shall update its manning and production analysis. (3) The Navy intends that all basic and New Work authorized for the repair and alteration of ships to be compatible with the scheduled availability duration. Seller shall accomplish all New Work within the scheduled availability duration or inform Buyer because Buyer is obligated to inform the Government's ACO as soon as practicable of schedule impacts. Any schedule impacts must be approved by Buyer prior to proceeding.
- (b) **CONDITION FOUND REPORT ("CFR")**. (1) Seller will identify needed repairs and recommend corrective action during performance for those deficiencies discovered which are not covered by the work specifications. As found conditions, needed repairs and corrective action reports will be submitted electronically to Buyer in the form of an Inspection Deficiency Report ("IDR"). (2) IDRs, cost estimates and supporting data will be submitted electronically via e-mail within three(3) working days of identification of the requirement to the designated Pacship Ship Superintendent. As a minimum, the IDR will include: Prime Contract number, purchase order number, ship and hull number, IDR number, applicable work item number, date requirement was discovered, description of the work requirement, specific location of the work, recommendation for corrective action, recommendation for the appropriate/best time to accomplish the work (i.e., during current availability with or without schedule change, future CNO or Continuous Maintenance Availability), and provide supporting rationale for the recommendation, such as cost efficiencies, availability of work force, availability of material, premium expenditures, etc., identification of related changes, if any, to the internal milestones and production and Contract completion dates. If none, state there are none. If the CFR is inadequate or incomplete, it may be rejected by the Government, but rejection by the Government does not automatically occur. In many cases, the Government and Buyer will need to meet, discuss the recommendation for corrective action, make ship checks to determine full scope of work and evaluate costs prior to final approval of the- (i) Neither Buyer's decision to convert an IDR into a CFR, nor the Government's decision to issue or solicit an RCC in response to such a CFR shall constitute approval for Seller to perform any work related to their submitted

IDR. All work must be authorized in accordance with this Contract. (ii) Seller shall develop a time and cost estimate, and the time frame for which it is valid, including: (1) Class "C" (+ - 15%) cost estimate(c) PREMIUM TIME. Under a FFP PO, request for OT/DT premiums will be considered by Buyer if required due to (a) Acceleration as requested by Buyer or Buyer's customer (b) Delays and Disruptions documented and acknowledged in writing by PACSHIP's Production Supervisor. All Delay and Disruption reports must be reported and signed off by PASHIP's Production Supervisor as they happen. As part of Seller's proposal, Seller will propose the necessary overtime hours. Overtime will not be proposed or negotiated as a percentage of the overall hours. Seller will propose overtime hours for each work item that requires the use of overtime and must be approved by Buyer, who must also receive approval from the Government designated representative prior to implementation of the overtime. (i) When establishing the proposed overtime amount for each work item, Seller will consider such things as: 1. Historical use of overtime hours for the work item in previous availabilities; 2. Length and time allotted to accomplish the availability; 3. Amount and nature of work to be accomplished; 4. Number of hours for each trade to accomplish the work; 5. Manpower resources available to Seller to include the number of personnel required by trade; 6. Point in time on the critical path of the availability that the work needs to be accomplished; 7. Other pertinent facts pertaining to the need for proposed overtime. (ii) Seller's proposal, when submitted, will contain all the supporting data and assumptions that were used in deriving the per work item overtime hour allotments.

ACCESS TO PROPRIETARY DATA OR COMPUTER SOFTWARE (NAVSEA) (JUN 1994) [Modified by Buyer]

(a) Performance under this Contract may require that Seller have access to technical data, computer software, or other sensitive data of another party who asserts that such data or software is proprietary. If access to such data or software is required or to be provided, Seller shall enter into a written agreement with such party prior to gaining access to such data or software. The agreement shall address, at a minimum, (1) access to, and use of, the proprietary data or software exclusively for the purposes of performance of the Contract Work required by this Contract, and (2) safeguards to protect such data or software from unauthorized use or disclosure for so long as the data or software remains proprietary. In addition, the agreement shall not impose any limitation upon the Government or its employees with respect to such data or software. A copy of the executed agreement shall be provided to Buyer so that Buyer can provide a copy to the Government's Contracting Officer as required under the terms of the Prime Contract. The Government may unilaterally modify the Prime Contract to list those third parties with which BAE and Buyer will have agreement(s). Buyer will share the relevant information with Seller from the modification.

(b) Seller agrees to: (1) indoctrinate its personnel who will have access to the data or software as to the restrictions under which access is granted; (2) not disclose the data or software to another party or other Seller personnel except as authorized by Buyer and the Government's Contracting Officer; (3) not engage in any other action, venture, or employment wherein this information will be used, other than under this Contract, in any manner inconsistent with the spirit and intent of this requirement; (4) not disclose the data or software to any other party, including, but not limited to, a joint venture, affiliate, successor, or assign of Seller; and (5) reproduce the restrictive stamp, marking, or legend on each use of the data or software whether in whole or in part.

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

(d) Seller agrees that it will promptly notify Buyer of any attempt by Government, BAE or Buyer representatives or third parties not directly involved in the effort to be performed under this Contract to gain access to such proprietary information. Such notification shall include the name and organization of the Government, BAE or Buyer representatives or third parties seeking access to such information.

(e) **Seller shall include this requirement in subcontracts of any tier which involve access to information covered by paragraph (a), substituting "subcontractor" for "Seller" where appropriate.**

(f) Compliance with this requirement is a material requirement of this Contract.

ACCESS TO THE VESSEL(S) (AT) (NAVSEA) (JAN 1983) [Modified by Buyer]

Officers, employees and associates of other prime contractors with the Government and their subcontractors, shall, as authorized by Buyer or the Government's representative, have, at all reasonable times, admission to the applicable plant, access to the Vessel(s) where and as required, and be permitted, within the Facility specified in the SOW or locations determined by the Government's ACO and on the Vessel(s) required, to perform and fulfill their respective obligations to the Government. Buyer and Seller shall make reasonable arrangements with the Government or contractors of the Government, as shall have been identified and authorized by the Government's representative to be given admission to the applicable location and access to the Vessel(s) for office space, work areas, storage or shop areas, or other facilities and services necessary for the performance of the respective responsibilities involved, and reasonable to their performance.

ACCESS TO VESSELS BY NON U.S. CITIZENS (NAVSEA) (DEC 2005) [Modified by Buyer]

(a) No person not known to be a U.S. citizen shall be eligible for access to Vessels, work sites and adjacent areas when said Vessels are under construction, conversion, overhaul, or repair, except upon a finding by COMNAVSEA or his designated representative that such access should be permitted in the best interest of the United States. Seller shall establish procedures to comply with this requirement and NAVSEAINST 5500.3 (series) in effect on the date of this Contract.

(b) If Seller desires to employ non U.S. citizens in the performance of Contract Work under this Contract or agreement that requires access as specified in paragraph (a) of this requirement, approval must be obtained prior to access for each contract or agreement where such access is required. To request such approval for non U.S. citizens of friendly countries, Seller shall submit its Access Control Plan ("ACP") to Buyer so that Buyer can comply with the terms of the Prime Contract and submit the ACP to BAE to be forwarded to the cognizant Contract Administration Office ("CAO") for approval. Seller's ACP shall contain as a minimum, the following information: (1) Badge or Pass oriented identification, access, and movement control system for non U.S. citizen employees with the badge or pass to be worn or displayed on outer garments at all times while on the Facilities or Seller's facilities and when performing Contract Work aboard ship. (i) Badges must be of such design and appearance that permits easy recognition to facilitate quick and positive identification. (ii) Access authorization and limitations for the bearer must be clearly established and in accordance with applicable security regulations and instructions. (iii) A control system, which provides rigid accountability procedures for handling lost, damaged, forgotten or no longer required badges, must be established. (iv) A badge or pass check must be performed at all points of entry to the Facilities or Seller's facilities (as the case may be) or by a site supervisor for Contract Work performed on Vessels outside the Facilities or Seller's facilities (again, as the case may be). (2) Seller's plan for ascertaining citizenship and for screening employees for security risk. (3) Data reflecting the number, nationality, and positions held by non U.S. citizen employees, including procedures to update data as non U.S. citizen employee data changes, and shall be passed by Buyer to BAE for delivery to the cognizant CAO. (4) Seller's plan for ensuring its suppliers' or subcontractors' compliance with the provisions of Seller's ACP. (5) These conditions and controls are intended to serve as guidelines representing the minimum requirements of an acceptable ACP. They are not meant

to restrict Seller in any way from imposing additional controls necessary to tailor these requirements to the Facility, Seller's facilities or to a specific facility.

(c) To request approval for non U.S. citizens of hostile and/or communist controlled countries (listed in Department of Defense Industrial Security Manual, DOD 5220.22 M or available from cognizant CAO), Seller shall include in the ACP the following employee data: name, place of birth, citizenship (if different from place of birth), data of entry to U.S., extenuating circumstances (if any) concerning immigration to U.S., number of years employed by Seller, position, and stated intent concerning U.S. citizenship. COMNAVSEA or his designated representative will make individual determinations for desirability of access for above group. Approval of ACP's representative for access of non-U.S. citizens of friendly countries will not be delayed for approval of non-U.S. citizens of hostile communist-controlled countries. Until approval is received, Seller must deny access to Vessels for employees who are non-U.S. citizens of hostile and/or communist-controlled countries.

(d) Seller shall fully comply with approved ACPs. Noncompliance by Seller or subcontractor serves to cancel any authorization previously granted, in which case Seller shall be precluded from the continued use of non-U.S. citizens on this Contract or agreement until such time as the compliance with an approved ACP is demonstrated and upon a determination by the ACAO that the Government's interests are protected. Further, the Government reserves the right to cancel previously granted authority when such cancellation is determined to be in the Government's best interest. Use of non-U.S. citizens, without an approved ACP or when a previously authorization has been canceled, will be considered a violation of security regulations. Upon confirmation by the CAO of such violation, this Contract, agreement or any job order issued under this Contract may be terminated or default in accordance with the clause entitled "DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)" (FAR "TERMINATION (COST REIMBURSEMENT)" (FAR 52.249-6) as applicable.

(e) Seller has responsibility for the proper administration of the approved ACP applicable for the Contract Work performed under this Contract, regardless of the location of the Vessel, and must ensure compliance by its Suppliers, subcontractors, technical representatives and other persons granted access to Vessels, adjacent areas, and work sites.

(f) In the event Seller does not intend to employ non-U.S. citizens in the performance of the Contract Work under this Contract, but has non-U.S. citizen employees, such employees must be precluded from access to the Vessel and its work site and those shops where Contract Work on the Vessel's equipment is being performed. The ACP must spell out how non-U.S. citizens are excluded from access to Contract Work areas.

(g) The same restriction above shall apply to other non-U.S. citizens who have access to the Facilities and Seller's facilities (e.g., for accomplishing facility improvements, from foreign-crewed Vessels within its facility, etc.).

ADDITIONAL PROVISIONS RELATING TO GOVERNMENT PROPERTY (NAVSEA) (APR 2008) [Modified by Buyer]

(a) For purposes of paragraph (h) of the clause entitled "GOVERNMENT PROPERTY" (FAR 52.245-1) in addition to those items of property defined in that clause as Government Property, the following shall also be included within the definition of Government Property: (1) the Vessel; (2) the equipment on the Vessel; (3) movable stores; (4) cargo; and (5) other material on the Vessel.

(b) For purposes of paragraph (b) of the clause entitled "GOVERNMENT PROPERTY", notwithstanding any other requirement of this Contract, the following shall not be considered Government Property: (1) the Vessel; (2) the equipment on the Vessel; (3) movable stores; and (4) other material on the Vessel.

APPROVAL BY THE GOVERNMENT (AT) (NAVSEA) (JAN 1983) [Modified by Buyer]

Approval by Buyer or the Government as required under this Contract and applicable specifications shall not relieve Seller of its obligation to comply with the specifications and with all other requirements of the Contract, nor shall it impose upon Buyer or the Government any liability it would not have had in the absence of such approval.

ASBESTOS, POLYCHLORINATED BIPHENYLS (PCBs) AND OTHER REGULATED SUBSTANCES [Modified by Buyer]

A. For the purposes of this Contract, regulated substances are those substances (excluding radioactive material) for which: 1. Applicable federal, state or local regulations, or the safety and health standards cited in the Prime Contract Section C - General Requirement "Department of Labor Occupational Safety and Health Standards for Ship Repair" may require special exposure control measures to protect worker health and safety and provided by Buyer, or 2. In the absence of the specific regulations and standards, Seller shall utilize Occupational Safety and Health Act ("OSHA") recognized standards for identifying and controlling substances, and requiring special exposure control measures to protect workers in accordance with Section 5(a)(1) of Public Law 91-596 OSHA.

Such measures include, but are not limited to, respiratory protection, protective clothing, industrial hygiene surveys and workplace controls such as containment and ventilation.

B. The Government will remediate or reduce the amount of any identified substance determined to be in such concentrations as to require worker protection measures in the workplace environment as required by paragraph A to the extent such remediation or removal is feasible.

C. Despite the best efforts of Seller and Government personnel to anticipate and remediate any conditions where the workplace environment is affected by asbestos, PCBs or other regulated substances, Seller may nevertheless encounter unanticipated situations where worker protection measures are required. In this case: 1. Seller shall not be relieved of his duty to continue to perform the requirements of this Contract, including taking any actions necessary to comply with the Prime Contract Section C - General Requirement "Department of Labor Occupational Safety and Health Standards for Ship Repair" and provided by Buyer. 2. Any Seller effort, except for that specified in paragraph C.3 below, resulting from the actions of paragraph C.1 above shall be an allowable cost under this Contract but shall not be the subject of equitable adjustment under the "Changes" clause of this Contract. 3. Cost and/or schedule impact resulting from remediation measures (i.e., clean up) required by paragraph A. above and worker protection measures in a level greater than the worker protection measures Seller must employ to comply with paragraph C.1 above, shall be the subject of equitable adjustment under the "Changes" clause of this Contract. **ASSIGNMENT AND USE OF NATIONAL STOCK NUMBERS (NAVSEA) (MAY 1993) [Modified by Buyer]**

The following clause shall apply for spare parts procurements only. To the extent that National Stock Numbers ("NSNs") or preliminary NSNs are assigned by the Government for the identification of parts, pieces, items, subassemblies or assemblies to be furnished under this Contract, Seller shall use such NSNs or preliminary NSNs in the preparation of provisioning lists, package labels, packing lists, shipping containers and shipping documents as required by applicable specifications, standards or Data item Descriptions of the Contract or as required by orders for spare and repair parts. The cognizant Government Contract Administration Office shall be responsible for providing Buyer, who in turn will provide Seller with such NSNs or preliminary NSNs which may be assigned and which are not already in possession of Seller.

COMMAND INSPECTION OF BERTHING FACILITIES (NAVSEA) (OCT 1990) [Modified by Buyer]

(a) Once the ship's force takes occupancy of a berthing facility, it is recognized that the premises will be under the control of the Department of the Navy and subject to inspections by the Government's Commanding Officer or his duly authorized representative(s). In recognition of (1) the Navy's need to ensure security, military fitness, and good order and discipline, and (2) the Navy's policy to conduct regularly scheduled periodic inspections, Seller hereby agrees that while its berthing facilities are occupied by ship's force, the Government's Commanding Officer or his duly authorized representative(s) has (have) the right to conduct command inspections of the berthing facilities occupied by ship's force.

(b) *In instances where Seller is using commercial facilities to satisfy the berthing requirement, Seller hereby agrees to insert the following requirement in any subcontract for berthing facilities to be provided under this Contract:*

(c) *In recognition of (1) the Navy's need to ensure security, military fitness, and good order and discipline, and (2) the Navy's policy to conduct regularly scheduled periodic inspections, TBD1 (insert names of subcontractor) hereby agrees that while its facilities are occupied by ship's force, the Government's Commanding Officer or his duly authorized representative(s) has (have) the right to conduct Command inspections of the facilities occupied by ship's force.*

COMPUTER SOFTWARE AND/OR COMPUTER DATABASE(S) DELIVERED TO AND/OR RECEIVED FROM THE GOVERNMENT (NAVSEA) (APR 2004) [Modified by Buyer]

(a) Seller agrees to test for viruses all computer software and/or computer databases, as defined in the clause entitled "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION" (DFARS 252.227-7014), before delivery of that computer software or computer database in whatever media and on whatever system the software is delivered. Seller warrants that any such computer software and/or computer database will be free of viruses when delivered.

(b) Seller agrees to test any computer software and/or computer database(s) received from the Government for viruses prior to use under this Contract.

(c) Unless otherwise agreed in writing, any license agreement governing the use of any computer software to be delivered as a result of this Contract must be paid-up and perpetual, or so nearly perpetual as to allow the use of the computer software or computer data base with the equipment for which it is obtained, or any replacement equipment, for so long as such equipment is used. Otherwise the computer software or computer database does not meet the minimum functional requirements of this Contract. In the event that there is any routine to disable the computer software or computer database after the software is developed for or delivered to the Government, that routine shall not disable the computer software or computer database until at least 25 calendar years after the delivery date of the affected computer software or computer database to the Government.

(d) No copy protection devices or systems shall be used in any computer software or computer database delivered under this Contract to restrict or limit the Government from making copies. This does not prohibit license agreements from specifying the maximum amount of copies that can be made.

(e) Delivery by Seller to Buyer who will ultimately deliver to the Government the technical data and other data is now frequently required in digital form rather than as hard copy. Such delivery may cause confusion between data rights and computer software rights. It is agreed that, to the extent that any such data is computer software by virtue of its delivery in digital form, the Government only will be licensed to use that digital-form with exactly the same rights and limitations as if the data had been delivered as hard copy.

(f) Any limited rights legends or other allowed legends placed by Seller on technical data or other data delivered in digital form shall be digitally included on the same media as the digital-form data and must be associated with the corresponding digital-form technical data to which the legends apply to the extent possible. Such legends shall also be placed in human readable form on a visible surface of the media carrying the digital-form data as delivered, to the extent possible.

DEPARTMENT OF LABOR OCCUPATIONAL SAFETY AND HEALTH STANDARDS FOR SHIP REPAIR (NAVSEA) (SEP 1990) [Modified by Buyer]

Attention of Seller is directed to the Occupational Safety and Health Act of 1970 (29 USC 651-678), and to the Safety and Health Regulations for Ship Repairing (29 CFR 1915), promulgated under Public Law 85-742, amending Section 41 of the Longshoremen's' and Harbor Workers' Compensation Act (33 USC 941), and adopted by the Department of Labor as occupational safety or health standards under Section 6(a) of the Occupational Safety and Health Act of 1970 (See 29 CFR 1910.13). These regulations apply to all ship repair and related work, as defined in the regulations performed under this Contract on the navigable waters of the United States including any dry dock and marine railway. Nothing contained in this Contract shall be construed as relieving Seller from any obligations which it may have for compliance with the aforesaid regulations.

DISPOSAL OF SCRAP (NAVSEA) (APR 2008) [Modified by Buyer]

All Government scrap resulting from accomplishment of any Contract Work is the property of Buyer to be disposed of as it sees fit. Scrap is defined as property that has no reasonable prospect of being sold except for recovery value of its basic material content. The determination as to which materials are considered scrap and which materials are salvage, will be made, or concurred in, by the duly appointed Government Property Administrator for the cognizant SUPSHIP or RMC Office. As consideration for retaining the Government's scrap, Buyer's price and Seller's price for the performance of the Contract Work required herein shall be a net price reflecting the value of the Government scrap. This requirement is not intended to conflict in any way with the "GOVERNMENT PROPERTY" (FAR 52.245-1), nor does it relieve Seller of any other requirement under such clause.

EXCLUSION OF MERCURY (NAVSEA) (MAY 1998)

Mercury or mercury containing compounds shall not be intentionally added or come in direct contact with hardware or supplies furnished under this Contract.

EXTENSION OF COMMERCIAL WARRANTY (NAVSEA) (NOV 1996) [Modified by Buyer]

Seller shall extend to Buyer so that Buyer can extend to the Government the full coverage of any standard commercial warranty normally offered in a similar commercial sale, provided that such warranty is available at no additional cost. Seller shall provide a copy of the standard commercial warranty with the item. The standard commercial warranty period shall begin upon the final acceptance of the applicable material or software. Acceptance of the standard commercial warranty does not waive Buyer's or the Government's rights under the "Inspection"

clause, nor does it limit Buyer's or the Government's rights with regard to other terms and conditions of the Contract. In the event of a conflict, the terms and conditions of the Contract shall take precedence over the standard commercial warranty.

GOVERNMENT SURPLUS PROPERTY (NAVSEA) (SEP 1990) [Modified by Buyer]

No former Government surplus property or residual inventory resulting from terminated Government contracts shall be furnished under this Contract unless (i) such property is identified in the special requirements provided by Buyer, or (ii) is approved in writing by Buyer or the Government's Contracting Officer. Notwithstanding any such identification in the special requirements provided by Buyer or approval by the Government's Contracting Officer, Seller agrees all items or components described in this requirement shall comply in all respects with the specifications contained herein.

INFORMATION AND DATA FURNISHED BY THE GOVERNMENT (FIXED-PRICE) (NAVSEA) (SEP 2009) [Modified by Buyer]

- (a) Specifications. Buyer will furnish the specifications applicable to the Contract Work.
- (b) Drawings and Data. Buyer will furnish drawings, design agent drawings, ship construction drawings, and/or other design or alteration data cited in the specification as mandatory for use or for performance.
- (c) Government Furnished Information ("GFI"). GFI is defined as that information essential for the installation, test, operation, and interface support of all Government Furnished Material enumerated on NAVSEA Form 4205/19. The Government shall furnish only the GFI identified on the NAVSEA Form 4340/2. The GFI furnished to Buyer, who in turn may furnish the GFI to Seller, need not be in any particular format. Further, the Government reserves the right to revise the listing of GFI on the NAVSEA Form 4340/2, as follows: (1) The Government Contracting Officer may at any time by written order: (i) delete, supersede, or revise, in whole or in part, data listed or specifically referenced in NAVSEA Form 4340/2; or (ii) add items of data or information to NAVSEA Form 4340/2; or (iii) establish or revise due dates for items of data or information in NAVSEA Form 4340/2. (2) If any action taken by the Government's Contracting Officer pursuant to subparagraph (1) immediately above causes an increase or decrease in the costs of, or the time required for, performance of any part of the Contract Work under this Contract, Seller may be entitled to an equitable adjustment in the Contract Price and delivery schedule in accordance with the procedures provided for in the clause of this Contract entitled "CHANGES--FIXED-PRICE" (FAR 52.243-1).
- (d) Except for the Government information and data specified by paragraphs (a), (b), and (c) above, the Government will not be obligated to furnish Buyer or Seller with any specification, standard, drawing, technical documentation, or other publication, notwithstanding anything to the contrary in the specifications, the GFI listed on the NAVSEA Form 4340/2, the clause of this Contract entitled "GOVERNMENT PROPERTY" (FAR 52.245-1) or "GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES" (FAR 52.245-2), as applicable, or any other term or condition of this Contract.
- (e) Referenced Documentation. Buyer and the Government will not be obligated to furnish Government specifications and standards, including Navy standard and type drawings and other technical documentation, which are referenced directly or indirectly in the specifications. Such referenced documentation may be obtained: (1) From the ASSIST database via the internet at <https://assist.dla.mil/>; or (2) By submitting a request to the Department of Defense Single Stock Point ("DoDSSP") Building 4, Section D, 700 Robbins Avenue, Philadelphia, Pennsylvania 19111-5094, Telephone (215) 697-6396, Facsimile (215) 697-9398.

Commercial specifications and standards, which may be referenced in the specification or any sub-tier specification or standard, are not available from Government sources and should be obtained from the publishers.

INFORMATION AND DATA FURNISHED BY THE GOVERNMENT (COST TYPE) – ALTERNATE I (NAVSEA) (SEP 2009) [Modified by Buyer]

- (a) Specifications. To be provided to Seller except as described in the clause directly above.
- (b) Drawings and Data. Buyer will furnish drawings, design agent drawings, ship construction drawings, and/or other design or alteration data cited in the specification as mandatory for use or for guidance.
- (c) Government Furnished Information ("GFI"). GFI is defined as that information essential for the installation, test, operation, and interface support of all Government Furnished Material enumerated on NAVSEA Form 4205/19. The Government shall furnish only the GFI identified on the NAVSEA Form 4340/2. The GFI furnished to Seller need not be in any particular format. Further, the Government reserves the right to revise the listing of GFI on the NAVSEA Form 4340/2: (1) The Government's Contracting Officer may at any time by written order: (i) delete, supersede, or revise, in whole or in part, data listed or specifically referenced in NAVSEA Form 4340/2; or (ii) add items of data or information to NAVSEA Form 4340/2; or (iii) establish or revise due dates for items of data or information in NAVSEA Form 4340/2. (2) If any action taken by the Government's Contracting Officer pursuant to subparagraph (1) immediately above causes an increase or decrease in the costs of, or the time required for, performance of any part of the Contract Work under this Contract, Seller may be entitled to an equitable adjustment in the Contract amount and delivery schedule in accordance with the procedures provided for in the clause of this Contract entitled "CHANGES--COST- REIMBURSEMENT" (FAR 52.243-2) or "CHANGES--TIME-AND-MATERIALS OR LABOR-HOURS" (FAR 52.243-3).
- (d) Except for the Government information and data specified by paragraphs (a), (b), and (c) above, the Government will not be obligated to furnish Seller with any specification, standard, drawing, technical documentation, or other publication, notwithstanding anything to the contrary in the specifications, the GFI listed on the NAVSEA Form 4340/2, the clause of this Contract entitled "GOVERNMENT PROPERTY" (FAR 52.245-1) or "GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES" (FAR 52.245-2), as applicable, or any other term or condition of this Contract.
- (e) Referenced Documentation. The Government will not be obligated to furnish Government specifications and standards, including Navy standard and type drawings and other technical documentation, referenced directly or indirectly in the specifications and which are applicable to this Contract as specifications. Such referenced documentation may be obtained: (1) From the ASSIST database via the internet at <http://assist.dla.mil/>; or (2) By submitting a request to the Department of Defense Single Stock Point ("DoDSSP") Building 4, Section D, 700 Robbins Avenue, Philadelphia, Pennsylvania 19111-5094, Telephone (215) 697-6396, Facsimile (215) 697-9398.

Commercial specifications and standards, which may be referenced in the specification or any sub-tier specification or standard, are not available from Government sources and should be obtained from the publishers.

PROTECTION OF THE VESSEL (NAVSEA) (SEP 1990) [Modified by Buyer]

- (a) Seller shall exercise reasonable care, as agreed upon with the Government's representative, to protect the Vessel from fire, and shall maintain a system of inspection over the activities of its welders, burners, riveters, painters, pipe fitters, and similar workers, and of its subcontractors, particularly where such activities are undertaken in the vicinity of the Vessel's magazines, fuel oil tanks, or store rooms containing inflammable materials. All ammunition, fuel oil, motor fuels, and cleaning fluids shall have been off-loaded and the tanks cleaned,

except as may be mutually agreed upon between Seller and the Government's representative prior to work on the Vessel by Seller. Fire hose lines shall be maintained by Seller ready for immediate use on the Vessel at all times while the Vessel is berthed alongside the pier or in dry dock. All tanks under alteration or repair shall be cleaned, washed, and steamed out or otherwise made safe to the extent necessary, and Seller shall furnish the Vessel's Gas Free Officer and the Government's representative with a "Gas Chemists' Certificate" before any hot work is done. Seller shall maintain a fire watch aboard the Vessel in areas where Seller is working. All other fire watches aboard the Vessel shall be the responsibility of the Government.

(b) Except as otherwise provided in contractually invoked technical specifications or NAVSEA furnished directives, while the Vessel is at the Facilities specified in the SOW or when the temperature becomes as low as thirty-five degrees Fahrenheit, Seller shall assist the Government when requested in keeping all pipe-lines, fixtures, traps, tanks, and other receptacles on the Vessel drained to avoid damage from freezing, or if this not practicable, the Vessel shall be kept heated to prevent such damage. The Vessel's stern tube and propeller hubs shall be protected by Seller from frost damage by applied heat through the use of a salamander or other proper means.

(c) The work shall, whenever practicable, be performed in such manner as not to interfere with the work performed by military personnel attached to the Vessel, and provisions shall be made so that personnel assigned shall have access to the Vessel at all times, it being understood that such personnel will not unduly interfere with the work of Seller's workmen.

(d) Seller shall at all times keep the site of the work on the Vessel free from accumulation of waste material or rubbish caused by its employees, or the work performed by Seller in accordance with this Contract, and at the completion of such work shall remove all rubbish from and about the site of the work, and shall leave the work in its immediate vicinity "broom clean", unless more exactly specified by Buyer or the Government's representative.

QUALIFICATION OF SELLER NONDESTRUCTIVE TESTING ("NDT") PERSONNEL (NAVSEA) (APR 2004) [Modified by Buyer]

(a) Seller and any Nondestructive Testing ("NDT") subcontractor shall utilize for the performance of required NDT, only Level I, II and III personnel currently certified in accordance with NAVSEA Technical Publication T9074-AS-GIB-010/271, CAN Notice 1 of 16 Feb 99. Documentation pertaining to the qualification and certification of NDT personnel shall be made available to Buyer and the Government's Contracting Officer for review upon request.

(b) These requirements do not apply with respect to nuclear propulsion plant systems and other matters under the technical cognizance of SEA 08. Because of the health and safety considerations, such matters will continue to be handled as directed by SEA 08.

REMOVALS (NAVSEA) (SEP 1990) [Modified by Buyer]

The Government Contracting Officer may, by written notice to Buyer, who in turn, will provide written notice to Seller, direct removal of any or all of the property from storage. Within the shortest practicable time after receipt of such notice, but in no event more than thirty (30) days thereafter, unless a longer period is agreed to by the parties hereto, Seller will dismantle, prepare for shipment and load the item of property affected, on a common carrier at the place of storage in accordance with sound industrial practice and such instructions as provided by Buyer. Buyer may, by written notice to Seller direct the return of any item of the property removed, and Seller shall store the property as directed by Buyer. In the event such items are removed and forwarded to a Government depot or to a party other than Seller, removal and return to storage of said items shall be at the expense of the Government.

SPECIFICATIONS AND STANDARDS (NAVSEA) (AUG 1994)

(a) Definitions. (i) A "zero-tier reference" is a specification, standard, or drawing that is cited in the Contract (including its attachments). (ii) A "first-tier reference" is either: (1) a specification, standard, or drawing cited in a zero-tier reference, or (2) a specification cited in a first-tier drawing.

(b) Requirements. All zero-tier and first-tier references, as defined above, are mandatory for use. All lower tier references shall be used for guidance only.

STANDARDIZATION - ALTERNATE I (NAVSEA) (JAN 2008) [Modified by Buyer]

Subject to meeting the requirements of the specifications, Seller shall utilize equipments and components identical to those of the LPD 17 Class Ships. Where equipments or components are not available, Seller shall select hull, mechanical, and electrical (HM&E) components in the following order:

(a) Equipment which meets the requirements of the specifications and is identical to equipments and components of the LPD 17 Class Ships.

(b) HM&E equipment that meets the requirement of the specification and which is listed in HM&E Equipment Data Research System ("HEDRS") with an Engineering Support Code ("ESC") of either A, *, G, S, X, Z, P.

(c) Equipment which meets the requirements of the specifications (non-standard equipment). For this category, Provisioning Technical Documentation shall be submitted in accordance with paragraph (d) below, and the requirements of the Contract Data Requirements List ("CDRL"), Exhibit B.

(d) For Seller furnished equipments that meet standardization requirements of paragraph (a) or (b) above, only a Statement of Prior Submission is required. For non-standard equipment, paragraph (c) above, Provisioning Technical Documentation ("PTD") shall be developed in accordance with MIL-PRF-49506 dated 11 November 1996, and the Provisioning Requirements Statement.

(e) For non-standard equipment, paragraph (c) above, new/revised Level 3 drawings per MIL-DTL-31000C dated 9 July 2004 shall be developed for new/modified Seller furnished equipment. In addition, Seller shall update applicable Level 3 ship construction drawings.

(f) For non-standard equipment, paragraph (c) above, new/revised technical manuals shall be developed in accordance with NAVSEA Standard Items 009-39, 009-41 and 009-42. Technical manual management data shall include those deliverable data items required for Government monitoring/tracking/approval of Seller's technical manual efforts and the requirements of CDRLs in the exhibits (to be provided by Buyer).

TESTS AND TRIALS (NAVSEA) (OCT 1990) [Modified by Buyer]

During the conduct of required tests and trials, the Vessel shall be under the control of the Vessel's Commander and crew with representatives of Buyer, Seller and the Government on board to determine whether or not the work done by Buyer and Seller has been satisfactorily performed. Buyer and Seller shall provide and install all fittings and appliances which may be necessary for dock and sea trials to enable the representatives of the Government to determine whether the requirements of the Contract have been met, and Buyer and Seller shall install

and remove instruments and apparatus furnished by the Government for such trials, as required by the specifications.

SS C-2-0010 NON SMOKING POLICY

For bidding purposes, Seller is advised that in light of the Navy's policy regarding smoke-free facilities, the entire Vessel, topside and below decks, is to be considered a "No Smoking Area" unless otherwise indicated by shipboard policy.

SS C-2-0016 USE OF BLACK OXIDE COATED BRASS THREADED FASTENERS ("BOCBTFs")

Due to safety concerns, use of BOCBTFs is not authorized when installing or replacing threaded fasteners in the accomplishment of any Contract Work required by this Contract.

SS C-2-0018 COSAL CONFIGURATION CHANGE DOCUMENTATION (NAVSEA) (JUN 1992) [Modified by Buyer]

Seller shall document all changes to the ship's configuration and prepare all documentation required to bring the ship's COSAL and SPCC Weapons Systems Files ("WSF") into agreement with the actual end of availability configuration. Perform COSAL/WSF maintenance action on all planned and actual equipments/components/equipage, whether furnished by Buyer, the Government or Seller.

SS C-2-0024 CITIZENSHIP REQUIREMENTS

Seller shall comply with the Department of Defense Industrial Security Manual (DoD 5220.22), and any revisions to that manual as of the Bid Opening Date prescribed, for verification of all U. S. Citizens. Prospective offerors shall refer all questions pertaining to the above to SWRMC Security Manager.

SS C-2-0025 ADDITIONAL DEFINITIONS

Wherever the term "Job Order" is used in this solicitation/award, it also means "Contract."

Wherever SUPERVISOR OF SHIPBUILDING, C&R, USN, or the SUPERVISOR is used in this solicitation/award, all attachments and documents incorporated by reference, it also means SOUTHWEST REGIONAL MAINTENANCE CENTER, SWRMC.

SS C-2-0027 USE/POSSESSION OF PERSONAL ELECTRONIC DEVICES ("PEDs") [Modified by Buyer]

The possession and use of portable electronic devices ("PEDs") within the confines of any Vessel, or in Buyer's Facility, Government Facility or Seller's facility where equipment removed from the Vessel is being worked, is strictly controlled. PEDs include: mobile computing devices such as personal digital assistants ("PDAs"); hand-held or laptop computers; mobile telephone devices such as data-enabled cellular telephones; two-way pagers, including those with e-mail capability; analog and digital sound recorders; and digital cameras, including cellular phones with digital imaging capabilities. Cellular phones with digital imaging capabilities are strictly prohibited. PEDs may not be connected to any Navy-owned or controlled network. PEDs may not be used to store or process any digital information associated with the conduct of the Contract without written authorization from Buyer.

Section D - Packaging and Marking

CLAUSES INCORPORATED BY FULL TEXT

HQ D-1-0001 Data Packaging Language (NAVSEA) JUL 2001

CLAUSES INCORPORATED BY FULL TEXT [Modified by Buyer]

Item(s) 0008 - The supplies furnished hereunder shall be cleaned, preserved, packaged, packed and marked in accordance with the instructions provided Buyer or by the Contracting Officer, Provisioning Activity, or ACO. When not otherwise specified, spare and repair parts shall be packaged to ensure protection against corrosion, deterioration, physical, and electrical damage during shipment to the point of delivery.

MARKING AND PACKING LIST(S) - (NAVSEA) (NOV 1996)

- (a) Marking. Shipments, shipping containers and palletized unit loads shall be marked in accordance with best commercial practice.
- (b) Packing List(s). Not applicable. [Modified by Buyer]
- (c) Master Packing List. A master packing list shall be prepared where more than one shipment, shipping container or palletized unit load comprise the Contract Work line item being shipped. The master packing list shall be attached to the number one container and so identified.
- (d) Part Identification. All items within the kit, set, installation hardware or material shall be suitably segregated and identified within the unit pack(s) or shipping container by part number and/or national stock number.

MARKING OF REPORTS (NAVSEA) (SEP 1990) [Modified by Buyer]

All reports delivered by Seller to Buyer for the Government under this Contract shall prominently show on the cover of the report: (1) Name and business address of Seller; (2) Prime Contract number and Seller's PO number; (3) Contract dollar amount; (4) Whether the Contract was competitively or non-competitively awarded (5) List sponsor.

Section E - Inspection and Acceptance [Modified by Buyer]

E-1 Seller's performance and the quality of the completed work shall be subject to inspection, review and final acceptance by Buyer and/or the Government's RMC or a duly authorized representative thereof.

E-2 Failure of any contractually required document to conform to any of the applicable requirements of this Contract will result in the rejection of the non-conforming document. Non-conforming engineering drawing documents shall be re-examined after correction of all discrepancies. Seller shall identify the deficiencies corrected and the action taken to prevent recurrence.

E-3 The Inspection System which Seller is required to maintain, as provided in paragraph (b) of the clause entitled "Inspection of Supplies-Cost Reimbursement" (FAR 52.246-3) and 52.246-2 "Inspection of Supplies - Fixed Price (AUG 1996), shall be in accordance with ISO 9001 in effect on the date of this Contract and NAVSEA Standard Item 009-04 in effect on the date of this Contract unless otherwise specified.

E-4 Seller shall make his records of all inspection work available to Buyer and/or the Government for a period of 180 days after completion of all Contract Work called for in this Contract.

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

52.246-2	INSPECTION OF SUPPLIES - FIXED PRICE (AUG1996)
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52.246-3	INSPECTION OF SUPPLIES - COST-REIMBURSEMENT (MAY 2001)
52.246-4	INSPECTION OF SERVICES – FIXED PRICE (AUG 1996)
52.246-5	INSPECTION OF SERVICES – COST REIMBURSEMENT (APR 1984)

ADDITIONAL PROVISIONS RELATING TO CORRECTION OF DEFECTS (NAVSEA) (OCT 1990) [Modified by Buyer]

In case any Contract Work done or materials or supplies furnished by Seller under this Contract for any Vessel, or the equipment thereof, shall within 60 days of delivery of the Vessel to the Government, or the date of final acceptance, whichever occurs first, prove defective or deficient, such defects or deficiencies shall, as required by the Government, be corrected or repaired by Seller to the satisfaction of Buyer and the Government's Contracting Officer; provided, however, that with respect to any individual work item which is incomplete or deficient at the time of delivery or acceptance, Seller's obligation under this requirement to correct or repair such deficiency shall extend 60 days from the date of such correction or repair, whichever occurs first. Seller shall be entitled to allowable costs for corrections or repairs performed in accordance with this requirement but shall not be entitled to any additional fee for such Contract Work.

Section F - Deliveries or Performance

F-1 PLACE OF PERFORMANCE

Work on all Vessels under this Contract shall be performed in the ships' homeport, visiting San Diego, CA, to include CONUS and OCONUS, or as Buyer or the Government's ACO shall direct:

CLAUSES INCORPORATED BY REFERENCE

52.242-15	STOP-WORK ORDER (AUG 1989) (Applicable only if Buyer receives a stop work order from BAE)
52.242-15 Alt I	STOP-WORK ORDER (AUG 1989) – Alternate I (APR 1984) (Applicable only if Buyer receives a stop work order from BAE)

Section G - Contract Administration Data – There are no flow-downs.

Section H - Special Requirements

NAVSEA 5252.202-9101 ADDITIONAL DEFINITIONS (MAY 1993)

As used throughout this Contract, the following terms shall have the meaning set forth below:

- (a) DEPARTMENT means the Department of the Navy.
- (b) REFERENCES TO THE FEDERAL ACQUISITION REGULATION ("FAR"): All references to the FAR in this Contract shall be deemed to also reference the appropriate sections of the Defense FAR Supplement ("DFARS"), unless clearly indicated otherwise.
- (c) REFERENCES TO ARMED SERVICES PROCUREMENT REGULATION OR DEFENSE ACQUISITION REGULATION. All references in this document to either the Armed Services Procurement Regulation ("ASPR") or the Defense Acquisition Regulation ("DAR") shall be deemed to be references to the appropriate sections of the FAR/DFARS.
- (d) NATIONAL STOCK NUMBERS. Whenever the term Federal Item Identification Number and its acronym FIIN or the term Federal Stock Number and its acronym FSN appear in the Contract, order or their cited specifications and standards, the terms and acronyms shall be interpreted as National Item Identification Number ("NIIN") and National Stock Number ("NSN") respectively which shall be defined as follows: (1) NIIN. The number assigned to each approved Item Identification under the Federal Cataloging Program. It consists of nine numeric characters, the first two of which are the National Codification Bureau ("NCB") Code. The remaining positions consist of a seven digit non-significant number. (2) NSN. The NSN for an item of supply consists of the applicable four-position Federal Supply Class ("FSC") plus the applicable nine-position NIIN assigned to the item of supply.

5252.217-9107 GROWTH AND NEW WORK (SEP 1990) [Modified by Buyer]

- (a) It is the Government's intention to ensure that, where it is determined that the Contract Work will be performed by the private sector, any growth or new work identified during the overhaul will be awarded to Buyer and its subcontractors including Seller only if a fair and reasonable price can be negotiated for such work. If a fair and reasonable price cannot be negotiated for the above actions, the Government may, at its election, pursue any or all of the following course of action: (1) defer the Contract Work to a repair period after completion of the instant Contract; (2) accomplish the Contract Work using Government employees during the original overhaul period. (Government employees may engage in and complete the assigned work while the ship is undergoing overhaul in the initial prime contractor's facility or Buyer's Facility pursuant to the "ACCESS TO VESSEL" clause (DFARS 252.217-7011)); and/or (3) conduct a separate, competitive procurement for growth or new work. Performance will be during the original overhaul period. Buyer and other Master Ship Repair Agreement ("MSRA") holders may enter this competition. If other than Buyer is successful, the successful contractor may engage in and complete the work while the ship is undergoing overhaul in Buyer's Facility, or Buyer's customer's facility, pursuant to the "ACCESS TO VESSEL" clause.
- (b) Seller shall include in its proposed price the cost of supporting one or more third parties (including Government employees and/or other contractors' workers) at the overhaul site in performance of growth and/or new work, should the Government elect to pursue such a course. Increased costs that may result from third party presence as described above, may include, but are not limited to: insurance; physical plant security; reasonable access for third party workers who must transit Seller's facility or any other work site provided by the overhaul; and similar requirements. Third party presence will occur only if the prime ship repair contractor proposes other than a fair and reasonable price. Seller shall price anticipated added expenses associated with third party presence as a contingency into the fixed price offered for performance of the specified work package. Seller shall be guided in arriving at this contingency price based on a risk assessment relative to the probability of proposing fair and reasonable prices versus reaching a potential impasse with the Government which would precipitate third party presence.
- (c) This requirement does not preclude the Government from using Government employees to perform new or growth work at any time during the availability provided the use of Government employees is in the best interest of the Government.

5252.217-9121 INDEMNIFICATION FOR ACCESS TO VESSEL (MAY 1989) [Modified by Buyer]

Notwithstanding any provision in the "ACCESS TO VESSEL" clause (DFARS 252.217-7011), or any other clause of the Contract, Seller agrees to allow officers, employees, and associates of the Government, or other prime contractors with the Government and their subcontractors, and

officers, employees, and associates of offerors on other contemplated work, admission to Seller's facilities or Buyer's Facilities and access to the Vessel without any further request for indemnification from any party, which has not been previously included in the Contract Price.

5252.223-9114.1 MANAGEMENT AND DISPOSAL OF HAZARDOUS WASTE (NOV 1996) [Modified by Buyer]

(a) GENERAL. (1) Seller shall comply with all applicable federal, state and local laws, codes, ordinances and regulations for the management and disposal of hazardous waste. (2) Nothing contained in this requirement shall relieve Seller from complying with applicable federal, state, and local laws, codes, ordinances, and regulations, including obtaining licenses and permits, giving notices and submitting reports, in connection with hazardous waste management and disposal in the performance of this Contract. Nothing contained herein shall serve to alter either party's liability or responsibility under applicable federal, state and local laws, codes and ordinances. (3) Materials contained in ship systems are not waste until after removal from the system.

(b) IDENTIFICATION OF HAZARDOUS WASTES. 077-01-001 of this Contract identifies the types and amounts of hazardous wastes that are required to be removed by Seller pursuant to applicable law, or that are expected to be generated, during the performance of Contract Work under this Contract.

(c) GENERATOR IDENTIFICATION NUMBERS. (1) Documentation related to hazardous waste generated solely by the physical actions of ship's force or Navy employees on board the Vessel shall only bear a generator identification number issued to the Navy pursuant to applicable law. (2) Documentation related to hazardous waste generated solely by the physical actions of Seller's personnel shall only bear a generator identification number issued to Seller pursuant to applicable law. Regardless of the presence of other materials in or on the shipboard systems or structures which may have qualified a waste stream as hazardous, where Seller performs Contract Work on a system or structure using materials (whether or not the use of such materials was specified by the Navy) which by themselves would cause the waste from such work to be a hazardous waste, documentation related to such waste shall only bear a generator identification number issued to Seller. (3) Documentation related to hazardous waste generated by the combined physical actions of Navy and Seller's personnel shall bear a generator identification number issued to Seller pursuant to applicable law and shall also cite in the remarks block a generator identification number issued to the Navy pursuant to applicable law. (4) Notwithstanding paragraphs (c)(1) - (c)(3) above, hazardous wastes are considered to be co-generated in cases where: (a) Seller merely drains a system and such drainage creates hazardous waste or (b) Seller performs Contract Work on a system or structure using materials which by themselves would not cause the waste from such work to be hazardous waste but such work nonetheless creates a hazardous waste. Documentation related to such co-generated waste shall bear a generator identification number in accordance with the provisions of paragraph (c)(3) above. (5) In the event of a failure by the parties to agree with the Government to the assignment of a generator identification number to any hazardous waste as set forth in paragraphs (c)(1) through (c)(4) above, the Government may direct which party or parties shall provide generator identification numbers for the waste and such number(s) shall be used on all required documentation. Any disagreement with this direction shall be a dispute within the meaning of clause of this Contract entitled "DISPUTES" (FAR 52.233-1). However, Seller shall not stop any work but shall continue with performance of all Contract Work under this Contract as specified in the "DISPUTES" clause set forth in Buyer's subcontract with BAE and BAE's Prime Contract. (6) Hazardous Waste Manifests. For wastes described in (c)(2), (c)(3), and (c)(4) above (and (c)(5) as applicable), Seller shall sign the generator certification whenever use of the Manifest is required for disposal. Seller shall obtain concurrence with the categorization of the wastes under paragraphs (c)(3) and (c)(4) above before completion of the manifest. Manifests prepared pursuant to paragraph (c)(1) above shall be presented to Buyer for completion after the hazardous waste has been identified. (7) For purposes of paragraphs (c)(2) and (3) herein, if Seller, while performing work at a Government facility, cannot obtain a separate generator identification number from the Country or U.S. State in which the availability will be performed, Seller shall notify Buyer within 3 business days of receipt of written notification by the Country or U.S. State. After obtaining Buyer approval, Seller shall use the Navy generator identification number and insert in the remarks block Seller generator identification number issued for the site approved to be listed by Buyer. For purposes of paragraph (c)(1) herein, if the Contract Work is being performed at the non-Government facility and the Government cannot obtain a separate generator identification number from the Country or U.S. State, the Government shall use Seller generator identification number and shall cite in the remarks block a Navy generator identification number. In both instances described above, Seller shall prepare the Manifest described in paragraph (c)(6) above and present it to Buyer for completion.

5252.233-9103 DOCUMENTATION OF REQUESTS FOR EQUITABLE ADJUSTMENT (APR 1999) [Modified by Buyer]

(a) For the purposes of this special requirement, the term "change" includes not only a change that is made pursuant to a written order designated as a "change order" but also (1) an engineering change proposed by the Government or by Buyer or Seller and (2) any act or omission to act on the part of the Government in respect of which a request is made for equitable adjustment.

(b) Whenever Seller requests or proposes an equitable adjustment of \$100,000 or more per Vessel in respect to a change made pursuant to a written order designated as a "change order" or in respect to a proposed engineering change and whenever Seller requests an equitable adjustment in any amount in respect to any other act or omission to act on the part of the Government, the proposal supporting such request shall contain the following information for each individual item or element of the request: (1) A description (i) of the work required by the Contract before the change, which has been deleted by the change, and (ii) of the work deleted by the change which already has been completed. The description is to include a list of components, equipment, and other identifiable property involved. Also, the status of manufacture, procurement, or installation of such property is to be indicated. Separate description is to be furnished for design and production work. Items of raw material, purchased parts, components and other identifiable hardware, which are made excess by the change and which are not to be retained by Seller, are to be listed for later disposition; (2) Description of work necessary to undo work already completed which has been deleted by the change; (3) Description of work not required by the terms hereof before the change, which is substituted or added by the change. A list of components and equipment (not bulk materials or items) involved should be included. Separate descriptions are to be furnished for design work and production work; (4) Description of interference and inefficiencies in performing the change; (5) Description of each element of disruption and exactly how work has been, or will be disrupted: (i) The calendar period of time during which disruption occurred, or will occur; (ii) Area(s) aboard the Vessel where disruption occurred, or will occur; (iii) Trade(s) disrupted, with a breakdown of man-hours for each trade; (iv) Scheduling of trades before, during, and after period of disruption; (v) Description of measures taken to lessen the disruptive effect of the change; (6) Delay in delivery attributable solely to the change; (7) Other work attributable to the change; (8) Supplementing the foregoing, a narrative statement of the direct "causal" relationship between any alleged Government act or omission and the associated claimed consequences, cross referenced to the detailed information provided as required above; and (9) A statement setting forth a comparative enumeration of the amounts "budgeted" for the cost elements, including the material costs, labor hours and pertinent indirect costs, estimated by Seller in preparing its initial and ultimate proposal(s) for this Contract, and the amounts claimed to have been incurred and/or projected to be incurred corresponding to each such "budgeted cost" elements.

(c) Each proposal in excess of \$100,000 submitted in support of a claim for equitable adjustment under any requirement of this

Contract shall, in addition to the information required by paragraph (b) hereof, contain such information as Buyer and the Contracting Officer may require with respect to each individual claim item.

(d) It is recognized that individual claims for equitable adjustment may not include all of the factors listed in paragraph (b) above. Accordingly, Seller is required to set forth in its proposal information only with respect to those factors which are comprehended in the individual claim for equitable adjustment. In any event, the information furnished hereunder shall be in sufficient detail to permit Buyer and the Contracting Officer to cross-reference the claimed increased costs, or delay in delivery, or both, as appropriate, submitted pursuant to paragraph (c) of this requirement, with the information submitted pursuant to paragraph (b) hereof.

NAVSEA 5252.233-9103 DOCUMENTATION OF REQUESTS FOR EQUITABLE ADJUSTMENT (AT) - ALTERNATE I (APR 1999) [Modified by Buyer]

(a) For the purposes of this requirement, the term "change" includes not only a change that is made pursuant to a written order designated as a "change order" but also (i) an engineering change proposed by the Government, Buyer or Seller pursuant to the "Other Change Proposals" or other requirements of this Contract and (ii) any act or omission to act on the part of the Government in respect of which a request is made for equitable adjustment under the "CHANGES" clause or any other article or requirement of this Contract.

(b) Whenever Seller requests or proposes an equitable adjustment of \$100,000 or more per Vessel in respect of a change made pursuant to a written order designated as a "change order" or in respect of a proposed engineering change and whenever Seller requests an equitable adjustment in any amount in respect of any other act or omission to act on the part of the Government, the proposal supporting such request shall include the following information for each individual item or element of the request: (1) A description (i) of the work required by the Contract before the change, which has been deleted by the list of identifiable components, equipment, and other identifiable property involved. Also, the status of manufacture, procurement, or installation of such property is to be indicated. Separate description is to be furnished for design and production work. Items of identifiable raw material, purchased parts, components and other identifiable hardware, which are made excess by the change and which are not to be retained by Seller, are to be listed for later disposition; (2) Description of work necessary to undo work already completed which has been deleted by the change; (3) Description of work which is substituted or added by the change. A list of identifiable components and equipment (not bulk materials or items) involved should be included. Separate descriptions are to be furnished for design work and production work; (4) Description of interference and inefficiencies in performing the change; (5) Description of disruption attributable solely to the change; which description shall include the following information: (i) Description of each identifiable element of disruption and how work has been, or may be, disrupted; (ii) The calendar period of time during which disruption occurred, or may occur; (iii) Area(s) of Seller's operations where disruption occurred, or may occur; (iv) Trade(s) or functions disrupted, with a breakdown of man-hours and material for each trade or function; (v) Scheduling of trades before, during, and after period of disruption insofar as such scheduling may relate to or be affected by the estimated disruption; (vi) Description of any measures taken to lessen the disruptive effect of the change; (6) Delay in delivery attributable solely to the change; (7) Other work or increased costs attributable to the change; (8) Supplementing the foregoing, a narrative statement of the nature of the alleged Government act or omission, when the alleged Government act or omission occurred, and the "causal" relationship between the alleged Government act or omission and the claimed consequences thereof, cross-referenced to the detailed information provided as required above.

(c) Each proposal submitted in accordance with this requirement shall include a copy of Seller's ship's labor budget at the cost level in effect as of the date the event began, the cost incurred at the cost level as of the same date, and the proposed effect of the change at the cost class level.

(d) It is recognized that individual claims for equitable adjustment may not include all of the factors listed in subparagraphs (b)(1) through (b)(8) above, or that Seller may not reasonably be able to furnish complete information on all of the factors listed in subparagraph (b)(1) through (b)(8) above. Accordingly, Seller is only required to set forth in its request for equitable adjustment information with respect to those factors which are relevant to the individual request for equitable adjustment, or in the level of detail which is reasonably available to Seller.

(e) In addition to any information required under paragraph (b) above, each proposal submitted in support of a claim for equitable adjustment, under any requirement of this Contract, in an amount which requires certified cost or pricing data, shall contain such cost or pricing data as the Contracting Officer shall require with respect to each individual claim item, and shall be in sufficient detail to permit the Contracting Officer to cross reference the claimed increased costs, or delay in delivery, or both, as appropriate, with the information submitted pursuant to subparagraphs (b)(1) through (b)(8) hereof.

5252.233 9107 EQUITABLE ADJUSTMENTS: WAIVER AND RELEASE OF CLAIMS (AT) (JAN 1983) [Modified by Buyer]

(a) Whenever Seller, after receipt of a change made pursuant to the clause of this Contract entitled "CHANGES" or after affirmation of a constructive change under the "NOTIFICATION OF CHANGES" (FAR 52.243-7) requirement, submits any claim for equitable adjustment under the foregoing, such claim shall include all types of adjustments in the total amounts to which the foregoing entitle Seller, including but not limited to adjustments arising out of delays or disruptions or both caused by such change.

(b) Further, Seller agrees (except as the parties may otherwise agree) that, if required by Buyer and/or the Government's Contracting Officer, Seller will execute a release, in form and substance satisfactory to Buyer and/or the Government's Contracting Officer, as part of the supplemental agreement setting forth the aforesaid equitable adjustment, and that such release shall discharge Buyer and the Government, its officers, agents and employees, from any further claims including but not limited to further claims arising out of delays or disruptions or both, caused by the aforesaid change.

5252.243-9105 NOTIFICATION OF CHANGES (CT) (JAN 1983) [Modified by Buyer]

(a) Definitions. As used in this requirement, the term "Contracting Officer" does not include any representative of the Government's Contracting Officer or Buyer's Procurement Representative whether or not such representative is acting within the scope of his authority nor does it include any other individuals or activities that in any way communicate with Seller. As used in this requirement, the term "conduct" includes both actions and failures to act, and includes the furnishing of, or the failure to furnish, any item under any requirement of this Contract.

(b) Notice. The primary purpose of this requirement is to obtain prompt reporting of any conduct which Seller considers would constitute or would require a change to this Contract. The parties acknowledge that proper administration of this Contract requires that potential changes be identified and resolved as they arise. Buyer is under strict authorized work requirements under its subcontract with BAE. Therefore, except for changes identified as such in writing and signed by Buyer, Seller not authorized to proceed without an approved change order from Buyer's Procurement Representative. Furthermore, Seller shall notify Buyer's Procurement Representative of any conduct which Seller considers would constitute or would require a change to this Contract. Such notice shall be provided promptly and in any event within 30

calendar days from the date Seller identifies any such conduct. The notice shall be written and shall state, on the basis of the most accurate information available to Seller: (i) The date, nature, and circumstances of the conduct regarded as a change; (ii) The name, function, and activity of the individuals directly involved in or knowledgeable about such conduct; (iii) The identification of any documents and the substance of any oral communication involved in such conduct; (iv) The particular elements of performance for which Seller might seek an equitable adjustment under this requirement, including: (1) What Vessel(s) have been or might be affected by the potential change; (2) To the extent practicable, labor or materials or both which have been or might be added, deleted, or wasted by the potential change; (3) To the extent practicable, Seller's preliminary order of magnitude estimate of cost and schedule effect of the potential change; and (4) What and in what manner are the particular technical requirements or Contract requirements regarded as changed.

(c) Continued Performance. Except as provided in paragraph (f) below, following submission of notice, Seller shall take no action to implement a potential change until advised by Buyer in writing as provided in (d) below, unless the potential change was previously directed by Buyer in writing, in which case Seller shall conform therewith. Nothing in this paragraph (c) shall excuse Seller from proceeding with Contract Work other than implementation of the potential change or from proceeding in accordance with directions issued by Buyer.

(d) Buyer's Response. Buyer shall promptly, and in any event within 21 calendar days after receipt of Seller's notice, respond thereto in writing. In such response, Buyer shall either: (i) Confirm that the conduct of which Seller gave notice would constitute a change, and when necessary, direct the mode of further performance, or; (ii) Countermand any conduct regarded by Seller as a change, or; (iii) Deny that the conduct of which Seller gave notice would constitute a change and, when necessary, direct the mode of further performance, or; (iv) In the event Seller's notice information is inadequate to make a decision under (i), (ii), or (iii), above, advise Seller what additional information is required. Failure of Buyer's Procurement Representative to respond within the time required above shall be deemed a countermand under (d)(ii).

(e) Equitable Adjustments. Equitable adjustments for changes confirmed or countermanded by Buyer shall be made in accordance with the clause of this Contract entitled "CHANGES", or any other requirement of this Contract which provides for an equitable adjustment.

(f) Special Procedures. Paragraph (c) provides that Seller is to take no action to implement a potential change pending Buyer's Procurement Representative's response to Seller's notice of the potential change, except where specifically directed by Buyer's Procurement Representative. In special situations, however, where (1) The circumstances do not allow sufficient time to notify Buyer's Procurement Representative of the facts prior to the need to proceed with the Contract Work; and (2) The Contract Work must proceed to avoid hazards to personnel or property or to avoid additional cost to Buyer or the Government, and then Seller may proceed with work in accordance with the potential change. In such special situations, Seller shall advise Buyer's Procurement Representative in writing within 10 days of the conduct giving rise to the potential change that Seller has proceeded and shall describe the nature of the special situation which required proceeding prior to notification. Within 30 calendar days of the conduct giving rise to the potential change, Seller shall provide notice as required in (b) above. Buyer's Procurement Representative shall respond as set forth in (d) above. If Buyer's Procurement Representative determines that the conduct constitutes a change and countermands it, Seller shall be entitled to an equitable adjustment for performance in accordance with that change prior to the countermand including the performance resulting from the countermand.

(g) When Seller identifies any conduct which may result in delay to delivery of the Vessel(s), Seller shall promptly so inform Buyer's Procurement Representative thereof prior to providing the notice required by paragraph (b) above.

(h) Despite good faith best efforts, occasions may arise in which Seller does not provide notice within the time periods specified in paragraphs (b) and (f) above. Accordingly, prior to the end of the first and third quarters of each calendar year through the period of performance of the Contract, beginning with TBD quarter of 201_, Seller shall deliver to Buyer an executed bilateral modification, in the format to be provided by Buyer, covering the 6 month period of time ending with the second and fourth quarters, respectively, of the preceding year, with such specific exceptions, if any, as are identified by Seller. If Seller cites specific exceptions to the release, Seller shall concurrently provide Buyer's Procurement Representative with notice, containing the information set forth in paragraph (b) of this requirement, for each item excepted from the release. However, the release required by this requirement shall not make unallowable any costs which are otherwise allowable under any other requirement of this Contract. Within 60 days of receipt of the release, Buyer's Procurement Representative shall sign and return a copy of the release to Seller. If Buyer's Procurement Representative fails to execute and return the release within the required time, then the release shall be deemed to be void and of no effect for the period involved.

(i) If the release in accordance with paragraph (h) above is not provided to Buyer's Procurement Representative by Seller in the time required, Buyer's Procurement Representative may execute the release as set forth in Exhibit "A" and send it to Seller. If Seller fails to execute the release and return it to Buyer's Procurement Representative (with any specific exceptions) within 60 days of receipt thereof, the required release shall then be deemed effective as if signed by Seller.

Exhibit "A" to the Requirement entitled "NOTIFICATION OF CHANGES"

This modification reflects the agreement of the parties to the mutual full and final releases for the consequences of that conduct (as conduct is defined in the requirement entitled "NOTIFICATION OF CHANGES"), described below, except the conduct identified in Attachment A hereto is excluded and not covered by the terms of this release. 1. Except for the conduct listed in Attachment A by either party, neither Seller nor Buyer shall be entitled to any equitable adjustment or to money damages and/or other relief for any conduct, as specified below. 2. In consideration of the foregoing the parties hereby agree to the following release:

(a) Buyer, for itself, its assigns, vendors, suppliers, and contractors, hereby remises, releases, and forever discharges Seller, its officers, agents and employees from any and all entitlement of Buyer to equitable adjustment of the cost and fee and delivery schedule due to conduct under this Contract, which occurred on or before TBD.

(b) Seller, for itself, its successors, assigns, vendors, suppliers, and subcontractors, hereby remises, releases and forever discharges Buyer, BAE, the Government, and their officers, agents and employees from (i) any and all entitlement of Seller to equitable adjustment of the Contract cost and fee and/or delivery schedule of this Contract or of any other contract with Buyer (with this or any other contractor) or any contract between Seller and any third party by reason of any conduct which increases Seller's cost or time of performance of work under this Contract and meets the following conditions (1) known to Seller, (2) occurred on or before TBD, and (3) Seller failed to give notice prior to date of this release, and (ii) any and all liabilities to Seller for money damages and/or other relief for the impact of any such conduct, upon this Contract or any other contract with Buyer (with this or any other Seller) or any contract between Seller and any third party.

5252.243 9113 OTHER CHANGE PROPOSALS (CT) (JAN 1990) [Modified by Buyer]

(a) In addition to proposing engineering changes pursuant to other requirements of this Contract, and in addition to issuing changes pursuant to the clause of this Contract entitled "CHANGES", Buyer may propose other changes within the general scope of this Contract as set

forth below. Within 45 days from the date of receipt of any such proposed change, or within such further time as Buyer may allow, Seller shall submit the proposed scope of Contract Work, plans and sketches, and its estimate of: (A) the cost, (B) the weight and moment effect, (C) effect on delivery dates of the Vessel(s), and (D) status of Contract Work on the Vessels affected by the proposed change. The proposed scope of work and estimate of cost shall be in such form and supported by such reasonably detailed information as Buyer may require. Within 60 days from the date of receipt of Seller's estimate, Seller agrees to either (A) enter into a supplemental agreement covering the estimate as submitted, or (B) if the estimate as submitted is not satisfactory to Buyer's Procurement Representative, enter into negotiations in good faith leading to the execution of a bilateral supplemental agreement. In either case, the supplemental agreement shall cover an equitable adjustment in the Contract cost and fee including an equitable adjustment for the preparatory work set forth above, scope, and all other necessary equitable adjustments. Seller's estimate referred to in this subparagraph shall be a firm offer for 60 days from and after the receipt thereof by Buyer's Procurement Representative having cognizance thereof, unless such period of time is extended by mutual consent.

(b) Pending execution of a bilateral agreement or the direction of Buyer's Procurement Representative pursuant to the "CHANGES" clause, Seller shall proceed diligently with performance without regard to the effect of any such proposed change.

(c) In the event that a change proposed by Buyer's Procurement Representative is not incorporated into the Contract, the work done by Seller in preparing the estimate in accordance with subparagraph (a) above shall be treated as if ordered by Buyer under the "CHANGES" clause. Seller shall be entitled to an equitable adjustment in the Contract cost and fee for the effort required under subparagraph (a), but Seller shall not be entitled to any adjustment in delivery date. Failure to agree to such equitable adjustment in the Contract cost and fee shall be a dispute within the meaning of the clause of this Contract entitled "DISPUTES" (FAR 52.233-1).

Section I - Contract Clauses

In interpreting the requirements of these clauses, "Contracting Officer" should be considered to be Buyer's Procurement Representative and "Government" should be considered to be Buyer, unless the context indicates otherwise. Reasonable efforts have been used to convert the terminology used in the Government's solicitation clauses to the terms used in Pacship's PO General Terms & Conditions; however, there may be some instances where those conversions were not made for clauses where full text was not given. Accordingly, please apply the following term conversions. "Contractor" shall mean Seller. The terms "Government" or "Contracting Officer" do not change: (i) when a right, act authorization or obligation can be granted or performed only by the Government; (ii) when access to proprietary financial information or other proprietary data is required; (iii) when title to property or rights in technical data and/or computer software are to be transferred directly to Government, (iv) with regards to a disputes or changes clause; or (v) with regards to a clause permitting audit(s) of Seller. Some clauses are included in full text, and others of the FAR and DFARS are hereby incorporated into this Contract by reference as if given in full text, subject to the following definitions, and subject to the particular limitations and modifications indicated. The full text of FAR and DFARS clauses may be accessed electronically at the following internet websites:

<https://www.acquisition.gov/far/>

<http://FARSITE.HILL.AF.MIL/Vfdfar1.htm>

I.1 CLAUSES INCORPORATED BY REFERENCE (FEB 1998) (FAR 52.252-2)

This Contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(s):

<http://farsite.hill.af.mil/>

The following notes apply to the clauses incorporated by reference below.

Note 1 – Substitute "Buyer" for "the Government" or "the United States".

Note 2 – Substitute "Buyer Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO".

Note 3 – Insert "and Buyer" after "Government".

Note 4 – Insert "or Buyer" after "Government".

Note 5 – Communication/notification required under this clause from/to Seller and to/from the Contracting Officer shall be through Buyer.

Note 6 – Insert "and Buyer" after "Contracting Officer".

Note 7 – Insert "or Buyer Procurement Representative" after "Contracting Officer".

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE & NOTE
52.202-1	DEFINITIONS <i>No Note applies.</i>	JUL 2004
52.203-3	GRATUITIES <i>Note 3 applies in (c) and (d).</i>	APR 1984
52.203-5	CONVENANT AGAINST CONTINGENT FEES <i>Note 3 applies in (a).</i>	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT <i>Applies if the Contract value exceeds \$150,000. No Note applies.</i>	SEPT 2006
52.203-7	ANTI-KICKBACK PROCEDURES <i>Note 2 applies for (b)(4) when the Government exercises its rights and remedies against Buyer for any kickback made by the Seller. Clause applies if the Contract value exceeds \$150,000.</i>	OCT 2010
52.203-8	CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY <i>Note 3 applies to (b) and (c).</i>	JAN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY <i>Note 2 applies for (b) and Note 1 for (c) when the Government exercises its rights and remedies against</i>	JAN 1997

Buyer for illegal or improper activities caused by Seller.

52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS <i>Note 5 applies. Applicable if this Contract exceeds \$100,000, for purposes of this clause, the term "Offeror" means Seller and the term "offer" means Seller's bid, proposal or quote or acceptance of this Contract.</i>	SEP 2007
52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS <i>Applies if the Contract value exceeds \$150,000. Note 5 applies. Seller is to make disclosure to Buyer so that Buyer can fulfill its subcontract obligations with BAE.</i>	OCT 2010
52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT <i>Applies if this Contract exceeds \$5,000,000 and the period of performance is more than 120 days. Disclosures made under this clause shall be made directly to the Government entities identified in the clause. Clause does not apply to small businesses. Note 2 applies to (c).</i>	APR 2010
52.203-14 DISPLAY OF HOTLINE POSTERS <i>No Note applies.</i>	DEC 2007
52.203-15 WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY ACT OF 2009 <i>No Note applies.</i>	JUN 2010
52.204-2 SECURITY REQUIREMENTS <i>Applies if the Contract Work requires access to classified information.</i>	AUG 1996
52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON POST CONSUMER FIBER CONTENT PAPER <i>Note 3 applies to (b).</i>	AUG 2000
52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL <i>Applies where Seller will have physical access to a federally-controlled facility or access to a federal information system. Note 3 applies to (c). In (d), the reference to prime contractor shall mean Buyer. Seller is responsible to get the information to Buyer so that Buyer can comply with the reporting requirements of (d). Note 2 applies to (c) and (d).</i>	JAN 2011
52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS <i>Applies if Seller meets the first tier subcontract thresholds specified in the clause. Seller is to send information to Buyer so that Buyer can comply with the reporting obligations under this clause. No Note applies.</i>	OCT 2010
52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT <i>Applies if this Contract exceeds \$30,000 and is not a subcontract for commercially available off the shelf items. Seller shall provide copies of notices to Buyer so that Buyer can fulfill its reporting obligations under this clause. Note 5 applies.</i>	DEC 2010
52.209-9 UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDIN RESPONSIBILITY MATTERS ALT I <i>No Note applies.</i>	FEB 2012
52.211-5 MATERIAL REQUIREMENTS <i>Note 2 applies to (d) and (e).</i>	AUG 2000
52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS <i>No Note applies.</i>	APR 2008
52.214-26 AUDIT –SEALED BIDDING (APPLICABLE TO FIXED PRICE ORDERS) <i>No Note applies.</i>	OCT 2010
52.214-27 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS SEALED BIDDING <i>Note 5 applies.</i>	OCT 2010
52.214-28 SUBCONTRACTOR COST AND PRICING DATA-MODIFICATIONS – SEALED BIDDING <i>No Note applies.</i>	OCT 2010
52.215-2 AUDIT AND RECORDS—NEGOTIATION <i>Applies if the Contract value exceeds \$150,000; applicable if: (1) Seller is required to furnish cost or pricing data, or (2) the Contract requires Seller to furnish cost, funding or performance reports, or (3) this is an</i>	OCT 201

<i>incentive or re-determinable type contract.</i>	
52.215-8 ORDER OF PRECEDENCE—UNIFORM CONTRACT FORMAT <i>No Note applies.</i>	OCT 1997
52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA <i>Note 5 applies.</i>	OCT 1997
52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS <i>Note 6 applies to (d)(2)(i)(A).</i>	OCT 2010
52.215-12 SUBCONTRACTOR COST OR PRICING DATA <i>Applies if this Contract exceeds \$700,000 and is not otherwise exempt under FAR 15.403. No Note applies.</i>	OCT 2010
52.215-13 SUBCONTRACTOR COST AND PRICING DATA - MODIFICATIONS (OCT 1997) <i>No Note applies.</i>	OCT 2010
52.215.14 INTEGRITY OF UNIT PRICES <i>Note 6 applies.</i>	OCT 2010
52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS <i>Applies if this Contract meets the applicability requirements of FAR 15.403-4. Note 5 applies.</i>	OCT 2010
52.215-16 FACILITIES CAPITAL COST OF MONEY <i>No Note applies.</i>	OCT 1997
52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY <i>No Note applies.</i>	OCT 1997
52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS <i>Applies if this Contract meets the requirements of FAR 15.408(j). Note 5 applies.</i>	JUL 2005
52.215-20 REQUIREMENT FOR COST AND PRICING DATA OR INFORMATION OTHER THAN COST AND PRICING DATA <i>Note 5 applies.</i>	OCT 2010
52.215-21 REQUIREMENT FOR COST AND PRICING DATA OR INFORMATION OTHER THAN COST AND PRICING DATA—MODIFICATIONS <i>Note 5 applies.</i>	OCT 2010
52.215-22 LIMITATIONS ON PASS-THROUGH CHARGES-IDENTIFICATION OF SUBCONTRACT EFFORT <i>No Note applies.</i>	OCT 2009
52.215-23 LIMITATIONS ON PASS-THROUGH CHARGES <i>In paragraph (a), Note 6 for Added Value, Note 3 for Excessive Pass-Through Charges, and Note 6 for or neqilgible value, Note 5 for (b), Note 2 for (c), Note 5 for (d), and Note 5 for (e).</i>	OCT 2009
52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS <i>No Note applies.</i>	JAN 2011
52.219-9 ALT II SMALL BUSINESS SUBCONTRACTING PLAN ALT II <i>Seller is to provide its subcontracting plan to Buyer so that Buyer can fulfill its subcontract obligations with BAE.</i>	JAN 2011
52.219-14 LIMITATIONS ON SUBCONTRACTING <i>No Note applies.</i>	NOV 2011
52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES <i>Note 5 applies.</i>	FEB 1997
52.222-19 CHILD LABOR—COOPERATION WITH AUTHORITIES AND REMEDIES <i>Note 3 applies for (c) and (d).</i>	JUL 2010
52.222-20 WALSH-HEALEY PUBLIC CONTRACTS ACT <i>Applies when Contract exceeds or may exceed \$15,000. No Note applies.</i>	OCT 2010
52.222-21 PROHIBITION OF SEGREGATED FACILITIES <i>No Note applies.</i>	FEB 1999
52.222-26 EQUAL OPPORTUNITY <i>Applies to Contract with value in excess of \$10,000. Note 7 applies to (c)(3) and (c)(5).</i>	MAR 2007
52.222-35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERAN, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS <i>Applies if Contract value is \$100,000 or more. Note 5 applies.</i>	SEP 2010
52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES <i>Applies if Contract value equals or exceeds \$15,000. No Note applies.</i>	OCT 2010
52.222-37 EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS <i>Applies if Contract value equals or exceeds \$100,000. Seller is to provide reports to Buyer. Note 5 applies.</i>	SEP 2010
52.222-38 COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS <i>No Note applies.</i>	SEP 2010
52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR	

RELATIONS ACT <i>No Note applies.</i>	DEC 2010
52.222-50 COMBATING TRAFFICKING IN PERSONS <i>Note 5 applies.</i>	FEB 2009
52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION <i>No Note applies.</i>	JAN 2009
52.223-5 POLLUTION PREVENTATION AND RIGHT-TO-KNOW INFORMATION <i>No Note applies.</i>	AUG 2003
52.223-6 DRUG-FREE WORKPLACE <i>Note 5 applies except Note 4 applies in (d).</i>	MAY 2001
52.223-11 OZONE-DEPLETING SUBSTANCES <i>Applies if the Contract Work was manufactured with or contains ozone-depleting substances. No Note applies.</i>	MAY 2001
52.223-12 REFRIGERATION EQUIPMENT AND AIR CONDITIONERS <i>No Note applies.</i>	MAY 1995
52.223-18 CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING <i>No Note applies.</i>	SEP 2010
52.225-8 DUTY-FREE ENTRY (IAW PARAGRAPH (J)) <i>Note 2 applies to (b) and (c), Note 1 applies for (e) and (f), and Note 2 applies to (i).</i>	OCT 2010
52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES <i>No Note applies.</i>	JUN 2008
52.227-1 AUTHORIZATION AND CONSENT <i>No Note applies. Government and Contracting Officer remain unchanged.</i>	DEC 2007
52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT <i>Applies if Contract value exceeds \$150,000; Note 5 applies to (a) and (b).</i>	DEC 2007
52.227-10 FILING OF PATENT APPLICATIONS—CLASSIFIED SUBJECT MATTER <i>Applies if the Contract Work or any patent application may cover classified subject matter. Note 5 applies to (a), (b), and (c).</i>	DEC 2007
52.227-11 PATENT RIGHTS—OWNERSHIP BY THE CONTRACTOR <i>Note 5 applies to (c)(1), (e)(3) and (f). Seller is to provide its report to Buyer.</i>	DEC 2007
52.227-13 PATENT RIGHTS—OWNERSHIP BY THE GOVERNMENT <i>Note 5 applies to (b)(2)(i), (e)(1), (e)(2), (e)(3), (f)(2), (g), and (i).</i>	DEC 2007
52.228-5 INSURANCE – WORK ON A GOVERNMENT INSTALLATION <i>Note 2 applies to (b) and (c).</i>	JAN 1997
52.229-3 FEDERAL, STATE AND LOCAL TAXES <i>Note 2 applies to (e) and (g).</i>	MAR 2003
52.229-4 FEDERAL, STATE, AND LOCAL TAXES (STATE AND LOCAL ADJUSTMENTS) <i>Note 2 applies to (c), (e) and (g).</i>	APR 2003
52.230-2 COST ACCOUNTING STANDARDS <i>Applies only when referenced in the Contract that full CAS coverage applies. No Note applies.</i>	OCT 2008
52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES <i>No Note applies.</i>	OCT 2008
52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS <i>Applies if FAR 52.230-2 or FAR 52.230-3 applies. No Note applies.</i>	MAR 2008
52.232-11 EXTRAS <i>Note 2 applies.</i>	APR 1984
52.232-17 INTEREST <i>Note 5 applies.</i>	OCT 2010
52.232-18 AVAILABILITY OF FUNDS <i>No Note applies.</i>	APR 1984
52.232-22 LIMITATION OF FUNDS <i>Note 2 applies to (c), (d), (e), (f)(2), (h) and (i), and Note 1 applies to (k).</i>	APR 1984
52.232-23 Alt I ASSIGNMENT OF CLAIMS (JAN 1986) – Alternate I <i>No Note applies.</i>	APR 1984
52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM <i>No Note applies.</i>	OCT 2004
52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III <i>Note 5 applies.</i>	DEC 1994
52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION <i>Applies if Contract Work is performed on a Government installation. No Note applies.</i>	APR 1984
52.237-3 CONTINUITY OF SERVICES <i>Note 2 applies to (b).</i>	JAN 1991

52.242-1 NOTICE OF INTENT TO DISALLOW COSTS <i>Note 5 applies to (a)(2).</i>	APR 1984
52.242-3 PENALTIES FOR UNALLOWABLE COSTS <i>No Note applies.</i>	MAY 2001
52.242-4 CERTIFICATION OF FINAL INDIRECT COSTS <i>No Note applies.</i>	JAN 1997
52.242-13 BANKRUPTCY <i>Note 2 applies.</i>	JUL 1995
52.242-17 GOVERNMENT DELAY OF WORK <i>Note 5 applies.</i>	APR 1984
52.243-1 CHANGES—FIXED PRICE ALT II APR 1984 <i>Note 4 2 applies.</i>	AUG 1987
52.243-2 CHANGES – COST REIMBURSEMENT <i>Note 2 applies.</i>	AUG 1987
52.243-2 ALT II CHANGES COST REIMBURSEMENT <i>Note 5 applies.</i>	AUG 1987
52.243-3 CHANGES TIME AND MATERIAL LABOR HOURS <i>Note 5 applies.</i>	SEP 2000
52.243-6 CHANGE ORDER ACCOUNTING <i>Note 5 applies.</i>	APR 1984
52.244-2 SUBCONTRACTS <i>Note 5 applies.</i>	JUN 2007
52.244-5 COMPETITION IN SUBCONTRACTING <i>No Note applies.</i>	DEC 1996
52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS <i>No Note applies.</i>	DEC 2010
52.245-1 GOVERNMENT PROPERTY <i>Note 5 applies.</i>	AUG 2010
52.245-2 GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES <i>Note 5 applies.</i>	AUG 2010
52.245-9 USE AND CHARGES <i>Note 5 applies.</i>	JUN 2007
52.247-1 COMMERCIAL BILL OF LADING NOTATIONS <i>Note 5 applies.</i>	FEB 2006
52.247-63 PREFERENCE FOR U.S. FLAG AIR CARRIERS <i>No Note applies.</i>	JUN 2003
52.247-64 PREFERENCE OF PRIVATELY OWNED US FLAGGED COMMERCIAL VESSELS <i>No Note applies.</i>	FEB 2006
52.247-67 SUBMISSION OF COMMERCIAL TRANSPORTATION BILLS TO THE GENERAL SERVICES ADMINISTRATION FOR AUDIT (WHEN SELLER IS DIRECTED TO COMPLY BY BUYER IN A SEPARATE WRITING) <i>No Note applies.</i>	FEB 2006
52.247-68 REPORT OF SHIPMENT (REPSHIP) <i>Note 2 applies for (b).</i>	FEB 2006
52.248-1 VALUE ENGINEERING <i>Note 5 applies.</i>	OCT 2010
52.249-6 TERMINATION (COST-REIMBURSEMENT) <i>Applies when Buyer receives a termination from the Government.</i>	MAY 2004
52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) <i>Applies when Buyer receives a termination from the Government.</i>	APR 1984
52.249-14 EXCUSABLE DELAYS <i>Note 2 applies to (b)(2) and Note 7 applies to (c).</i>	APR 1984
52.251-1 GOVERNMENT SUPPLY SERVICES <i>No Note applies.</i>	APR 2012
52.253-1 COMPUTER GENERATED FORMS <i>No Note applies.</i>	JAN 1991
252.201-7000 CONTRACTING OFFICER'S REPRESENTATIVE <i>No Note applies.</i>	DEC 1991
252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE CONTRACT-RELATED FELONIES	DEC 2008

<i>Note 5 applies to (f).</i>	
252.203-7002 DISPLAY OF DOD HOTLINE POSTER	JAN 2009
<i>No Note applies.</i>	
252.204-7000 DISCLOSURE OF INFORMATION	DEC 1991
<i>Note 5 applies.</i>	
252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT	APR 1992
<i>No Note applies.</i>	
252.204-7005 ORAL ATTESTATION OF SECURITY RESPONSIBILITIES	NOV 2001
<i>No Note applies.</i>	
252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS	DEC 1991
<i>No Note applies.</i>	
252.208-7000 INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL	DEC 1991
<i>No Note applies.</i>	
252.209-7001 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY	JAN 2009
<i>No Note applies.</i>	
252.209-7002 DISCLOSURE OF OWNERSHIP OR CONTROL BY A FOREIGN GOVERNMENT	JUN 2010
<i>No Note applies.</i>	
252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY	DEC 2006
<i>Note 5 applies for (b).</i>	
252.211-7000 ACQUISITION STREAMLINING	OCT 2010
<i>No Note applies.</i>	
252.211-7003 ITEM IDENTIFICATION AND VALUATION	AUG 2008
<i>No Note applies.</i>	
252.211-7005 SUBSTITUTION FOR MILITARY OR FEDERAL SPECIFICATIONS	NOV 2005
<i>No Note applies.</i>	
252.211-7007 REPORTING OF GOVERNMENT FURNISHED EQUIPMENT IN THE DOD ITEM UNIQUE IDENTIFICATION (IUID) REGISTRY	NOV 2008
<i>Note 5 applies.</i>	
252.215-7000 PRICING ADJUSTMENTS	DEC 1991
<i>No Note applies.</i>	
252.215-7002 COST ESTIMATING SYSTEM REQUIREMENTS	MAY 2011
<i>Note 5 applies.</i>	
252.215-7004 EXCESSIVE PASS-THROUGH CHARGES	MAY 2008
<i>Note 5 applies.</i>	
252.217-7011 ACCESS TO VESSEL	DEC 2011
<i>No Note.</i>	
252.217-7027 CONTRACT DEFINITIZATION	OCT 1998
<i>No Note.</i>	
252.217-7028 OVER AND ABOVE WORK	DEC 1991
<i>Note 5 applies.</i>	
252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)	OCT 2010
<i>Note 5 applies.</i>	
252.222-7006 RESTRICTIONS ON USE OF MANDATORY ARBITRATION AGREEMENTS	DEC 2010
<i>No Note applies.</i>	
252.223-7001 HAZARD WARNING LABELS	DEC 1991
<i>No Note applies.</i>	
252.223-7004 DRUG FREE WORK FORCE	SEP 1988
<i>No Note applies.</i>	
252.223-7006 PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS MATERIALS	APR 1993
<i>No Note applies.</i>	
252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM	JAN 2009
<i>No Note applies.</i>	
252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS	APR 2003
<i>No Note applies.</i>	
252.225-7004 REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA--SUBMISSION AFTER AWARD	MAY 2007
<i>Note 5 applies.</i>	
252.225-7007 PROHIBITION ON ACQUISITION OF UNITED STATES MUNITIONS LIST	SEP 2006

ITEMS FROM COMMUNIST CHINESE MILITARY COMPANIES	
<i>Applies if Seller is supplying items on the U.S. Munitions List. No Note applies.</i>	
252.225-7008 RESTRICTION ON ACQUISITION OF SPECIALTY METALS <i>No Note applies.</i>	JUL 2009
252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS <i>No Note applies.</i>	JUL 2009
252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES <i>No Note applies.</i>	JUN 2010
252.225-7013 DUTY-FREE ENTRY <i>Note 5 applies.</i>	DEC 2009
252.225-7015 RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS <i>No Note applies.</i>	JUN 2005
252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS <i>No Note applies.</i>	DEC 2010
252.225-7019 RESTRICTION ON ACQUISITION OF ANCHOR AND MOORING CHAIN <i>No Note applies.</i>	DEC 2009
252.225-7025 RESTRICTION ON ACQUISITION OF FORGINGS <i>Note 5 applies for (d).</i>	DEC 2009
252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE <i>No Note applies.</i>	DEC 2006
252.225-7031 SECONDARY ARAB BOYCOTT OF ISRAEL <i>No Note applies.</i>	JUN 2005
252.225-7036 BUY AMERICAN-NORTH AMERICAN FREE TRADE AGREEMENT IMPLEMENTATION ACT BALANCE OF PAYMENTS PROGRAM <i>No Note applies.</i>	DEC 2010
252.225-7037 EVALUATION OF OFFERS FOR AIR CIRCUIT BREAKERS <i>No Note applies.</i>	JUN 2005
252.227-7013 RIGHTS IN TECHNICAL DATA—NONCOMMERCIAL ITEMS <i>Note 5 applies.</i>	MAR 2011
252.227-7014 RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION <i>Note 5 applies.</i>	MAR 2011
252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION <i>No Note applies.</i>	JAN 2011
252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS--COMPUTER SOFTWARE <i>Note 5 applies.</i>	JUN 1995
252.227-7027 DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE <i>No Note applies.</i>	APR 1988
252.227-7030 TECHNICAL DATA--WITHHOLDING OF PAYMENT <i>Note 5 applies.</i>	MAR 2000
252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA <i>Note 5 applies.</i>	SEP 1999
252.231-7000 SUPPLEMENTAL COST PRINCIPLES <i>No Note applies.</i>	DEC 1991
252.242-7004 CONTRACTOR BUSINESS SYSTEMS <i>No Note applies.</i>	FEB 2012
252.243-7001 PRICING OF CONTRACT MODIFICATIONS <i>No Note applies.</i>	DEC 1991
252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT <i>Note 5 applies.</i>	MAR 1998
252.244-7000 SUBCONTRACTORS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS) <i>No Note applies.</i>	NOV 2010
252.246-7001 WARRANTY OF DATA <i>Note 5 applies.</i>	DEC 1991
252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES <i>Note 5 applies.</i>	JAN 2007
252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA	MAY 2002
252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA <i>Note 5 applies.</i>	MAR 2000

252.249-7002 NOTIFICATION OF ANTICIPATED PROGRAM TERMINATION OR REDUCTION <u>Note 5 applies.</u>	DEC 2010
252.251-7000 ORDERING FROM GOVERNMENT SUPPLY SOURCES <u>Note 5 applies.</u>	NOV 2004
252.211-7003 ITEM IDENTIFICATION AND VALUATION <u>Note 5 applies.</u>	AUG 2008
5252.227-9113 GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM <u>No Note applies.</u>	OCT 2006
Pending Executive Order 13496 – Obligation of Federal Contractors to Notify Employees of their rights under federal labor laws <u>No Note applies.</u>	

CLAUSES INCORPORATED BY FULL TEXT

52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997) [Modified by Buyer]

(a) Seller shall make the following notifications in writing: (1) When Seller becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, Seller shall notify Buyer within 20 days, and Buyer will notify BAE so that BAE can notify the Administrative Contracting Officer (“ACO”). (2) Seller shall also notify Buyer within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership. Buyer will notify BAE so that BAE can notify the ACO as required by its Prime Contract.

(b) Seller shall—(1) Maintain current, accurate, and complete inventory records of assets and their costs; (2) Provide Buyer or its designated representative ready access to the records upon request; (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of Seller’s ownership changes; and (4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Seller ownership change.

Seller shall include the substance of this clause in all subcontracts under this Contract that meet the applicability requirement of FAR 15.408(k).

52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA--MODIFICATIONS (OCT 1997) [Modified by Buyer]

(a) Exceptions from cost or pricing data. (1) In lieu of submitting cost or pricing data for modifications under this Contract, for price adjustments expected to exceed the threshold set forth at FAR 15.403-4 on the date of the agreement on price or the date of the award, whichever is later, Seller may submit a written request for exception by submitting the information described in the following subparagraphs. Buyer, BAE and/or the Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable—(i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document. (ii) Information on modifications of contracts or subcontracts for commercial items. (A) If—(1) The original contract or subcontract was granted an exception from cost or pricing data requirements because the price agreed upon was based on adequate price competition or prices set by law or regulation, or was a contract or subcontract for the acquisition of a commercial item; and (2) The modification (to the Contract or subcontract) is not exempted based on one of these exceptions, then Seller may provide information to establish that the modification would not change the Contract or subcontract from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of an item other than a commercial item.

(B) For a commercial item exception, the Seller shall provide, at a minimum, information on prices at which the same item or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of the modification. Such information may include—(1) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities. (2) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market. (3) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item. (4) Seller grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this clause, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to Seller’s determination of the prices to be offered in the catalog or marketplace.

(b) Requirements for cost or pricing data. If Seller is not granted an exception from the requirement to submit cost or pricing data, the following applies: (1) Seller shall submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408. (2) As soon as practicable after agreement on price, but before award (except for un-priced actions), Seller shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990) [Modified by Buyer]

(a) The use of overtime is authorized under this Contract if the overtime premium cost does not exceed 0 or the overtime premium is paid for work—(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature; (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting; (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or (4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceed the amount specified above shall include all estimated overtime for Contract completion and shall—(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together

with present workload, staffing, and other data of the affected unit sufficient to permit Buyer, BAE and/or the Government's Contracting Officer to evaluate the necessity for overtime; (2) Demonstrate the effect that denial of the request will have on the Contract delivery or performance schedule; (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and (4) Provide reasons why the required work cannot be performed by using multi-shift operations or by employing additional personnel.

*Insert either "zero" or the dollar amount agreed to during negotiations. The inserted figure does not apply to the exceptions in paragraph (a)(1) through (a)(4) of the clause.

52.222-3 CONVICT LABOR (JUN 2003) [Modified by Buyer]

(a) Except as provided in paragraph (b) of this clause, Seller shall not employ in the performance of this Contract 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) 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.

52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (JUL 2005)

(a) Overtime requirements. No Seller, contractor or subcontractor employing laborers or mechanics (see FAR 22.300) shall require or permit them to work over 40 hours in any workweek unless they are paid at least 1 and 1/2 times the basic rate of pay for each hour worked over 40 hours.

(b) Violation; liability for unpaid wages; liquidated damages. The responsible Seller, contractor and subcontractor are liable for unpaid wages if they violate the terms in paragraph (a) of this clause. In addition, Seller, contractor and subcontractor are liable for liquidated damages owed by Buyer as a result of Seller's contractor's or subcontractor's non-compliance, which Buyer shall remit to the Government. The Contracting Officer will assess liquidated damages at the rate of \$10 per affected employee for each calendar day on which the employer required or permitted the employee to work in excess of the standard workweek of 40 hours without paying overtime wages required by the Contract Work Hours and Safety Standards Act.

(c) Withholding for unpaid wages and liquidated damages. Buyer may withhold from payments due under this Contract if such a withholding is made by the Contracting Officer to satisfy any amounts owed under this clause by Seller, contractor or subcontractor liabilities for unpaid.

52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) [Modified by Buyer]

(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 Contract).

(b) The offeror must list any hazardous material, as defined in paragraph (a) of this clause, to be delivered under this Contract. 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 Contract.

Material Identification No.

(If none, insert "None")

(c) This list must be updated during performance of the Contract whenever Seller determines that any other material to be delivered under this Contract is hazardous.

(d) The apparently successful offeror 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 apparently successful offeror is the actual manufacturer of these items. Failure to submit the Material Safety Data Sheet prior to award may result in the apparently successful offeror being considered non-responsible and 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, Seller shall promptly notify Buyer so that Buyer can notify the Contracting Officer and resubmit the data.

(f) Neither the requirements of this clause nor any act or failure to act by the Government shall relieve the Seller of any responsibility or liability for the safety of Government, Buyer, Seller, or subcontractor personnel or property.

(g) Nothing contained in this clause shall relieve 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 Government's rights in data furnished under this Contract 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 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 Contract providing for rights in data.

The Government is not precluded from using similar or identical data acquired from other sources.

52.223-7 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997) [Modified by Buyer]

(a) Seller shall notify Buyer's Procurement Representative or designee, in writing, 30 days prior to the delivery of, or prior to completion of any servicing required by this Contract 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 Contract; 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 Seller which will put users of the items on notice as to the hazards involved (OMB No. 9000-0107).

(b) If there has been no change affecting the quantity of activity, or the characteristics and composition of the radioactive material from deliveries under this Contract or prior contracts, Seller may request that Buyer or designee waive the notice requirement in paragraph (a) of this clause. Any such request shall—(1) Be submitted in writing; (2) State that the quantity of activity, characteristics, and composition of the radioactive material have not changed; and (3) Cite the contract number on which the prior notification was submitted and the contracting office to which it was submitted.

(c) 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 Buyer shall be clearly marked and labeled as required by the latest revision of MIL-STD 129 in effect on the date of the Contract.

(d) ***This clause, including this paragraph (d), shall be inserted in all subcontracts for radioactive materials meeting the criteria in paragraph (a) of this clause.***

52.243-7 NOTIFICATION OF CHANGES (APR 1984) [Modified by Buyer]

(a) Definitions.

"Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

"Specifically authorized representative ("SAR")," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to Seller) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Buyer or Government conduct that Seller considers to constitute a change to this Contract. Except for changes identified as such in writing and signed by Buyer or the Contracting Officer, Seller shall notify Buyer so that Buyer can notify BAE who can then notify the Administrative Contracting Officer in writing, within five (5) calendar days from the date that Seller identifies any Government conduct (including actions, inactions, and written or oral communications) that Seller regards as a change to the Contract terms and conditions. On the basis of the most accurate information available to Seller, the notice shall state—(1) The date, nature, and circumstances of the conduct regarded as a change; (2) The name, function, and activity of Buyer's, Government individuals and Seller's official or employee involved in or knowledgeable about such conduct; (3) The identification of any documents and the substance of any oral communication involved in such conduct; (4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose; (5) The particular elements of performance for which Seller may seek an equitable adjustment under this clause, including—(i) What Contract line items have been or may be affected by the alleged change; (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change; (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change; (iv) What adjustments to Contract Price, delivery schedule, and other provisions affected by the alleged change are estimated; and (6) Seller's estimate of the time by which Buyer and the Government must respond to Seller's notice to minimize cost, delay or disruption of performance.

(c) Continued performance. Following submission of the notice required by (b) above, Seller shall diligently continue performance of this Contract to the maximum extent possible in accordance with its terms and conditions as construed by Seller, unless the notice reports a direction of Buyer's Procurement Representative to the contrary; provided, however, that if Seller regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of Buyer's Procurement Representative shall be reduced to writing and copies furnished to Seller.

(d) Buyer's response. Buyer's Procurement Representative shall promptly, within 30 calendar days after receipt of notice, respond to the notice in writing. In responding, Buyer's Procurement Representative shall either—(1) Confirm that the conduct of which the Seller gave notice constitutes a change and when necessary direct the mode of further performance; (2) Countermand any communication regarded as a change; (3) Deny that the conduct of which Seller gave notice constitutes a change and when necessary direct the mode of further performance; or (4) In the event Seller's notice information is inadequate to make a decision under (1), (2), or (3) above, advise Seller what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments. (1) If Buyer or the Contracting Officer (as applicable) confirms that Government conduct effected a change as alleged by Seller, and the conduct causes an increase or decrease in Seller's cost of, or the time required for, performance of any part of the work under this Contract, whether changed or not changed by such conduct, an equitable adjustment shall be made—(i) In the Contract Price or delivery schedule or both; and (ii) In such other provisions of the Contract as may be affected. (2) The Contract shall be modified in writing accordingly by Buyer. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by Seller in attempting to comply with the defective drawings, designs or specifications before Seller identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by Buyer and/or the Contracting Officer under this clause is included in the equitable adjustment, Buyer and/or the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from Seller's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

Note: The phrases "Contract Price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (MAR 2009) [Modified by Buyer]

(a) Definitions. "Commercial item", has the meaning contained in Federal Acquisition Regulation 2.101, Definitions. "Subcontract", includes a transfer of commercial items between divisions, subsidiaries, or affiliates Seller or subcontractor at any tier.

(b) To the maximum extent practicable, Seller shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or non-developmental items as components of items to be supplied under this Contract.

(c) **(1) Seller shall insert the following clauses in subcontracts for commercial items:** (i) 52.203-13, Contractor Code of Business Ethics and Conduct (DEC 2008) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C.251 note). (ii) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (Section 1553 of Pub. L. 111-5). Applies to subcontracts funded under the Act. (iii) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$550,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities. (iv) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246); (v) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212(a)); (vi) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793); (vii) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201). Flow down as required in accordance with paragraph (g) of FAR clause 52.222-39); (viii) 52.222-50, Combating Trafficking in Persons (FEB 2009) (22 U.S.C. 7104(g)); (ix) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631) (flow down required in accordance with paragraph (d) of FAR clause 52.247-64). **(2) While not required, Seller may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.**

(d) **Seller shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this Contract.**

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998) [Modified by Buyer]

This Contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. The full text of a clause may be accessed electronically at this/these address(es):

FAR Clauses & Provisions: <http://farsite.hill.af.mil/vffara.htm>

DFARS Clauses & Provisions: <http://farsite.hill.af.mil/vdfdara.htm>

NMCARS Clauses & Provisions: <http://farsite.hill.af.mil/vfnapsa.htm>

52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

(a) The use in this solicitation or Contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or Contract of any Defense Federal Acquisition Regulation Supplement (DFARS) (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

252.225-7014 PREFERENCE FOR DOMESTIC SPECIALTY METALS (JUN 2005) (DEVIATION) ALTERNATE I (OCT 2007) (DEVIATION 2008-00002) [Modified by Buyer]

(a) Definitions. As used in this clause--(1) "Assembly" means an item forming a portion of a system or subsystem that can be provisioned and replaced as an entity and which incorporates multiple, replaceable parts. (2) "Commercial derivative military article" means an item procured 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. (3) "Commercially available off-the-shelf item"--(i) Means any item of supply, that is--(A) A commercial item; (B) Sold in substantial quantities in the commercial marketplace; and (C) Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and (ii) Does not include bulk cargo, as defined in section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702), such as agricultural products and petroleum products. (4) "Component" means any item supplied to the Government as part of an end item or another component. (5) "Electronic component" means an item that operates by controlling the flow of electrons or other electrically charged particles in circuits, using interconnections of electronic devices such as resistors, inductors, capacitors, diodes, switches, transistors, or integrated circuits. (6) "End item" means the final production product when assembled or completed, and ready for issue, delivery, or deployment. (7) "Produce" means the application of forces or processes to a specialty metal to create desired physical properties through quenching or tempering of steel plate, or gas atomization or sputtering titanium. (8) "Qualifying country" means any country listed in subsection 225.872-1(a) or (b) of the DFARS. (9) "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 delivered to the Department of Defense; or (ii) A finished component assembled into an end item delivered to the Department of Defense. (10) "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. (iv) Zirconium and zirconium alloys. (11) "Subsystem" means a functional grouping items that combine to perform a major function within an end item, such as electrical power, attitude control, and propulsion.

(b) Except as provided in paragraph (c) of this clause, any specialty metals incorporated in items delivered under this Contract shall be melted or produced in the United States, its outlying areas, or a qualifying country, except for-- (1) Electronic components; (2)(i) Commercially available off-the-shelf ("COTS") items; other than-- (A) COTS fasteners, unless such fasteners are incorporated into COTS end items, subsystems, assemblies, or components. (B) Forgings or castings of specialty metals, unless such forgings or castings are incorporated into COTS end items, subsystems, or assemblies. (C) Commercially available high performance magnets, unless such high performance magnets are incorporated into COTS end items or subsystems; (ii) A COTS item is considered to be "offered without modification" as long as it is not modified prior to contractual acceptance by the next higher tier in the supply chain. (A) Specialty metals contained in a COTS items that was accepted without modification by the next higher tier are excepted and remain excepted even if a piece of the COTS items subsequently is removed (e.g., the end is removed from a COTS screw or an extra hole is drilled in a COTS bracket). (B) For specialty metals that were not contained in a COTS item upon acceptance, but are added to the COTS item after acceptance, the added specialty metals are subject to the restrictions (e.g., a special reinforced handle made of specialty metal that is added to a COTS item). (B) If two or more COTS items are combined in such a way that the resultant item is not a COTS item, only the specialty metals involved in joining the COTS items together are subject to the restrictions (e.g., a COTS aircraft is outfitted with the a COTS engine, but not the COTS engine normally provided with that aircraft). (C) For COTS items that are normally sold in the commercial marketplace with various options, items that include such options are also COTS items. However, if a COTS item is offered to the Government with an option that is not normally offered in the commercial

marketplace, that option is subject to the specialty metals restrictions. (e.g., an aircraft is normally sold to the public with an option for several different radios. DoD requests a military-unique radio. The aircraft is still a COTS item, but the military-unique radio is not a COTS item, and must comply with the specialty metals restrictions, unless another exception applies. (3) Fasteners that are commercial items that are purchased under a contract or subcontract with a manufacturer of such fasteners, if the manufacturer has certified that it will purchase, during the relevant calendar year, an amount of domestically melted specialty metal, in the required form, for use in the production of fasteners for sale to the Department of Defense and other customers, that is not less than 50% of the total amount of the specialty metal that it will purchase to carry out the production of such fasteners for all customers. (4) Items manufactured in a qualifying country; (5) Items for which the Government has determined in accordance with 225.700X-3 of Class Deviation 2008-O0002 that specialty metal melted or produced in the United States cannot be acquired as and when needed in— (i) A satisfactory quality; (ii) A sufficient quantity; and (iii) The required form. (6) Specialty metals, other than specialty metals in high performance magnets, that do not meet any of the exceptions in paragraphs (b)(1) through (5) of this clause, if the total weight of such noncompliant metals does not exceed 2 percent of the total weight of specialty metals in the item, as estimated in good faith by Seller.

(c) (1) Streamlined compliance for commercial derivative military articles. As an alternative to the compliance required in paragraph (b) of this clause, Seller may purchase an amount of domestically melted specialty metals in the required form, for use during the period of performance in the production of the commercial derivative military article and the related commercial article, in the amount determined in accordance with paragraph (c)(2) of this clause, if— (i) This is an acquisition of commercial derivative military articles; and (ii) Seller has certified in its offer in accordance with paragraph (c)(2) of this clause. (2) Certification for streamlined compliance for commercial derivative military articles (to be submitted with offer when applicable). The offeror () certifies () does not certify that prior to award it will have entered into a contractual agreement or agreements to purchase an amount of domestically melted or produced specialty metal in the required form for use during the period of performance in the production of the commercial derivation military article and the related commercial article, that is not less than Seller's good faith estimate of the greater of—(i) An amount equivalent to 120% of the amount of specialty metal that is required to carry out the production of the commercial derivation military article (including the work performed under each subcontract); or (ii) An amount equivalent to 50% of the amount of specialty metal that is purchased by Seller and its subcontractors for use during such period in the production of the commercial derivative military article and the related commercial article. (3) For the purposes of the certification in paragraph (c)(2) of this clause, the amount of specialty metal that is required to carry out the production of the commercial derivative military article includes specialty metal contained in any item, including commercially available off-the-shelf items, incorporated into such commercial derivative military article.

(d) ***Unless Seller has certified in accordance with paragraph (c), Seller shall insert the substance of this clause, excluding paragraph (c) but including this paragraph (d), in all subcontracts for articles containing specialty metals.***

Additional Flow-downs from BAE San Diego Ship Repair Subcontract Terms and Conditions

ACCESS TO SHIPYARD BY NON-U.S. CITIZENS. Seller is hereby placed on notice that, at any given time, Buyer or BAE may have a United States Navy vessel in its shipyard and, in accordance with BAE's prime contracts, only U.S. citizens are eligible for access to U.S. Navy vessels, work sites and adjacent areas, and shops where work in the naval vessel's equipment is being performed, unless prior approval is obtained for non-U.S. citizens. Seller warrants that, unless prior approval is obtained for non-U.S. citizens, only U.S. citizens shall have access to Buyer's or BAE's shipyard. Seller shall be responsible for ensuring that all personnel it assigns to this Contract have all required work permits, appropriate licenses, and security clearances necessary to perform the Contract Work. Seller shall produce such records at any reasonable time upon Buyer's request.

CHANGES. Buyer shall be liable to Seller only to the extent that BAE and its prime contract customer accepts liability or is determined to be liable therefore, provided that BAE or Buyer did not contribute to or direct Seller to take any action contributing to or causing the equitable adjustment request. This restriction is flowed down because Buyer has the same restriction imposed on Buyer by BAE in Buyer's subcontract. The amount of Seller's equitable adjustment, if any, shall not exceed that allowed or awarded to Buyer from BAE by its prime contract customer, less any profit or costs, or both, to which BAE or Buyer are entitled, provided that BAE or Buyer did not contribute to or direct Seller to take any action contributing to or causing the equitable adjustment.

FOREIGN CORRUPT PRACTICES PROHIBITION. By accepting this Contract, Seller certifies and represents that it has not made or solicited and will not make or solicit any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value to any governmental official or any political party, party official or candidate, either directly or through an intermediary, corruptly for the purpose of influencing any official act, omission, or exercise of influence by the recipient, to assist BAE, Buyer or Seller in obtaining or retaining business. ***Seller shall ensure that all lower tier subcontracts include this paragraph.***

LABOR DISPUTES. Whenever an actual or potential labor dispute delays or threatens to delay Seller's performance of this Contract, Seller shall immediately give notice thereof to Buyer. Such notice shall be confirmed in writing and shall contain all information relevant to the dispute. ***Seller agrees to include this paragraph in all subcontracts or purchase orders issued by Seller in connection with this Contract.***

NOTICE. When Buyer's prime contract requires Buyer to give notice to BAE or the Government upon the occurrence of specified events, and Seller knows or has reason to know a specified event has occurred, Seller shall promptly give Buyer written notice of that event and, in any case, sufficient time to allow Buyer to timely give BAE or the Government any required notice. Seller's notice shall contain all information it has or can reasonably obtain to enable buyer to comply fully with the informational requirements imposed by BAE or the Government. Seller's failure to meet the requirements of this clause shall bar any adjustment of time or amount to the Contract to the extent Buyer's adjustment of time or amount to Buyer's subcontract or BAE's prime contract is so barred.

RECORDS AND AUDIT. To the extent that Seller is producing material or performing services specifically for Buyer, or if Seller is performing Contract Work on Buyer's premises or BAE's premises, or if Seller is performing Contract Work with Buyer's or BAE's equipment outside of Buyer's premises or BAE's premises, Seller shall maintain records as follows: (i) Seller shall keep accurate daily records for all Contract Work performed hereunder, and upon request it shall provide copies to the Buyer, so that Buyer can fulfill its obligations under its subcontract with BAE. (ii) The records shall include the hours worked by each employee, the type of work performed, the wages paid, equipment and materials used and any other item of cost claimed by Seller or for which Buyer shall have reimbursed Seller. (iii) BAE and Buyer shall have the right at all reasonable times during regular business hours, to inspect and audit such records. (iv) Seller shall preserve such records for 36 months after completion or termination of this Contract.

SECOND TIER SUBCONTRACTING. No Contract Work may be subcontracted by Seller without the express written consent of Buyer, who is obligated to receive consent from BAE under the terms of Buyer's subcontract. If Seller intends to subcontract Contract Work, Buyer must be furnished, in writing, a description of the specific Contract Work to be subcontracted and the name of the company to be utilized, and a copy of

the second tier subcontract or purchase order when required by BAE or the Government. **All of the applicable Contract terms must be made part of the subcontract or purchase order to the second tier subcontractor.**

SELLER'S USE OF TEMPORARY WORKERS. In addition to the terms herein, Seller warrants that temporary workers sent to Buyer are fit to perform the normal duties of a worker in the trade and at the skill level requested. Buyer reserves the right, at its sole, unfettered discretion, to order any worker supplied by Seller to cease work and exit the premises. Buyer shall not be responsible for paying Seller for the day on which any such worker is expelled. Buyer will promptly notify Seller of any such expulsion.

STOP WORK ORDER. (1) Seller may be asked to stop Contract Work in accordance with the terms of any written notice received from Buyer only when Buyer receives a stop work notice from BAE or the Government. Seller and Buyer shall take all reasonable steps to minimize the incurrence of costs allocable to the Contract Work during the period of Contract Work stoppage. Within such period, Buyer shall either terminate or continue the Contract Work by written order to Seller. In the event of a continuation, an equitable adjustment in accordance with the clause "CHANGES" above shall be made to the price, delivery schedule, or other provision affected by the Work stoppage, if applicable, provided that the claim for equitable adjustment is made within thirty (30) days after such continuation.

WARRANTY.

Seller warrants that all work and materials furnished hereunder will be free from defects in material and workmanship and will conform to applicable specifications, drawings, samples and descriptions. Except as otherwise expressly provided, the foregoing warranties shall remain in effect for a period of ninety (90) days from the date of redelivery by Seller to Buyer or from the date of completion of any individual work item incomplete at the time of redelivery to Buyer, whichever is later, but in any case, the aforementioned warranty period shall commence upon completion of final reports, sign off and objective quality evidence finalization. All warranties and guarantees shall run to Buyer and Buyer's customers. EXCEPT AS WARRANTED ABOVE, SELLER SPECIFICALLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

TERMINATION FOR CONVENIENCE.

(a) After receipt of a Notice of Termination and except as otherwise directed by Buyer, Seller shall: (1) Stop work as specified in the Notice; (2) Place no further subcontracts or purchase orders for materials, except as necessary to complete the continued portion of the purchase order; (3) Terminate all subcontracts to the extent that they relate to the work terminated; (4) Assign to Buyer, as directed by Buyer, all right, title, and interest of Seller under terminated subcontracts of Seller; (5) Subject to Buyer's approval or ratification, settle all outstanding liabilities and subcontract termination claims; (6) As directed by Buyer in writing, transfer title and deliver to Buyer or Buyer's customer completed work, fabricated, or un-fabricated parts, work in-process, supplies and other material produced or required for the terminated work, including, but not limited to completed or partially completed plans, drawings, and other information that, if the purchase order had been completed, would be required to be furnished under the terms of the purchase order; (7) Complete performance of the work not terminated; (8) Protect and preserve property relating to the purchase order that is in the possession of Seller in which Buyer, BAE or the Government has or may acquire an interest; as directed or authorized by Buyer, Seller shall use its best efforts to sell any property of the types referred to in subparagraph (6) above, provided, however, that Seller is not required to extend credit to any purchaser and may itself acquire any such property under conditions prescribed by and prices approved by Buyer. The proceeds of any such transfer or disposition shall be applied to reduce any payments to be made by Buyer under the terms of this clause or paid in such other manner as Buyer may direct.

(b) Within thirty (30) days after receipt of a Notice of Termination, Seller shall submit to Buyer, in the form and with the certification prescribed by Buyer, Seller's termination claim.

(c) Subject to the provisions of subparagraph (b), Seller and Buyer may agree upon the whole or any part of the amount or amounts to be paid to Seller by reason of the total or partial termination of work pursuant to this clause. The amount so agreed may include a reasonable allowance for profit on work done. However, the agreed amount, whether under this subparagraph (c), or subparagraph (d) below, exclusive of settlement costs, shall not exceed the total purchase order price as reduced by the amount of payment otherwise made and as further reduced by the Contract Price of work not terminated.

(d) In the event of the failure of Seller and Buyer to agree as provided in subparagraph (c), Buyer shall pay to Seller the amounts determined as follows, but without duplication of any amounts agreed upon in accordance with subparagraph (c): (1) The purchase order price for completed supplies or services accepted by Buyer and not previously paid for, appropriately adjusted for any saving of freight or other charges; (2) The total of: (i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable there to, but excluding any costs attributable to supplies or services paid for or to be paid for under subparagraph (1) above. (ii) A sum, as profit, on (i) above at a reasonable and customary rate therefore, provided, however, that if it appears that the Seller would have sustained a loss on the entire purchase order had it been completed, Seller shall be entitled to no profit under this subparagraph (ii) and an appropriate adjustment shall be made reducing the amount payable hereunder to reflect the indicated rate of loss. (3) The reasonable costs of settlement including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of a termination settlement claim and supporting data, and for the termination and settlement of subcontracts, and the reasonable cost of storage, transportation and other costs incurred for the preservation, protection, or disposition of termination inventory. (4) The total sum to be paid under (1) and (2) above shall not exceed the total purchase order price reduced by the amount of payments otherwise made and as further reduced by the price of work not terminated.

(e) The obligation of Buyer to make any payments under this clause shall be subject to deductions and offsets for all un-liquidated progress or other payments on account made to Seller under the purchase order for any claim which Buyer may have against Seller, whether or not in connection with the terminated purchase order, and for the agreed price for or the proceeds of sale of any termination inventory retained by Seller or sold and not otherwise recovered by or credited to Buyer.

(f) If the termination of a purchase order is partial, Seller may file a proposal with Buyer for equitable adjustment of the price or prices of the continued portion of the purchase order. Any claim for such an equitable adjustment must be asserted within thirty (30) days of Seller's receipt of Notice of Termination.

TERMINATION FOR DEFAULT.

(a) Buyer may by written Notice of Default to the Seller terminate the whole or any part of a purchase order in one of the following circumstances: (1) Excluding Force Majeure events, if Seller fails to make timely delivery of goods or to perform services within the time specified in a purchase order; or (2) If Seller fails to perform any of the other provisions of a purchase order, or so fails to make progress as to endanger performance of a purchase order in accordance with its terms

(b) In the event Buyer terminates this purchase order in whole or in part as provided in this clause, Buyer may, upon such terms in such manner as it may deem appropriate, arrange for the completion of the work so terminated. If the cost to Buyer of the work procured or completed exceeds the price fixed for work under the purchase order, Seller shall be liable for such excess.

(c) The rights and remedies of Buyer provided in this clause and under the separate executed Indemnity Agreement between Buyer and Seller shall be exclusive.

ANTI-KICKBACK COVENANT; PROHIBITION OF GIFTS AND GRATUITIES TO BUYER'S PERSONNEL; PROCUREMENT INTEGRITY COVENANT; CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS; AND DEBARMENT AND SUSPENSION COVENANT.

(a) Anti-Kickback Covenant. Seller is hereby on notice this Contract is subject to the terms of the Anti-Kickback Act of 1986 (41 U.S.C. §51-58) and implementing regulations and Prime Contract clauses. Seller agrees that Seller shall be strictly prohibited from providing or attempting to provide or offering to provide any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind directly or indirectly to Buyer, to any Buyer employee, or to any other subcontractor of Buyer or any employee of any such subcontractor for the purpose of improperly obtaining this or any other contract or purchase order from Buyer or for rewarding favorable treatment in connection with this or any other contract or purchase order between Buyer and Seller. Seller also agrees that it shall promptly report to Buyer's General Counsel any solicitation or request for a kickback as defined in the previous sentence. Seller's breach of the foregoing prohibition or of the foregoing obligation to report shall be considered a material breach of this Contract and of any and all contracts between Buyer and Seller.

(b) Gifts and Gratuities to Buyer's Personnel. The Seller is hereby on notice that it is Buyer's policy that Buyer's personnel owe complete loyalty to Buyer and are forbidden to accept money or things of value from any supplier of goods or service to Buyer, regardless whether such acceptance would constitute an act prohibited by the Anti-Kickback Covenant of this Contract. Seller for itself and its principal owners, stockholders, and officers warrants and covenants that no employee of Buyer has any financial interest in Seller (except such as has been disclosed in writing to Buyer's purchasing manager), and that Seller has not and will not directly or indirectly give anything to any employee of Buyer. Breach of the foregoing warranty and covenant shall entitle Buyer, in addition to any other rights and remedies, immediately to terminate for default any and all purchase orders to Seller outstanding at the time that Buyer learns of any such breach, regardless when such breach may have occurred.

(c) Procurement integrity Covenant. Seller is hereby on notice this Contract is subject to the terms of the Office of Federal Procurement Policy Act (41 U.S.C. §423) and implementing regulations. Seller agrees that Seller shall, during the conduct of any federal agency procurement, be strictly prohibited from engaging in any of the following activities: (i) making, directly or indirectly, any offer or promise of future employment or business opportunity to, or engaging, directly or indirectly, in any discussion of future employment or business opportunity with, any procurement official of such agency; (ii) offering, giving, or promising to offer or give, directly or indirectly, any money, gratuity, or other thing of value to any procurement official of such agency; (iii) soliciting or obtaining, directly or indirectly, from any officer or employee of such agency, any proprietary or source-selection information regarding such procurement; (iv) knowingly disclosing any proprietary or source-selection information regarding such procurement, directly or indirectly, to any person other than a person authorized by the head of such agency or the contracting officer to receive such information; or (v) permitting any individual who was formerly a Government procurement official with respect to the Government Prime Contract to knowingly participate in any manner in any negotiations leading to the award, modification, or extension of a contract for such procurement, or to knowingly participate personally and substantially on behalf of the Seller in the performance of such contract [*this last restriction, number (v), only applies if this Contract qualifies under 41 U.S.C. §423(d)*]. Seller also agrees that it shall promptly report to Buyer's General Counsel any violations or possible violations of the above provisions.

(d) Seller's violation of any of the prohibitions set forth in 41 U.S.C. §423 or failure to comply with the reporting requirements shall be considered a material breach of this Contract and of any and all contracts between Buyer and Seller. Seller agrees to indemnify and save harmless Buyer and its successors, assigns, or customers from any expense, loss, damage, or liability on account of any violations of the foregoing prohibitions. Seller agrees at its own expense to defend any actions, suits, or claims in which such violations are alleged, provided that Seller is notified as to such actions, suits, or claims.

(e) Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. Seller is hereby on notice that if this Contract exceeds \$100,000, this Contract is subject to the terms of 31 U.S.C. §1352 and implementing regulations and Prime Contract clauses. Seller agrees that Seller shall be strictly prohibited from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the award of, or the modification of, any federal contract. Seller also agrees that it will furnish to Buyer's General Counsel a disclosure form, OMB Standard Form LLL, Disclosure of Lobbying Activities, if any funds other than federal appropriated funds (including profit or fee received under a federal transaction) have been paid, or will be paid, to any person as defined in the previous sentence to influence such person in connection with a federal contract. The Seller further agrees that it shall file a disclosure form with Buyer's General Counsel at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure form previously filed by Seller under this clause. Seller's breach of the foregoing prohibition or of the foregoing obligation to file disclosure forms shall be considered a material breach of this Contract and of any kind and all contracts between Buyer and Seller.

(f) Debarment and Suspension Covenant. Seller is hereby on notice if this Order exceeds \$25,000 this Contract is subject to the terms of FAR Subpart 9.4. Seller for itself and its principals warrants and covenants that neither Seller nor any of its principals as of the time of entering into this Contract is debarred, suspended, or proposed for debarment by the federal Government (except such as has been disclosed in writing to Buyer's General Counsel). "Principals" as used in this clause means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities. Breach of the foregoing warranty and covenant shall entitle Buyer, in addition to any other rights and remedies, immediately to terminate for default any and all purchase orders to Seller outstanding at the time that Buyer learns of any such breach, regardless when such breach may have occurred.