



Terms & Conditions for Cost Reimbursement Under U.S. Government Contracts

INCORPORATION OF FAR and DFARS CLAUSES

The following terms and conditions apply to purchase orders, subcontracts, or other applicable agreements issued in support of a US Government contract:

The Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Contract. The Seller agrees to flow down all applicable FAR and DFARS clauses to its lowest tier suppliers/subcontractors.

DEFINITIONS

1. *Commercial Item* means a commercial item as defined in FAR 2.101.
2. *Contract* means this Purchase Order (PO).
3. *Substitute Buyer for Government or United States*.
4. *Contracting Officer* shall mean the Buyer or Contract Specialist/Administrator.
5. *Contractor or Offeror* means the SELLER, acting as (first tier) subcontractor to Buyer.
6. *Prime Contract* means the contract between Buyer and the US Government or between Buyer and its higher-tier contractor who has a contract with the US Government.
7. *Subcontract* means any contract placed by the Buyer or lower-tier subcontractors under a US Government Prime Contract.

PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (FAR 52.204-25).

Section 889(a)(1)(A) and Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the Seller from **providing** to the Government or from **using** any equipment, system, or service that uses **covered telecommunications equipment or services**, as defined under FAR 52.204-25(a), as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of FAR 52.204-25 applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

In the event the Seller identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Seller is notified of such by a subcontractor at any tier or by any other source, the Seller shall report the information outlined in FAR 52.204-25(d)(2) to the Buyer within one business day from the date of such identification or notification.

DEBARMENT OR SUSPENSION

Seller, by signing any Purchase Order into which these terms and conditions are incorporated, certifies that, as of the date of award, seller, or its principals, is not currently debarred, suspended, or proposed for debarment by the Federal Government.

ANTI-LOBBYING

Supplier also certifies that it is in full compliance with FAR 52.203-11 and 52.203-12 and certifies to the best of its knowledge and belief that no Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal Agency, a Member of Congress, an officer or employee of a Member of Congress on its behalf in connection with the awarding of this Order. Supplier certifies that it will notify Buyer immediately if its status changes during performance of this Order.

AMENDMENTS REQUIRED BY THE PRIME CONTRACT

Seller agrees that upon the request of Buyer it will negotiate in good faith with Buyer relative to amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as Buyer may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract or with the provisions of amendments to such Prime Contract. If any such amendment to this Contract causes an increase or decrease in the cost of, or the time required for, performance of any part of the Work under this Contract, an equitable adjustment shall be made pursuant to the "Changes" clause of this Contract.

EQUAL OPPORTUNITY

If the Purchase Order exceeds micro purchase threshold, 41 CFR 60-741.5(a) is hereby incorporated. **This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.**

41 CFR 60-300.5(a) is hereby incorporated. **This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.**

PRESERVATION OF THE US GOVERNMENT'S RIGHTS

If Buyer furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) to which the US Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that Buyer, acting on its own behalf, may modify or limit any rights the Government may have to authorize the Contractor's use of such Furnished Items in support of other US Government prime contracts.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

In situations in which Buyer is a prime contractor to the U.S. Government, Buyer may be required to comply with the Federal Funding Accountability and Transparency Act (FFATA) as required in FAR

52.204-10 – Reporting Executive Compensation and First-Tier Subcontract Awards. In such situations, Seller shall provide the executive compensation information requested and required by the Buyer to comply with FAR 52.204-10.

Seller acknowledges that Section 2(d) of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282), as amended by section 6202 of the Government Funding Transparency Act of 2008 (Pub. L. 110-252), requires all reported information be made public by the Government.

FLOWDOWN

Seller shall include in each lower-tier subcontract the appropriate flow down clauses as required by FAR and DFARS.

FAR

All POs

52.202-1	Definitions
52.203-5	Covenant Against Contingent Fees
52.203-8	Cancellation, Rescission and Recovery of Funds for Illegal or Improper Activity
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
52.204-2	Security Requirements
52.204-9	Personal Identity Verification of Contractor Personnel
52.204-21	Basic Safeguarding of Covered Contractor Information Systems
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities.
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.
52.211-15	Defense Priority Allocation Requirement (If rating is indicated)
52.216-7	Allowable Cost and Payment
52.216-8	Fixed Fee
52.219-8	Utilization of Small Business Concerns
52.222-21	Prohibition of Segregated Facilities
52.222-26	Equal Opportunity
52.222-36	Equal Opportunity for Workers With Disabilities
52.222-50	Combating Trafficking in Persons
52.222-54	Employment Eligibility Verification (except for COTS)
52.222-55	Minimum Wages Under Executive Order 13658 (if Service Contract Act applies)
52.222-62	Paid Sick Leave Under Executive Order 13706
52.223-6	Drug Free Workplace
52.223-7	Notice of Radioactive Materials
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving
52.224-2	Privacy Act
52.224-3	Privacy Training
52.225-1	Buy American Act-Supplies
52.225-8	Duty Free Entry
52.225-13	Restrictions on Certain Foreign Purchases
52.227-3	Patent Indemnity

52.227-9	Refund of Royalties
52.227-10	Filing of Patent Applications-Classified Subject Matter
52.227-11	Patent Rights– Ownership by the Contractor
52.227-13	Patent Rights -- Ownership by the Government
52.227-14	Rights in Data - General
52.227-17	Rights in Data – Special Works
52.227-18	Rights in Data – Existing works
52.227-19	Commercial Computer Software License
52.228-5	Insurance – Work on a Government Installation
52.229-3	Federal, State, and Local Taxes
52.232-7	Payments Under Time-and-Materials and Labor-Hour Contracts
52.232-11	Extras
52.232-17	Interest
52.232-20	Limitation of Cost
52.232-22	Limitation of Funds
52.232-40	Providing Accelerated Payments to Small Business Subcontractors
52.242-1	Notice of Intent to Disallow Costs
52.242-13	Bankruptcy
52.242-15	Stop Work Order
52.243-2	Changes-Cost Reimbursement (In paragraph [c], “30” is changed to “15”.)
52.244-6	Subcontracts for Commercial Items
52.245-1	Government Property (Applicable if Government property is furnished in the performance of this Contract.
52.245-9	Use and Charges
52.246-1	Contractor Inspection Requirements
52.246-3	Inspection of Supplies – Cost Reimbursement
52.246-5	Inspection of Services – Cost Reimbursement
52.246-6	Inspection of Services – Time-and-Material and Labor-Hour
52.246-8	Inspection of Research and Development – Cost Reimbursement
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels
52.248-1	Value Engineering
52.249-6	Termination (Cost Reimbursement)
52.222-40	Notification of Employee Rights Under the National Labor Relations Act
52.222-20	Contracts for Materials, Supplies, Articles, and Equipment
52.222-36	Equal Opportunity for Workers with Disabilities
52.222-90	Addressing DEI Discrimination by Federal Contractors
52.204-10	Reporting Executive compensation and First-Tier Subcontract Awards
52.209-6	Protecting the Government’s Interest When Subcontracting With Contractor Debarred, Suspended Or Proposed For Debarment

52.203-3	Gratuities
52.203-6	Restrictions on Subcontractor Sales to the Government
52.203-7	Anti-Kickback Procedures
52.203-12	Limitation on Payments to Influence Certain Federal Transactions
52.203-16	Preventing Personal Conflicts of Interest
52.215-2	Audit and Records-Negotiation
52.215-14	Integrity of Unit Prices
52.222-4	Contract Work Hours and Safety Standards Act-Overtime Compensation
52.222-17	Nondisplacement of Qualified Workers
52.222-35	Equal Opportunity for Veterans
52.222-37	Employment Reports on Veterans
52.227-1	Authorization and Consent
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement
52.247-63	Preference for U.S. Flag Air Carriers (if international air transportation is involved)
52.219-9	Small Business Subcontracting Plan (DEVIATION 2016-O0009)
52.219-16	Liquidated Damages – Subcontracting Plan (If Seller is not a Small Business Concern)

POs Greater than \$750,000 (unless exempt by law from any of the following)

52.215-10	Price Reduction for Defective Certified Cost or Pricing Data
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data-Modifications
52.215-12	Subcontractor Certified Cost or Pricing Data
52.215-13	Subcontractor Certified Cost or Pricing Data-Modifications
52.215-15	Pension Adjustments and Asset Reversions
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions
52.215-19	Notification of Ownership Changes
52.215-23	Limitation on Pass-Through Charges
52.230-2	Cost Accounting Standards
52.230-3	Disclosure and Consistency of Cost Accounting Practices
52.230-4	Disclosure and Consistency of Cost Accounting Practices--Foreign Concerns
52.230-5	Cost Accounting Standards - Educational Institution
52.230-6	Administration of Cost Accounting Standards
52.242-3	Penalties for Unallowable Costs
52.203-13	Contractor Code of Business Ethics and Conduct
52.203-14	Display of Hotline Poster(s)
52.222-24	Pre-Award On-Site Equal Opportunity Compliance Evaluation

DFARS

All POs

252.203-7002	Requirement to Inform Employees of Whistleblower Rights
252.204-7000	Disclosure of Information

252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services.
252.211-7003	Item Unique Identification and Valuation.
252.211-7008	Use of Government-Assigned Serial Numbers
252.215-7008	Only One Offer
252.223-7001	Hazard Warning Labels (If PO requires delivery of Hazardous materials)
252.223-7002	Safety Precautions for Ammunition and Explosives
252.223-7006	(Alt 1) Prohibition on Storage and Disposal of Toxic and Hazardous Materials
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives
252.223-7008	Prohibition of Hexavalent Chromium
252.225-7001	Buy American Act and Balance of Payments Program
252.225-7002	Qualifying Country Sources as Subcontractors
252.225-7004	Report of Intended Performance Outside the United States and Canada -- Submission after Award
252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals (1) Modify paragraph (c)(6) of this clause as necessary to facilitate management of the minimal content exception; (2) Exclude paragraph (d) and (e)(1) of this clause
252.225-7013	Duty-Free Entry
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings
252.225-7019	Restriction on Acquisition of Anchor and Mooring Chain
252.225-7025	Restriction on Acquisition of Forgings
252.225-7038	Restriction on Acquisition of Air Circuit Breakers
252.225-7043	Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States
252.225-7048	Export-Controlled Items
252.225-7052	Restriction on the Acquisition of Certain Magnets, Tantalum, and Tungsten
252.227-7013	Rights in Technical Data—Noncommercial Items
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
252.227-7015	Technical Data-Commercial Items
252.227-7016	Rights in Bid and Proposal Information
252.227-7018	Rights in Non-Commercial Technical Data and Computer Software--Small Business Innovation Research (SBIR) Program
252.227-7019	Validation of Asserted Restrictions—Computer Software
252.227-7025	Limitations on the Use and Disclosure of Government-Furnished Information Marked with Restrictive Legends
252.227-7026	Deferred Delivery of Technical Data or Computer Software
252.227-7027	Deferred Ordering of Technical Data or Computer Software
252.227-7030	Technical Data-Withholding of Payment
252.227-7033	Rights in Shop Drawings
252.227-7037	Validation of Restrictive Markings on Technical Data
252.227-7038	Patent Rights—Ownership by the Contractor (Large Business)
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles

252.231-7000	Supplemental Cost Principles
252.235-7003	Frequency Authorization
252.237-7023	Continuation of Essential Contractor Services
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services
252.239-7018	Supply Chain Risk
252.244-7000	Subcontracts for Commercial Items
252.246-7001	Warranty of Data
252.246-7003	Notification of Potential Safety Issues
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System, Sections (a) through (e)
252.246-7008	Sources of Electronic Parts (unless the vendor is the original manufacturer)
252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer
252.247-7023	Transportation of Supplies by Sea (paragraphs (a) through (e) and (h))
252.247-7024	Notification of Transportation of Supplies by Sea
252.203-7001	Prohibition of Persons Convicted of Fraud or Other Defense-Contract Related Felonies
252.225-7012	Preference for Certain Domestic Commodities
252.225-7015	Restriction on Acquisition of Hand or Measuring Tools
252.247-7023	Transportation of Supplies by Sea
252.249-7002	Notification of Anticipated Contract Termination or Reduction
252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns
252.219-7003	Small Business Subcontracting Plan
252.225-7004	Report of Intended Performance Outside the United States and Canada—Submission after Award
252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements
252.225-7033	Waiver of United Kingdom Levies
252.203-7004	Display of Fraud Hotline Poster(s)
252.234-7002	Earned Value Management System
252.209-7009	Organizational Conflict of Interest – Major Defense Acquisition Program

A. Government Property

In the event Government property is transferred to the possession of the seller, the seller is liable for loss, damage, or destruction of the Government property.