

NATIONAL STEEL AND SHIPBUILDING COMPANY
SPECIAL TERMS AND CONDITIONS
MAC-MO PROGRAM
N00024-13-D-4410

PRIME CONTRACT CLAUSES – N00024-13-D-4410

The following clauses are flowed down from Buyer's Prime Contract with the Government. The defined terms in the MILGEN or MRO terms (as listed on the face of Buyer's purchase order issued to Seller) apply to this document. Some of the terms may not be consistently capitalized within this Contract. *While every effort was made to keep the capitalization consistent for the terms, the inconsistent capitalization should not affect the meaning intended for the terms.*

Section A – Solicitation/Contract Form–The rating is DO-A3.

Section B – Supplies or Services and Prices

LIMITATION OF COST/LIMITATION OF FUNDS (NAVSEA). The Clause entitled "Limitation of Cost" (FAR 52.232-20) or "Limitation of Funds" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified cost estimate.

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 ACO 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 manufacturer's 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.

REFUNDS (SPARES AND SUPPORT EQUIPMENT) (NAVSEA) (SEP 1990) [Modified by NASSCO]

- (a) In the event that the price of a spare part or item of support equipment delivered under this Contract significantly exceeds its extrinsic value, Seller agrees to refund the difference. Refunds will only be made for the difference between the intrinsic value of the item at the time of an agreement on price was reached and the Contract Price. Refunds will not be made to recoup the amount of cost decreases that occur over time due to productivity gains (beyond economic purchase quantity considerations) or changes in market conditions.
- (b) For purposes of this requirement, the intrinsic value of an item is defined as follows: (1) If the item is one which is sold or is substantially similar or functionally equivalent to one that is sold in substantial quantities to the general public, intrinsic value is the established catalog or market price, plus the value of any unique requirements, including delivery terms, inspection, packaging, or labeling. (2) If there is no comparable item sold in substantial quantities to the general public, intrinsic value is defined as the price an individual would expect to pay for the item based upon an economic purchase quantity as defined in FAR 52.207-4, plus the value of any unique requirements, including delivery terms, inspection, packaging or labeling.
- (c) At any time up to two years after delivery of a spare part or item of support equipment, the Contracting Officer may notify Buyer, who in turn will notify Seller, that based on all information available at the time of the notice, the price of the part or item apparently exceeds its intrinsic value.
- (d) If notified in accordance with paragraph (c) above, Seller agrees to enter into good faith negotiations with Buyer and possibly with the Government to determine the amount of the refund (if any).
- (e) If agreement pursuant to paragraph (d) above cannot be reached, and the Navy's return of the new or unused item to Seller through the Buyer is practical, the Navy may elect to return the item and receive a refund in full for the price paid.
- (f) Seller will make refunds, as required under this requirement, in accordance with instructions received from Buyer.
- (g) This requirement does not apply to any spare parts or items of support equipment whose price is determined through adequate price competition. This requirement also does not apply to any spare part or item of support equipment with a unit price in excess of \$100,000; or in excess of \$25,000 if Seller submitted, and certified the currency, accuracy and completeness of, cost or pricing data applicable to the item.

Section C – Description and Specifications

C-1 PURPOSE [Modified by Buyer]

The U.S. Navy must maintain its ships to meet current and future operational requirements. To that end, the Government intends to utilize the supply contract awarded to Buyer for the repair, maintenance and alterations requirements for CG 47 and DDG 51 class ships. The place of performance shall be in San Diego, CA homeport.

C-3.1 STANDARDS/SPECIFICATIONS REFERENCES

- a. In the execution of this Contract, the Seller shall comply, at a minimum, with the following documents: 1. Joint Fleet Maintenance Manual (JFMM) COMUSFLTFORCOMINST 4790.3, 2. General specifications for overhaul of surface ships (GSO), 3. Military standards and military performance specifications, 4. Technical manuals, 5. Naval operations (OPNAV) instructions, 6. Commercial and industry standards, 7. Government standards, technical drawings and documentation. Specific references for individual items and associated referenced technical documentation shall be included on each delivery order issue to Buyer by the Government.
- b. Seller shall comply with all NAVSEA Standard Items invoked at the time of the delivery order issued to Buyer by the Government as follows:
 - i. Category I Standard Items shall be invoked in every order without further reference, ii. Category II Standard Items shall be referenced in each applicable Work Item and/or Statement of Work.
- c. Seller shall comply with all local requirements in addition to state and federal ESH regulations.

C-3.3 SPECIFICATIONS, AMENDMENTS OR REVISION APPLICABLE

- a. Whenever specifications, standards, drawings, publications or other documents are cited without issue number, revision, date or amendment number identified, the revision, date or amendment in effect as of the date of the delivery order issued to Buyer by the Government shall apply.
- b. Whenever specific issue number, revision, date or amendment number for specifications, standards and publications are specified, the issue specified shall apply.

C-4.0 DELAY/DISRUPTION

- a. Seller shall coordinate the Delivery Order work effort with the Maintenance Team, on a daily basis to prevent changing situations from causing delays and disruptions. Disruption due to minor delays in obtaining access to spaces and operation of equipment are to be expected. A minor delay is defined as 4 hours or less. Minor delays and/or disruptions are considered normal rather than unusual occurrences during the performance of requirements ordered under this Contract.
- b. If, during Delivery Order performance, delays greater than those indicated above are encountered, Seller shall immediately (verbally) notify Buyer, followed by a written statement within 24 hours after occurrence of delay, stating time of impact, reason for delay, duration of impact, number of people affected, action taken to properly schedule the Contract Work and action taken to minimize impact.

C-6.0 OVER AND ABOVE WORK REQUIREMENTS *[Modified by Buyer]*

If during Contract Work execution, Seller discovers "over and above work" (as defined in the DFARS Clause 252.217-7028 OVER AND ABOVE WORK), Seller shall do the following: a. Notify Buyer so that Buyer can notify the Government as required per the terms of Buyer's Prime Contract. In accordance with the requirements of NAVSEA Standard Item 009-01, Seller will identify needed repairs and recommend corrective action during the Contract Work performance for those deficiencies discovered which are not covered by the Contract Work specifications. As found conditions, needed repairs and corrective action reports will be submitted to the Government by Buyer in the form of Condition Found Reports (CFRs) (intended to represent the "Work Request" described in DFARS 252.217-7028. SELLER SHALL NOT PROCEED WITH ANY WORK OUTSIDE OF CONTRACT WORK SPECIFICATION UNTIL SELLER RECEIVES WRITTEN APPROVAL FROM BUYER'S PROCUREMENT REPRESENTATIVE.

C-7.0 SECURITY REQUIREMENTS

Seller personnel shall comply with all current badging and security procedures to gain access to any Government site (e.g., Rapid Gate). Access to Naval Installation sites may only be gained by obtaining a badge (either permanent or temporary) from the security office. It is the Seller's responsibility to check for and obtain changes and updated information at each installation on a continual basis. Further information can be found at: www.swrmc.navy.mil/visitors.html.

C-8.0 AUTHORIZED CHANGES ONLY BY THE CONTRACTING OFFICER *[Modified by Buyer]*

- a. Except as specified in paragraph (b) below, no order, statement, or conduct of Government personnel who visit Buyer's Facilities or in any other manner communicates with Seller's or Buyer's personnel during the performance of this Contract shall constitute a change under the "Changes" clause of this Contract.
- b. Seller shall not comply with any order, direction or request of Government personnel or Buyer's personnel unless it is issued in writing by Buyer's Procurement Representative, or is pursuant to specific authority otherwise included as part of this Contract.

C-13.0 USE/POSSESSION OF PERSONAL ELECTRONIC DEVICES ("PEDS") *[Modified by Buyer]*

The possession and use of portable electronic devices ("PEDs") within the confines of any naval 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.

C-15.0 NON SMOKING POLICY

The entire Vessel, topside and below decks, is to be considered a "No Smoking Area" unless otherwise indicated by shipboard policy. Local installation policies shall also apply.

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 the designated NASSCO Area Manager in the form of an Inspection Deficiency Report ("IDR"). (2) IDRs, cost estimates and supporting data will be submitted electronically via e-mail within five (5) working days of identification of the requirement to the designated NASSCO Area Manager. 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. The Government will write the RCC. When requested by the Government, Buyer will write the RCC, and the CFR will be returned to Buyer as "approved" in NMD with instructions to write the RCC for growth work, or other action as necessary. (3) Buyer reviews the IDR and at its sole discretion, converts the IDR into a Condition Found Report for submission to the Government. The Government MST reviews the CFR with the requirement (deficiency), recommendation for corrective action and estimate for correctness. The Government determines if the work is required, and potentially affordable. 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 CFR. In concert with the "approved" CFR, an RCC is generated to accomplish the scope of work as designated by the Government. The RCC may be written by either Buyer or the Government as directed by the Government. When determined that Buyer will write the RCC, the CFR is returned to Buyer as "approved" in NMD with instructions to write the RCC for growth work, or other action as necessary. (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. If the work requirement cannot be estimated within five (5) working days, provide a class "F" estimate (+ - 40%) identifying any potential impact which may affect the current schedule. The class "F" estimate will also contain the date on which a class "C" estimate will be provided. 2. Estimated Premium/Acceleration Costs, including premium costs for; material, subcontractors, man-hours, rework and any additional costs to ongoing work resulting from inclusion of the CFR work requirement. 3. The Contracting Officer interfaces with the SBS, PM, and Buyer to determine the final agreed price on the man-hours and material. Buyer will provide the information to Seller, (iii) Upon receipt of Buyer direction, Seller will develop a New Work item specification or a New Work item written by the Government, provide the work specification and a class "C" cost estimate within three (3) working days.

(c) **PREMIUM TIME.** 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. 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. 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 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 the 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 Buyer's Prime Contract and submit the ACP 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 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), date 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 the 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) (SEP 2009) *[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 requirements of this Contract, the following shall not be considered Government Property: (1) The Vessel; (2) The equipment on the Vessel; (3) Moveable 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.

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, **TBD**¹ (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.

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) (JAN 2008) *[Modified by Buyer]*

All Government scrap resulting from accomplishment of any Contract Work is the property of Buyer and/or the Government 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 clauses of this Contract entitled "PERFORMANCE" (DFARS 252.217-7010) or "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

¹ To be completed by the ACO and NASSCO will provide to Seller.

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 as described below. (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 <https://assist.daps.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) (MAR 2011) [Modified by Buyer]

In order to support commonality and or standardization, variation within systems, sub-systems and components across the fleet must be reduced. When it is necessary for Seller to replace equipment (e.g., changes have been made to requirements, systems, sub-systems or components) or where such sub-systems, equipments or components are not available, Seller shall select Hull Mechanical and Electrical ("HM&E") equipment/components in the following order:

(a) The Virtual Shelf items are to be applied if they meet the Contract requirements. The Virtual Shelf is a repository of Total Ownership Cost ("TOC") preferred Common designs. NAVSEA Commonality Program identified HM&E equipment/components for the Virtual Shelf that meet cross platform requirements and specifications and provide superior TOC. Information to gain access to the Virtual Shelf is located on the following web site: <http://acc.dau.mil/commonality>. Some equipment listed on the Virtual Shelf may have supporting commodity contracts. For the Virtual Shelf Items supported by commodity contracts, a supporting commodity contract will appear in the HM&E corridor of the DoD EMail (<https://dod-email.dla.mil/acct/welcome.action>). These contracts include provisions for direct orders against the contracts. Seller will contact Buyer who will provide instructions from the Procuring Contracting Officer ("PCO") listed in Section G of Buyer's Prime Contract and request instructions to register to place orders through the DoD EMail. When Shelf items are available that meet all Contract requirements, Seller shall design, plan, procure and install according to Shelf guidance. If Shelf items are available and Seller intends to use a design other than that on the Shelf, Seller shall request a deviation from the Shelf in accordance with CDRL and configuration management procedures specified elsewhere in the Contract.

(b) For Seller Furnished HM&E equipment that meet the Contract requirements, have an APL assigned and meet at least one of the following requirements, only a Statement of Prior Submission ("SPS") is required. The SPS will be prepared in accordance with NAVSEA Standard Items 009-19. (1) Are in use on current ships of the LHA/LHD Ship class and are listed in HM&E Equipment Data Research System ("HEDRS") with an Engineering Support Code ("ESC") of either A, *, G, S, X, Z, P. (2) Are listed in HEDRS with an ESC of either A, *, G, S, X, Z, P. (3) Have the same form, fit, function of the equipments and components on current ships of the LHA/LHD Ship class.

(c) For HM&E equipment that meet the Contract requirements and have no assigned APL (non-standard equipment), or for non-standard HM&E equipment, Provisioning Technical Documentation ("PTD") shall be submitted in accordance NAVSEA Standard Item 009-19, Provisioning Technical Documentation, and the requirements of the CDRL, Exhibit(s) B (CDRLs to be provided by Buyer).

(d) For non-standard HM&E equipment that does not meet the requirements of paragraph (b) above, new/revised technical manuals shall be developed in accordance with NAVSEA Standard Items 009-39, Technical Manual Contract Requirement ("TMCR") for New Technical

Manuals for Commercial Equipment/Component, 009-41, TMCR for a Topically Structured Technical Manual, and 009-42, TMCR for Updating Technical Manuals. 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 Exhibit C (CDRLs 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.

UPDATING SPECIFICATIONS AND STANDARDS (NAVSEA) (AUG 1994) *[Modified by Buyer]*

If, during the performance of this Contract, Seller believes that any Contract contains outdated or different versions of any specifications or standards, Seller may request that all of its contracts be updated to include the current version of the applicable specification or standard. Updating shall not affect the form, fit or function of any deliverable item or increase the cost/price of the item to the Government. Seller should submit update requests to Buyer for approval. Seller shall perform the Contract in accordance with the existing specifications and standards until notified of approval/disapproval by Buyer. Any approved alternate specifications or standards will be incorporated into the Contract.

Section D - Packaging and Marking

Data to be delivered by Integrated Digital Environment ("IDE") or other electronic media shall be as specified in the Contract. All classified data to be shipped shall be prepared for shipment in accordance with best commercial practice. Classified reports, data, and documentation shall be prepared for shipment in accordance with the National Industrial Security Program Operating Manual ("NISPOM"), DOD 5220.22-M dated 28 February 2006.

WARRANTY NOTIFICATION FOR ITEM(S)* - (NAVSEA) (NOV 1996)

Seller shall apply a permanent warranty notification stamping or marking on each warranted deliverable end item and its container. The notification shall be placed in close proximity to other required stamping or markings so as to be easily readable by personnel. The warranty notification shall read: THIS ITEM WARRANTED UNDER CONTRACT N00024-13-D-XXXX-XXXX* TO CONFORM TO DESIGN, MANUFACTURING, AND PERFORMANCE REQUIREMENTS AND BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP FOR _____ FROM DATE OF ACCEPTANCE. IF ITEM IS DEFECTIVE NOTIFY _____ AND PCO. *Items to be completed, as applicable, in each Delivery Order.

MARKING AND PACKING LIST(S) - ALTERNATE I (NAVSEA) (DEC 2005)

- (a) Marking. Shipments, shipping containers and palletized unit loads shall be marked in accordance with MIL-STD- 129P with change 3 dated 29 October 2004.
- (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. Refer to the above cited MIL-STD for marking of assorted (related-unrelated) items.

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]*

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

52.246-2	INSPECTION OF SUPPLIES - FIXED PRICE (AUG1996)
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)
52.242-15	STOP-WORK ORDER (AUG 1989)
52.242-17	GOVERNMENT DELAY OF WORK (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.

52.246-18 NAVSEA VARIATION WARRANTY OF SUPPLIES OF A COMPLEX NATURE (MAY 2001) (NAVSEA VARIATION) (MAY 1993 (MODIFIED) (AUG 2013)) *(Modified by Buyer) (Seller shall indemnify Buyer to cover rights and remedies required by the Government)*

(a) Definitions. As used in this clause – "Acceptance" means the act of an authorized representative of the Government by which the Government takes delivery of the supply, which is the repaired, mission-ready Vessel that is the subject of the availability. "Defect" means any condition or characteristic in any warranted supplies or related incidental services furnished by Seller that are not in compliance with the

requirements of the Contract, as determined by the cognizant Regional Maintenance Center's (RMC) Code 300 Program Manager in conjunction with RMC Code 100. "Essential performance requirements" mean the operating capabilities and maintenance and reliability characteristics specified in the specification and/or statement of work and do not include performance characteristics that are described as goals or objectives. "Warranted supplies" means the critical systems and work items specified in paragraph (b)(3) below, which Seller or its subcontractors worked, and the related incidental services performed by Seller or its subcontractors under this Contract. This term does not include "data".

(b) Seller's obligations. (1) Seller warrants that, for 90 days after the Government's acceptance of the Vessel, all of the warranted supplies identified in paragraph (b)(3) below will be free from defects in material and workmanship, will conform with all design and manufacturing specifications and requirements of this Contract, and will conform to the essential performance requirements of the Contract; provided, however, that with respect to Government-furnished property relating to such warranted supplies, Seller's warranty shall extend only to its proper installation, unless Seller performs some modification or other work on the property, in which case, Seller's warranty shall extend to the modification or other work. (2) Any warranted supply or parts thereof corrected or furnished in replacement shall be subject to the conditions of this clause to the same extent as the warranted supply initially delivered. This warranty shall be equal in duration to that set forth in paragraph (b)(1) of this clause and shall run from the date of delivery of the corrected or replaced warranted supply. (3) This special warranty applies only to the following specified critical systems and work items* on which Seller or its subcontractors have worked under this Contract and which are identified and discussed by the Government with Buyer during the pre-availability conference and effected by a bilateral modification to Buyer's prime contract. (4) If Seller or any subcontractor has a warranty for work performed or materials furnished relating to a warranted supply that exceeds the 90 day period, Seller warrants that the Government shall be entitled to rely upon the longer warranty until its expiration. Seller shall promptly send a written notice to Buyer of such longer period and applicable warranty supply because Buyer is obligated under its prime contract to notify the Contracting Officer. (5) With respect to any warranted supply, and any individual work items related thereto, identified by either party as incomplete at the time of redelivery of the Vessel, the special warranty period shall run from the date the item is completed. (6) Seller shall not be obligated to correct or replace warranted supplies if the facilities, tooling, drawing, or other equipment or supplies necessary to accomplish the correction or replacement have been made unavailable to Seller by action of the Government. In the event that correction or replacement has been directed, the Contractor shall promptly notify Buyer of non-availability because Buyer is obligated to notify the Contracting Officer. (7) Seller shall also prepare and furnish to Buyer (so Buyer can furnish the Government) any data and/or reports applicable to any correction required on a warranted supply (including revision and updating of all affected data called for under this Contract) at no additional expense to Buyer or the Government. If Seller fails to prepare and furnish such data and/or reports or should the Government elect not to secure such data and/or reports from Buyer, Seller or another source, Seller shall pay costs reasonably incurred by the Government in acquiring such data and/or reports, or Buyer shall be entitled to an equitable adjustment to the Contract if the Government requests one tied to Seller's Contract Work. (8) When warranted supplies are returned to Seller, Seller shall bear the transportation costs from the place of delivery specified in Buyer's prime contract (irrespective of the f.o.b. point or the point of acceptance) to the Seller's plant or Buyer's Facilities and return. (9) This special warranty does not limit the Government's right under the Inspection clause in relation to latent defects, fraud, or gross mistakes that amount to fraud; furthermore, this warranty does not include damage caused by the Government. (10) All implied warranties of merchantability and "fitness for a particular purpose" relating to the warranted supplies are excluded from any obligation contained in this Contract. (ii) In determining whether the failure was discovered prior to the expiration of the specified period, conditional acceptance shall not be considered to be acceptance. Rather, conditionally accepted supplies shall be considered to have been accepted as of the date Seller is notified by Buyer that Buyer has received a written notice from the Contracting Officer, stating that the condition has been satisfied or waived.

(c) Remedies available to the Government. (1) Notwithstanding any other clause, term, or condition of this Contract, including those pertaining to inspection and acceptance of supplies or services by the Government, in the event the Government determines that the special warranty in paragraph (b)(1) has been breached with respect to the Contract Work provided by Seller, the Government may do the following: (i) Require Seller at the place of performance specified in Buyer's prime contract (irrespective of the f.o.b. point or the point of acceptance) or at Seller's plant or Buyer's Facilities, to correct or replace, at the Contracting Officer's election, defective or nonconforming warranted supplies, at Seller's own expense, but only to the limits stated in paragraph (b)(3) of this clause; or (ii) Require Seller to furnish, at the place of delivery specified by the Contracting Officer (irrespective of the f.o.b. point or the point of acceptance) or at Seller's plant or Buyer's Facilities, the materials or parts and installation instructions required to successfully accomplish the correction, at Seller's own expense, but only to the limits stated in paragraph (b)(3) of this clause. (2) If the Contracting Officer does not require correction or replacement of the defective or nonconforming warranted supplies by Seller, but instead has the correction or replacement performed by another source, the Government shall be entitled to an equitable reduction in the total allowable costs reflecting the correction or replacement costs, but only to the limits stated in paragraph (b)(3) of this clause. (3) In fulfilling performance under this special warranty, Seller shall bear the costs incurred on corrective or replacement actions up to, but not exceeding, the total amount of the fees available on the specific availability on which the corrective or replacement actions were taken under this special warranty. The Government shall pay for all reasonable, allocable, and allowable costs incurred on corrective or replacement actions beyond that amount. Seller's obligation to correct or replace the defective warranted supply, or to agree to an equitable reduction in the total allowable costs, shall include responsibility for the costs of furnishing all labor and material to: (i) re-inspect warranted supplies that the Government reasonably expected to be defective; (ii) accomplish the required correction or replacement; and (iii) test, inspect, and mark repaired or replaced warranted supplies. (4) The Contracting Officer will notify the Ship's Commanding Officer to prepare a list of defective or deficient items covered by this special warranty. The Contracting Officer will specify the acceptable turnaround times for warranty corrective actions to be taken by Seller. When these specified turnaround times are not met by Seller, the Contracting Officer will charge Buyer, which will be passed down to Seller to pay for product replacement costs or the following liquidated damages for each defective item not corrected by Seller within the specified turnaround time. (For each critical item listed in the foregoing subparagraph (b)(3), required turnaround time and formula for assessment of liquidated damages shall be provided here.) (5) The Contracting Officer shall notify Buyer and Buyer will notify Seller in writing of any breach of the warranty in paragraph (b)(1) of this clause within 100 days after the Government's acceptance of the Vessel. Seller shall submit to Buyer so Buyer is able to submit to the Contracting Officer, a written recommendation within 5 days after receipt of a notice of breach as to the corrective action required to remedy the breach. After the notice of breach, but not later than 5 days after receipt of Seller's recommendation for corrective action, the Contracting Officer may, in writing, direct correction or replacement as in paragraph (c)(1) of this clause, and Seller shall, notwithstanding any disagreement regarding the existence of a breach of warranty, comply with this direction. If it is later determined that Seller did not breach the warranty in paragraph (b)(1) of this clause, the total allowable costs will be equitably adjusted. The failure of the Contracting Officer to so provide timely notice of the breach, however, shall not diminish the rights the Government would otherwise have under this clause or any other term or condition of this Contract. (6) If the warranted supplies are corrected or replaced, the period of notification of a breach of Seller's warranty in paragraph (b)(2) of this clause shall be 100 days after the date of delivery of the corrected or replaced warranted supply. (7) The rights and remedies of the Government provided in this clause are in addition to, and do not limit, any rights afforded to the Government or as Buyer if the Government exercises its rights and remedies against Buyer as a result of Seller's Contract Work. (8) The failure of the Government or Buyer to assert rights under this clause with respect to any particular breach or breaches of warranty provided herein shall not waive or otherwise diminish the Government's rights with respect to any subsequent breach of warranty. *Critical systems, work items and liquidated damages covered under this clause shall be specified, as applicable, in each delivery order issued to Buyer by the Government. Buyer will flow-down the information to Seller.

QUALITY MANAGEMENT SYSTEM REQUIREMENTS (NAVSEA) (SEP 2009) [Modified by Buyer]

Seller shall provide and maintain a quality management system that, as a minimum, adheres to the requirements of ANSI/ISO/ASQ 9001-2008 Quality Management Systems and supplemental requirements imposed by this Contract. The quality management system procedures, planning, and all other documentation and data that comprise the quality management system shall be made available to Buyer and the Government for review. Existing quality documents that meet the requirements of this Contract may continue to be used. Buyer and/or the Government may perform any necessary inspections, verifications, and evaluations to ascertain conformance to requirements and the adequacy of the implementing procedures. Seller shall require of subcontractors a quality management system achieving control of the quality of the services and/or supplies provided. Buyer and/or the Government individually or together reserve the right to disapprove the quality management system or portions thereof when it fails to meet the contractual requirements.

Section F – Deliveries or Performance – There are no flow-downs.

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(s): (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 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 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.
- (a) 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) set forth in Buyer's Prime Contract. 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. (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.

5252.227-9113 GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM (OCT 2006) *[Modified by Buyer]*

(a) Seller shall participate in the appropriate interchange of the Government-Industry Data Exchange Program ("GIDEP") in accordance with NAVSEA S0300-BU-GYD-010 dated November 1994. Data entered is retained by the program and provided to qualified participants. Compliance with this requirement shall not relieve Seller from complying with any other requirement of the Contract.

(b) ***Seller agrees to insert paragraph (a) of this requirement in any subcontract hereunder exceeding \$500,000.00. When so inserted, the word "Seller" shall be changed to "Subcontractor".***

(c) GIDEP materials, software and information are available without charge from: GIDEP, P.O. Box 8000, Corona, CA 92878-8000, Phone: (951) 898-3207, FAX: (951) 898-3250, Internet: <http://www.gidep.org>

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 9113 OTHER CHANGE PROPOSALS (CT) AND (FT)- AND ALTERNATE I (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 NASSCO's MILGEN terms; however, there may 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 the Seller and to/from the Contracting Officer shall be through Buyer.

Note 6 – Insert “and Buyer” after “Contracting Officer”.

Note 7 – Insert “or Buyer’s 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>	JAN 2012
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>Clause applies if the Contract value exceeds \$150,000 and Note 2 applies for (b)(4) when the Government exercises its rights and remedies against Buyer as a result of any kickback given by Seller.</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 applies for (c) when the Government exercises its rights and remedies against Buyer as a result of any illegal or improper activity done by Seller.</i>	JAN 1997
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 the obligations under the Prime Contract.</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.</i>	APR 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>	MAY 2011
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 for (c). In (d) the reference to prime contractor shall mean Buyer. Seller is responsible for getting the information to Buyer so that Buyer can comply with the reporting requirements of (d).</i>	JAN 2011
52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACTOR 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 and fulfill its reporting obligations under this clause. No Note applies.</i>	AUG 2012
52.204-12	DATA UNIVERSAL NUMBERING SYSTEM NUMBER MAINTENANCE <i>No Note applies.</i>	DEC 2012
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 is to provide notices to Buyer so that Buyer can fulfill its reporting obligations under this clause. Note 5 applies.</i>	DEC 2010
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
52.215-2 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 incentive or re-determinable type contract.</i>	OCT 2010
52.215-8 ORDER OF PRECEDENCE—UNIFORM CONTRACT FORMAT <i>No Note applies.</i>	OCT 1997
52.215-10 PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA <i>No Note applies; however, Seller is responsible to Buyer for Seller's defective certified cost or pricing data.</i>	AUG 2011
52.215-11 PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA—MODIFICATIONS <i>Applies if submission of certified cost or pricing data is required for modifications. Note 4 applies. Rights and obligations under this clause shall survive completion of the work and final payment under this Contract.</i>	AUG 2011
52.215-12 SUBCONTRACTOR CERTIFIED 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 CERTIFIED COST OR PRICING DATA—MODIFICATIONS <i>Applies if this Contract exceeds \$700,000 and is not otherwise exempt under FAR 15.403. No Note applies.</i>	OCT 2010
52.215-14 INTEGRITY OF UNIT PRICES <i>Note 5 applies.</i>	OCT 2010
52.216-7 ALLOWABLE COST AND PAYMENT <i>No Note applies.</i>	JUN 2011
52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS <i>Applies if this Contract meets the applicability requirements of FAR 15.408(g). Note 5 applies.</i>	OCT 2010
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
52.215-19 NOTIFICATIONS OF OWNERSHIP CHANGES <i>Applies if this Contract meets the requirements of FAR 15.408(K). Note 5 applies.</i>	OCT 1997
52.215-21 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND OTHER THAN CERTIFIED COST OR PRICING DATA-MODIFICATIONS <i>Note 5 applies.</i>	OCT 2010
52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS <i>No Note applies; however, Seller agrees to support the small business subcontracting requirements.</i>	JAN 2011
52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN <i>Applies if value of Contract equals or exceeds \$650,000 except the clause does not apply if Seller is a small business concern. Seller is to provide its subcontracting plan to Buyer so that Buyer can incorporate it as part of Buyer's own reporting obligations with respect to this clause. Note 5 applies.</i>	JUL 2013
52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES <i>Note 5 applies.</i>	FEB 1997
52.222-2 PAYMENT FOR OVERTIME PREMIUMS <i>No Note applies.</i>	JUL 1990
52.222-3 CONVICT LABOR <i>No Note applies.</i>	JUN 2003
52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT—OVERTIME COMPENSATION <i>Applies if the Contract requires or involves employment of laborers or mechanics. Note 7 applies.</i>	JUL 2005
52.222-19 CHILD LABOR—COOPERATION WITH AUTHORITIES AND REMEDIES <i>Note 2 applies for (c) and Note 2 for (d) when the Government exercises its rights and remedies against Buyer for Seller's violations.</i>	MAR 2012
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 VETERANS	SEP 2010

<i>No Note applies.</i>	
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 VETERANS <i>Applies if Contract value equals or exceeds \$100,000. Seller is to provide its report to Buyer so that Buyer can incorporate it as part of Buyer's own reporting obligations with respect to this clause. Note 5 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 except in (e) where Note 4 applies.</i>	FEB 2009
52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION <i>Applies if this Contract exceeds \$3,000. No Note applies.</i>	JUL 2012
52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA ALT I (JUL 1995) <i>Applies if this Contract involves hazardous material. Note 5 applies in (e) and Note 4 applies in (f).</i>	JAN 1997
52.223-5 POLLUTION PREVENTATION AND RIGHT-TO-KNOW INFORMATION <i>No Note applies.</i>	MAY 2011
52.223-6 DRUG-FREE WORKPLACE <i>Note 5 applies except Note 4 applies in (d).</i>	MAY 2001
52.223-10 WASTE REDUCTION PROGRAM <i>No Note applies.</i>	MAY 2011
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
52.223-15 ENERGY EFFICIENCY IN ENGERGY-CONSUMING PRODUCTS <i>No Note applies.</i>	DEC 2007
52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING <i>No Note applies.</i>	AUG 2011
52.223-19 COMPLIANCE WITH ENVIRONMENTAL MANAGEMENT SYSTEMS <i>No Note applies.</i>	MAY 2011
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
52.228-5 INSURANCE – WORK ON A GOVERNMENT INSTALLATION <i>No Note applies.</i>	JAN 1997
52.229-3 FEDERAL, STATE AND LOCAL TAXES <i>Note 2 applies for paragraph (g) and Note 3 for paragraph (h).</i>	FEB 2013
52.229-4 FEDERAL, STATE AND LOCAL TAXES (STATE AND LOCAL ADJUSTMENTS) <i>Note 2 applies for paragraph (g) and Note 3 for paragraph (h).</i>	FEB 2013
52.230-2 COST ACCOUNTING STANDARDS <i>Applies only when referenced in the Contract that full CAS coverage applies. No Note applies.</i>	MAY 2012
52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRATICES <i>No Note applies.</i>	MAY 2012
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>	JUN 2010
52.232-1 PAYMENTS <i>Note 5 applies.</i>	APR 1984
52.232-11 EXTRAS <i>Note 2 applies.</i>	APR 1984
52.232-23 ASSIGNMENT OF CLAIMS <i>Note 2 applies for (c).</i>	JAN 1986
52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS	JUN 2013

<u>No Note applies.</u>	
52.233-3 PROTEST AFTER AWARD <u>Note 2 applies except in (e) Note 3 applies.</u>	AUG 1996
52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM <u>No Note applies.</u>	OCT 2004
52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION <u>Applies if Contract Work is performed on a Government installation. No Note applies.</u>	APR 1984
52.242-3 PENALTIES FOR UNALLOWABLE COSTS <u>No Note applies.</u>	MAY 2001
52.242-13 BANKRUPTCY <u>Note 2 applies.</u>	JUL 1995
52.243-1 CHANGES—FIXED PRICE <u>Note 2 applies.</u>	AUG 1987
52.243-2 CHANGES – COST REIMBURSEMENT ALT II (APR 1984) <u>Note 2 applies.</u>	AUG 1987
52.244-5 COMPETITION IN SUBCONTRACTING <u>No Note applies.</u>	DEC 1996
52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS <u>Note 2 applies.</u>	DEC 2010
52.245-1 GOVERNMENT PROPERTY <u>Note 5 applies.</u>	APR 2012
52.245-9 USE AND CHARGES <u>Note 5 applies.</u>	APR 2012
52.247-63 PREFERENCE FOR U.S. FLAG AIR CARRIERS <u>No Note applies.</u>	JUN 2003
52.247-68 REPORT OF SHIPMENT (REPSHIP) <u>Note 5 applies.</u>	FEB 2006
52.248-1 VALUE ENGINEERING <u>Applies if the Contract value exceeds \$150,000; Note 5 applies.</u>	OCT 2010
52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) <u>Clause is applicable when Government terminates the Prime Contract.</u>	APR 2012
52.249-6 TERMINATION (COST-REIMBURSEMENT) <u>Clause is applicable when Government terminates the Prime Contract.</u>	MAY 2004
52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) <u>Clause is applicable when Government terminates the Prime Contract.</u>	APR 1984
52.249-14 EXCUSABLE DELAYS <u>Note 2 applies to (b)(2) and Note 7 applies to (c).</u>	APR 1984
52.251-1 GOVERNMENT SUPPLY SOURCES <u>No Note applies.</u>	APR 2012
52.253-1 COMPUTER GENERATED FORMS <u>No Note applies.</u>	JAN 1991
252.203-7000 REQUIREMENTS RELATING TO COMPENSATION OF FORMER DOD OFFICIALS <u>No Note applies.</u>	SEPT 2011
252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE CONTRACT-RELATED FELONIES - <u>Applies if this Contract exceeds \$150,000. Note 5 applies.</u>	DEC 2008
252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS <u>No Note applies.</u>	JAN 2009
252.203-7003 AGENCY OFFICE OF THE INSPECTOR GENERAL <u>No Note applies.</u>	DEC 2012
252.203-7004 DISPLAY OF FRAUD HOTLINE POSTER(S) <u>No Note applies.</u>	DEC 2012
252.204-7000 DISCLOSURE OF INFORMATION <u>Note 5 applies.</u>	DEC 1991
252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT <u>No Note applies.</u>	APR 1992

252.204-7005 ORAL ATTESTATION OF SECURITY RESPONSIBILITIES <u>No Note applies.</u>	NOV 2001
252.204-7008 EXPORT CONTROLLED ITEMS <u>Note 5 applies.</u>	APR 2010
252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS <u>No Note applies.</u>	DEC 1991
252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY <u>Note 5 applies for (b).</u>	DEC 2006
252.209-7010 CRITICAL SAFETY ITEMS	AUG 2011
252.211-7003 ITEM IDENTIFICATION AND VALUATION <u>Applies if this Contract requires the Contract Work to contain unique item identification. Note 5 applies for (f).</u>	JUN 2011
252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS <u>Note 5 applies for (e)(2).</u>	NOV 2005
252.211-7006 PASSIVE RADIO FREQUENCY IDENTIFICATION <u>No Note applies.</u>	SEP 2011
252.211-7008 USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS <u>No Note applies.</u>	SEP 2010
252.215-7000 PRICING ADJUSTMENTS <u>No Note applies.</u>	DEC 2012
252.215-7002 COST ESTIMATING SYSTEM REQUIREMENTS <u>Note 5 applies.</u>	DEC 2012
252.217-7003 CHANGES <u>Note 2 applies.</u>	DEC 1991
252.217-7005 INSPECTION AND MANNER OF DOING WORK <u>No Note applies.</u>	JUL 2009
252.217-7006 TITLE <u>No Note applies.</u>	DEC 1991
252.217-7009 DEFAULT <u>Note 1 and Note 2 apply.</u>	DEC 1991
252.217-7011 ACCESS TO VESSEL <u>Note 5 applies.</u>	DEC 1991
252.217-7013 GUARANTEES <u>Note 3 and Note 6 apply.</u>	DEC 1991
252.217-7014 DISCHARGE OF LIENS <u>Note 3 applies.</u>	DEC 1991
252.217-7015 SAFETY AND HEALTH <u>No Note applies.</u>	DEC 1991
252.217-7028 OVER AND ABOVE WORK <u>Note 5 applies.</u>	DEC 1991
252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) <u>Note 5 applies.</u>	AUG 2012
252.223-7001 HAZARD WARNING LABELS <u>No Note applies.</u>	DEC 1991
252.223-7004 DRUG FREE WORK FORCE <u>No Note applies.</u>	SEP 1988
252.223-7006 PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS MATERIALS <u>No Note applies.</u>	APR 2012
252.223-7008 PROHIBITION OF HEXAVALENT CHROMIUM <u>Note 2 applies for (b.)</u>	MAY 2011
252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM <u>Applies if the Contract Work contains other than domestic components. No Note applies.</u>	DEC 2012
252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS <u>No Note applies.</u>	DEC 2012

252.225-7004 REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA--SUBMISSION AFTER AWARD <u>Note 5 applies.</u>	OCT 2010
252.225-7006 QUARTERLY REPORTING OF ACTUAL PERFORMANCE OUTSIDE THE UNITED STATES <u>Note 5 applies.</u>	OCT 2010
252.225-7008 RESTRICTION ON ACQUISITION OF SPECIALTY METALS <u>No Note applies.</u>	MAR 2013
252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES <u>No Note applies.</u>	FEB 2013
252.225-7013 DUTY-FREE ENTRY <u>Note 5 applies.</u>	JUN 2012
252.225-7015 RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS <u>No Note applies.</u>	JUN 2005
252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS <u>No Note applies.</u>	JUN 2011
252.225-7019 RESTRICTION ON ACQUISITION OF ANCHOR AND MOORING CHAIN <u>No Note applies.</u>	DEC 2009
252.225-7021 TRADE AGREEMENTS <u>No Note applies.</u>	DEC 2012
252.225-7025 RESTRICTION ON ACQUISITION OF FORGINGS <u>Note 5 applies for (d).</u>	DEC 2009
252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE <u>No Note applies.</u>	DEC 2006
252.225-7036 BUY AMERICAN—FREE TRADE AGREEMENT—BALANCE OF PAYMENTS PROGRAM <u>No Note applies.</u>	DEC 2012
252.225-7038 RESTRICTION ON ACQUISITION OF AIR CIRCUIT BREAKERS <u>No Note applies.</u>	JUN 2005
252.225-7048 EXPORT CONTROLLED ITEMS <u>Note 5 applies.</u>	JUN 2013
252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS <u>Applies if this Contract exceeds \$500,000. Note 5 applies.</u>	SEP 2004
252.227-7013 RIGHTS IN TECHNICAL DATA—NONCOMMERCIAL ITEMS <u>Note 5 applies.</u>	FEB 2012
252.227-7015 TECHNICAL DATA—COMMERCIAL ITEMS <u>Note 5 applies.</u>	DEC 2011
252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS <u>Note 5 applies.</u>	MAR 2011
252.227-7030 TECHNICAL DATA--WITHHOLDING OF PAYMENT <u>Note 5 applies.</u>	MAR 2000
252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA <u>Note 5 applies.</u>	JUN 2023
252.231-7000 SUPPLEMENTAL COST PRINCIPLES <u>No Note applies.</u>	DEC 1991
252.242-7005 CONTRACTOR BUSINESS SYSTEMS <u>Note 5 applies.</u>	FEB 2012
252.242-7006 ACCOUNTING SYSTEM ADMINISTRATION <u>Note 5 applies.</u>	FEB 2012
252.243-7001 PRICING OF CONTRACT MODIFICATIONS <u>No Note applies.</u>	DEC 1991
252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT <u>Note 5 applies.</u>	DEC 2012
252.244-7000 SUBCONTRACTORS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS)	MAR 2013

No Note applies.

252.245-7001 TAGGING, LABELING, AND MARKING OF GOVERNMENT-FURNISHED PROPERTY <u>No Note applies.</u>	JUN 2012
252.245-7002 REPORTING LOSS OF GOVERNMENT PROPERTY <u>Note 5 applies.</u>	APR 2012
252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL <u>Note 5 applies.</u>	APR 2012
252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES <u>Note 5 applies.</u>	JAN 2007
252.247-7021 RETURNABLE CONTAINERS OTHER THAN CYLINDERS <u>Note 5 applies.</u>	MAY 1995
252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA <u>Note 5 applies.</u>	MAY 2002
252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA <u>Note 5 applies.</u>	MAR 2000
252.246-7001 WARRANTY OF DATA <u>Note 5 applies.</u>	DEC 1991
252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES <u>Note 5 applies.</u>	JUN 2013
252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA <u>Note 5 applies.</u>	JUN 2013
252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION <u>Note 5 applies.</u>	OCT 2010
252.251-7000 ORDERING FROM GOVERNMENT SUPPLY SOURCES <u>Note 5 applies.</u>	AUG 2012

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) In a separate writing to be provided to Buyer, Seller 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.

(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) Reserved.

(e) Reserved.

(f) Neither the requirements of this clause nor any act or failure to act by the Government shall relieve 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 temporary 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 purpose of these rights 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. (3) The Government is not precluded from using similar or identical data acquired from other sources.

52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (DEC 1994) [Modified by Buyer]

(a) Definitions.

"**Title III industrial resource**" means materials, services, processes, or manufacturing equipment (including the processes, technologies, and ancillary services for the use of such equipment) established or maintained under the authority of Title III, Defense Production Act (50 U.S.C. App. 2091-2093).

"**Title III project contractor**" means a contractor that has received assistance for the development or manufacture of an industrial resource under 50 U.S.C. App. 2091-2093, Defense Production Act.

(b) Seller shall refer any request from a Title III project contractor for testing and qualification of a Title III industrial resource to the Government's Contracting Officer.

(c) Upon the direction of the Government's Contracting Officer, Buyer may request Seller to test Title III industrial resources for qualification. Seller shall provide the test results to Buyer so that Buyer can provide them to the Defense Production Act Office, Title III Program, located at Wright Patterson Air Force Base, Ohio 45433-7739.

(d) When the Contracting Officer modifies Buyer's Prime Contract to direct testing pursuant to this clause, the Government will provide the Title III industrial resource to be tested and will make an equitable adjustment in Buyer's Prime Contract; and Buyer will modify Seller's Contract for the costs of testing and qualification of the Title III industrial resource.

(e) ***Seller agrees to insert the substance of this clause, including paragraph (e), in every subcontract issued in performance of this Contract.***

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.

52.252-2 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/vfdara.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.

DELIVERY ORDER PROVISIONS

FAR 52.215-20 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA OR INFORMATION OTHER THAN CERTIFIED COST OR PRICING DATA (OCT 2010)

Note 5 applies.

DFARS 252.225-7031 SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 2005)

Note 5 applies.