

NATIONAL STEEL AND SHIPBUILDING COMPANY
MILITARY SHIPBUILDING PROGRAMS
PURCHASE ORDER
SPECIAL TERMS AND CONDITIONS
FOR THE
MOBILE LANDING PLATFORM (MLP) PROGRAM
AND THE
AFLOAT FORWARD STAGING BASE (AFSB) PROGRAM

SPECIAL TERMS AND CONDITIONS

The following provisions supplement the provisions and defined terms in NASSCO's MILGEN General Terms and Conditions.

GUARANTEE PERIOD

The "Guarantee Period" as referenced in NASSCO's MILGEN General Terms and Conditions shall be twelve (12) months from delivery of the Vessel to the Government. The Guarantee Period shall be extended by the time during which the Vessel is not available for unrestricted service by reason of any Guarantee Defects in the Contract Work for which Buyer shall determine that Seller is responsible. Seller's guarantee, and Buyer's Guarantee Period rights against Seller, shall be separately assignable to the Government.

PRIME CONTRACT FLOW-DOWN CLAUSES

The following clauses are flowed down from Buyer to Seller pursuant to the requirements of Buyer's (National Steel and Shipbuilding Company, aka General Dynamics NASSCO or NASSCO) Prime Contract with the Government. In interpreting the requirements of these clauses, "Contracting Officer" should be considered to be Buyer's Purchasing Representative and "Government" should be considered to be NASSCO, when the context makes sense. In some instances, Buyer will act as the intermediary due to its privity of contract with the Government under the Prime Contract, and Seller will fulfill its obligations under the clauses by providing information or data to Buyer so that Buyer can pass the same back to the Government. Seller's strict compliance with these flow-downs is material. Some 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/> or <http://FARSITE.HILL.AF.MIL/Vfdfar1.htm>

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

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

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

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

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

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

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

ACCESS TO 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 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 by a site supervisor for Contract Work performed on Vessels outside the Facilities. (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.

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

(d) Seller shall fully comply with approved ACPs. Noncompliance by Seller or its subcontractors 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 CAO 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 the 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 (e.g., for accomplishing facility improvements, from foreign-crewed Vessels within its facility, etc.).

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.

ASSIGNMENT AND USE OF NATIONAL STOCK NUMBERS (NAVSEA) (MAY 1993) [Modified by Buyer]

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

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

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

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

(c) Unless otherwise agreed in writing, any license agreement governing the use of any computer software to be delivered as a result of this Contract must be paid-up and perpetual, or so nearly perpetual as to allow the use of the computer software or

computer data base with the equipment for which it is obtained, or any replacement equipment, for so long as such equipment is used. Otherwise, the computer software or computer database does not meet the minimum functional requirements of this Contract. In the event that there is any routine to disable the computer software or computer database after the software is developed for or delivered to the Government, that routine shall not disable the computer software or computer database until at least 25 calendar years after the delivery date of the affected computer software or computer database to the Government.

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

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

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

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.

SPECIAL AGREEMENT REGARDING SWITCHBOARD SUBCONTRACTS (NAVSEA) (JUNE 2000) *[Modified by Buyer]*

(a) The Government has an interest in maintaining a competitive market for switchboards to be used on U.S. Naval vessels. The requirements of 10 U.S.C. 2534 result in a major component of certain switchboards (i.e., air circuit breakers) being available from a single domestic source who is also a competitor for such switchboards. Therefore, Buyer and Seller shall evaluate subcontract proposals for such switchboards exclusive of air circuit breaker content or on some other basis that ensures an equitable switchboard competition.

(b) Seller shall, in all cases involving subcontracts which contain air circuit breakers for switchboards, give advance notification to Buyer so that Buyer can contact the Contracting Officer and obtain written consent of the contracting officer prior to placing any such subcontract. Seller's notice shall include the information listed under paragraph (f)(1) of the clause entitled "SUBCONTRACTS" (FAR 52.244-2).

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.

IDENTIFICATION AND ASSERTION OF RESTRICTIONS ON COMMERCIAL TECHNICAL DATA AND COMPUTER SOFTWARE *[Modified by Buyer]*

(a) Definitions. The terms used in this special requirement and associated CLINs are defined in the following clauses or sources: DFARS 252.227-7013; DFARS 252.227-7014; DFARS 252.227-7015; DFARS 252.227-7017; and DFARS 252.227-7018.

(b) Identification and Assertion of Restrictions. Seller shall not deliver or otherwise provide to Buyer for delivery to the Government any technical data or computer software with restrictive markings (or otherwise subject to restrictions on access, use, modification, reproduction, release, performance, display, or disclosure) unless the technical data or computer software are identified in accordance with the following requirements: 1. Pre-Award Identification and Assertion (Applicable to Phase I). With its Phase I proposal, Seller (including its subcontractors or suppliers, or potential subcontractors or suppliers, at any tier) shall identify all technical data and computer software that it proposes to be delivered or otherwise provided (including all Option CLINs as if the Option was exercised) with less than Unlimited Rights as follows: A. Noncommercial Technologies. Noncommercial technical data and noncommercial computer software shall be identified in accordance with DFARS 252.227-7017 and DFARS 252.227-7028. B. Commercial Technologies. Seller shall also identify and assert any restrictions for all commercial technical data (i.e., technical data pertaining to a commercial item) by providing the same types of information, using a similar format, and following the same procedures and requirements as specified at DFARS 252.227-7017 (Commercial '7017 Technical Data List). Seller shall also identify and assert any restrictions for all commercial computer software in accordance with the Table at paragraph e. below C. Seller's failure to submit, complete or sign the identification and assertions required by paragraphs b.1.A or b.1.B of this clause with its offer may render the offer ineligible for award. D. If Seller is awarded a Contract, the assertions identified in paragraphs b.1.A and b.1.B shall be listed in an Attachment to Buyer's Prime Contract. Upon request by the Contracting Officer, Seller shall provide sufficient information to enable the Contracting Officer to evaluate

any listed assertion. 2. Identification of Phase II Assertions (Phase II Proposal Submission). As part of its Phase II proposal, Seller (including its subcontractors or suppliers, or potential subcontractors or suppliers, at any tier) shall identify all technical data and computer software that it proposes to be delivered or otherwise provided (including all Option CLINs as if the Option was exercised) with less than Unlimited Rights for the Phase II performance period as follows: A. Noncommercial Technologies. Noncommercial technical data and noncommercial computer software shall be identified in accordance with DFARS 252.227-7017 and DFARS 252.227-7028. B. Commercial Technologies. Seller shall also identify and assert any restrictions for all commercial technical data (i.e., technical data pertaining to a commercial item) by providing the same types of information, using a similar format, and following the same procedures and requirements as specified at DFARS 252.227-7017 (Commercial '7017 Technical Data List). Seller shall also identify and assert any restrictions for all commercial computer software in accordance with the Table at paragraph e. below. C. Seller's failure to submit, complete or sign the identification and assertions required by paragraphs b.1.A or b.1.B of this clause with its offer may render the offer ineligible for the Phase II award. D. If Seller is awarded a Contract for Phase II, the assertions identified in paragraphs b.1.A and b.1.B shall be listed in an Attachment to that Contract. Upon request by the Contracting Officer, Seller shall provide sufficient information to enable the Contracting Officer to evaluate any listed assertion. 3. Post-Award Updates to the Pre-Award Identification and Assertions (Applicable for updates after award of Phase II). Except as provided in this paragraph, Seller (including its subcontractors or suppliers at any tier) shall not supplement or revise the pre-award listings or notices required by paragraph b.1 of this clause after Contract award. A. Noncommercial Technologies. Post-award identification and assertion of restrictions on noncommercial technical data and noncommercial computer software are governed by paragraph (e) of DFARS 252.227-7013, DFARS 252.227-7014, and DFARS 252.227-7018, respectively. B. Commercial Technologies. Seller may supplement or revise its pre-award identification and assertion of restrictions on commercial computer software and commercial technical data only if such an expansion or revision would be permitted for noncommercial computer software or noncommercial technical data pursuant to paragraph b.2.A of this clause (i.e., based on new information, or inadvertent omissions that would not have materially affected source selection).

(c) Specific Identification of Technical Data and Computer Software. When identifying and asserting restrictions on technical data and computer software pursuant to paragraph b of this clause, Seller shall— 1. Ensure that the technical data and computer software are identified by specific reference to the requirement to deliver or provide that technical data or computer software in the Contract. For example, by referencing the associated CLINs, CDRLs, or paragraphs in the statement of work. 2. Include the relevant information for all technical data and computer software that are or may be required to be delivered or otherwise provided under the Contract -- including all Option CLINs or other optional or contingent delivery requirements (i.e., presuming that the Government will exercise the option to require delivery), online or remote access to information, and firmware or other computer software to be embedded in hardware deliverables.

(d) Copies of Negotiated, Commercial, and Other Non-Standard Licenses. Seller shall provide copies of all proposed specially negotiated license(s), commercial license(s), and any other asserted restrictions other than Government purpose rights; limited rights; restricted rights; SBIR data rights for which the protection period has not expired; or Government's minimum rights as specified in the clause at 252.227-7015.

(e) Commercial Computer Software (Including Open Source Software) assertions shall be identified by completing the following table:

Identification of Commercial Computer Software (including Open Source Software) Use and Modifications

Computer Software Title and Version # *	Computer Software License Name and Version # **	Name of Seller Delivering Open Source Software ***	If Open Source Software (OSS), was OSS modified by Seller? ****	If Modified, was Open Source Software modified by incorporation into a third party's software? *****

* The complete title and version number of the Open Source Software should be listed. If downloaded from a website, the website address should also be provided.

** The Software license and version number should be listed. If a version number is not available, Seller should state no version number.

*** Corporation, individual, or other person as appropriate.

**** Seller should state whether it has modified the Open Source Software.

***** If Seller has modified the Software, the Contract should state whether the Open Source Software was modified by combining with another party's non-open source software. The other party's non-open source may be licensed with distribution restrictions which would not allow the Government to accept delivery of the software combination.

(f) Seller Use, But Not Delivery, of, Open Source Software (OSS). OSS – computer software for which the source code is available without charge for use, modification and distribution -- is often licensed under terms that require the user to make the user's modifications to the open source software or any software that the user 'combines' with the open source software freely available in source code form. In cases where Seller proposes to use open source software while performing under a contract, but not to deliver OSS, Seller shall not: (i) create, or purport to create, any Government distribution obligations with respect to the

computer software deliverables; or (ii) grant, or purport to grant, to any third party any rights to or immunities under Government intellectual property or Government data rights to the Government computer software deliverables. For example, Seller may not develop a computer software deliverable using a open source program (including without limitation libraries) and non-commercial computer software program where such use results in a program file(s) that contains code from both the non-commercial computer software and open source software if the open source software is licensed under a license that requires any “modifications” be made freely available. Seller also may not combine the non-commercial computer software deliverable with open source software licensed under the GNU General Public License (GPL) or the Lesser General Public License (LGPL) in any manner where such use would cause, or could be interpreted or asserted to cause, the non-commercial computer software deliverable or any modifications thereto to become subject to the terms of the GPL or LGPL.”

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.

UNIQUE ITEM IDENTIFICATION (UID) (applicable to Phase I, II and III) *[Modified by Buyer]*

Seller shall provide Unique Item Identification (UID) marking in accordance with DFARS clause 252.211-7003 and the requirements provided in the following description for the items listed in the Master Equipment List (MEL) and for any Government approved Additional Spares for the MEL spares procured under PIO CLIN 0011.

(1) UID is a set of data marked on items that is globally unique, unambiguous, and robust enough to ensure data information quality throughout the life of the unit until disposal and to support multi-faceted applications and users. The unique item identifier and the component data elements of the unique item identifier shall not change over the life of the item. The UID component data elements, at a minimum, shall be contained in a Data Matrix ECC200 symbol, as required by MIL-STD 130 latest revision.

(2) The enterprise (i.e., a manufacturer or vendor) shall be responsible for implementation of the Unique Identification marking/Automatic Identification Technology (UID/AIT) program in accordance with the Department of Defense Guide to Uniquely Identifying Tangible Items dated 1 June 2006, and with the Defense Federal Acquisition Regulation Supplement (DFARS) clause 252.211-7003, Item Identification and Valuation and the updated final rule for UID DFARS Clause 252.211-7003, dated June 2005 (hereinafter referred to as “UID DFARS Clause”). These documents can be found at <http://www.acq.osd.mil/dpap/uid>.

(3) The physical marks that contain the UID-required elements shall remain legible until the item is destroyed. Where space is available, human readable information for UID data elements shall be marked on the item. MIL-STD 130 latest revision provides information on various marking methods, surface requirements, and verification criteria. The preferred placement of the mark on the part is in the installed position whenever possible. This will allow personnel to read the mark without necessitating its removal. For parts already marked with a label or data plate, Seller may add additional UID information if space is available on the current label or replace with a label or data plate containing UID information in addition to existing information. The verification grade for the UID marking on all items marked shall be in accordance with MIL-STD 130 latest revision.

(4) Seller shall construct the UID for this Contract by using the Contractors Enterpriser Identifier; the hull number of the vessel as the Serial Number; and the respective hull sequencing number (e.g. hull 1 of 5, 2 of 5, if applicable) within the Class as the part number.

(5) Notwithstanding DFARS 252.211.7003, Seller shall return to Buyer so Buyer can provide to the Government a listing of the identified UID material supplied in paragraph 6, herein, annotated with marking medium and location.

(6) When requested, Seller shall provide a price proposal for the management and implementation costs of UID marking of the MEL items. Once an order is placed by the Government, in accordance with the provisions “PROVISIONED ITEM ORDERS” clause of this Contract, Seller shall proceed with UID marking and annotate the items requiring UID marking with the recommended UID marking medium and locations.

(7) In addition to the UID marking of the MEL items, Seller shall recommend items from each incremental buy list of additional spares for MEL equipment to be marked UID for approval by the Government. Seller shall also provide the price proposal for UID marking of each recommended item when requested. After Seller is notified by Buyer, Seller shall proceed with UID marking and annotate the items requiring UID marking with the recommended UID marking medium and locations. Where items have a limited shelf life or useful life, they shall be procured to maximize the service life to the Government after ship delivery.

(8) DFARS clause 252.211-7003 Para. (c) (3) provides instruction on data syntax and semantics when marking items.

(9) Data Submission –Seller shall submit information required by the UID DFARS Clause in accordance with the procedures at <http://www.acq.osd.mil/dpap/uid>

REQUIREMENTS FOR DOMESTIC MANUFACTURE OF CERTAIN SHIPBOARD SYSTEMS AND EQUIPMENT *[Modified by Seller]*

(a) Pursuant to 10 U.S.C. 2218, the work under Items 0005, and if the option(s) are exercised, Items 0007, and 0009 shall be subject to Section 1424(b) of the National Defense Authorization Act for Fiscal Year 1991 (P.L. 101-510), as amended by Section 1015 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (P.L. 102-190), Section 1022 of the

National Defense Authorization Act for Fiscal Year 1993, (P.L. 102-484), and Section 125 of the National Defense Authorization Act for Fiscal Year 1995 (P.L. 103-337).

(b) In accordance with the provisions of Section 1424(b) of Public Law 101-510 as amended, Seller shall ensure that each vessel constructed under this Contract shall (1) incorporate propulsion systems whose main components (that is, the engines, reduction gears, and propellers) are manufactured in the United States, and (2) shall incorporate bridge and machinery control systems and interior communications equipment which (A) are manufactured in the United States and (B) have more than half of their value, in terms of cost, added in the United States.

(c) Seller agrees to retain until the expiration of three (3) years from the date of final payment under this Contract and make available during such period, upon request of Buyer or the Contracting Officer, records showing compliance with this clause.

(d) ***Seller agrees to insert this clause, including this paragraph (d), in every subcontract, purchase order and option agreement issued in performance of this Contract.***

NAVSEA 5252.215-9106 PRICE ADJUSTMENT FOR CHANGES IN FEDERAL LAW (FT) (NOV 1996) [Modified by Buyer]

(a) Definitions. (1) For the purpose of this requirement: (i) The term “**Currently Applicable Federal Laws**” is defined to mean and include only the statutes listed below and regulations thereunder, promulgated by Federal authorities as in effect on 13 Feb 2009. (A) Contract Work Hours and Safety Standards Act; (B) Occupational Safety and Health Act; (C) Atomic Energy Act; (D) National Environmental Policy Act; (E) Clean Air Act; (F) Clean Water Act; (G) Refuse Act; (H) Noise Control Act; (I) Toxic Substances Control Act; (J) Solid Waste Disposal Act; (K) Marine Protection, Research and Sanctuaries Act; (L) Comprehensive Environmental Response, Compensation, and Liability Act; (M) Act to Prevent Pollution from Ships; (N) Hazardous Materials Transportation Act; (ii) The term “**New Federal Law**” is defined to mean a new Federal Statute enacted subsequent to 13 Feb 2009 pertaining to (1) workplace conditions affecting employees or the public, or (2) environmental standards and requirements, and regulations thereunder promulgated by Federal authorities. (iii) The term “**change**” shall be deemed to mean the amendment or repeal of any Currently Applicable Federal Law or New Federal Law or regulations promulgated thereunder by Federal authorities.

(b) If, at any time after the effective date of this Contract, a New Federal Law is enacted or a change is made to a Currently Applicable Federal Law or a New Federal Law or regulations thereunder promulgated by Federal authorities, and compliance with such new law or change directly results in an increase or decrease in Seller's cost of performance of this Contract, the Contract Price(s) shall be adjusted as provided in paragraph (c) below. No such adjustment shall be made for Contract costs incurred or projected to be incurred during the two (2) year period after the effective date of this Contract.

(c) The price adjustment provided for in paragraph (b) above shall be made, in the same amount, in each of the Target Cost(s), the Target Price(s), and the Ceiling Price(s) or Fixed Price(s) of this Contract, as appropriate, and shall include only the properly allowable and allocable direct and indirect costs of additional labor and materials directly resulting from compliance with the new law or with the change, but shall not include: (i) Costs of delay, disruption, or acceleration of performance; (ii) Increases or decreases in prices charged by subcontractors or suppliers; or (iii) Costs of additional facilities or of any portion thereof constructed or acquired after 13 Feb 2009 unless such additional facilities or the portion thereof have been constructed or acquired by Seller solely in order to comply with a New Federal Law or a change in Currently Applicable Federal Laws or New Federal Laws, or regulations thereunder promulgated by Federal authorities. The price adjustment shall consider and exclude any tax, depreciation, or other special allowances provided to Seller in the New Federal Law or change for compliance therewith. No adjustment shall be made in the Profit or Delivery Schedule of the Contract, provided, however, that Seller's right, if any, to extension of the delivery schedule under any other requirement of this Contract shall not be prejudiced thereby. No adjustment shall be made unless a New Federal Law or a change directly causes an increase or decrease in Seller's cost of performance of this Contract in excess of \$125,000 per ship.

(d) Seller shall promptly notify Buyer, so Buyer can notify the Contracting Officer, in writing, of the enactment of New Federal Laws or of a change that reasonably may be expected to result in an adjustment under the provisions of this requirement.

(e) Requests for price adjustments hereunder shall be made in accordance with the procedures of the requirement entitled “DOCUMENTATION OF REQUESTS FOR EQUITABLE ADJUSTMENT”.

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 Seller or other offerors on other contemplated work, admission to 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.

5252.227-9112 LOGISTIC SUPPORT REQUIREMENT (AT) (MAY 1998) [Modified by Buyer]

(a) This requirement applies whenever the Contract specifications, by reference to a Military Specification or otherwise, specify repair parts or stock components (hereinafter called “**repair parts**”) for a ship component or item of equipment.

(b) With respect to ship components or equipments manufactured other than in the United States or Canada, Seller agrees that, in addition to any other data required by this Contract, it will furnish under this Contract sufficient data so that the repair parts can be reproduced in the United States or Canada unless the suppliers of the ship components or equipments shall have made arrangements satisfactory to Seller and approved by the Contracting Officer for the manufacturing of repair parts in the United States or Canada. For the purpose of this requirement, “**sufficient data**” shall mean detail drawings and other technical

information sufficiently extensive in detail to show design, construction, dimensions, and operation or function, manufacturing methods or processes, treatment or chemical composition of materials, plant layout and tooling. All data shall be in the English language and according to the United States system of weights and measures, and drawings for components, assemblies, subassemblies and parts protected by U.S. patents shall contain a prominent notation to that effect fully identifying the patent or patents involved, and bearing the number of this Contract.

(c) *In order to satisfy the requirements of paragraph (b), above, unless the supplier of the ship components or equipments shall have made arrangements, satisfactory to Buyer and Seller, and approved by the Contracting Officer, for the manufacture of such repair parts in the United States or Canada, Seller shall include in all subcontracts for the purchase of ship components or equipments from foreign sources a clause, acceptable to the Contracting Officer, granting to the United States Government for a period of seven (7) years, "Government Purpose Rights" (as defined in paragraph (a)(12) of the clause of this Contract entitled "RIGHTS IN TECHNICAL DATA--NONCOMMERCIAL ITEMS" (DFARS 252.227 7013) in all technical data necessary to manufacture spare and repair parts for such components or equipments.*

NAVSEA 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 "Contractor" 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>

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

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

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

(c) Each proposal in excess of \$100,000 submitted in support of a claim for equitable adjustment under any requirement of this Contract shall, in addition to the information required by paragraph (b) hereof, contain such information as Buyer and the Contracting Officer may require with respect to each individual claim item.

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

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

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

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

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

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

(b) Notice. The primary purpose of this requirement is to obtain prompt reporting of any conduct which Seller considers would constitute or would require a change to this Contract. The parties acknowledge that proper administration of this Contract requires that potential changes be identified and resolved as they arise. Buyer is under strict authorized work requirements in the Prime Contract. Therefore, except for changes identified as such in writing and signed by Buyer, Seller not authorized to proceed without an approved change order from Buyer’s Procurement Representative. Furthermore, Seller shall notify Buyer’s Procurement Representative of any conduct which Seller considers would constitute or would require a change to this Contract. Such notice shall be provided promptly and in any event within 30 calendar days from the date Seller identifies any such conduct. The notice shall be written and shall state, on the basis of the most accurate information available to Seller: (i) The date, nature, and circumstances of the conduct regarded as a change; (ii) The name, function, and activity of the individuals directly involved in or knowledgeable about such conduct; (iii) The identification of any documents and the substance of any oral communication involved in such conduct; (iv) The particular elements of performance for which Seller might seek an equitable adjustment under this requirement, including: (1) What Vessel(s) have been or might be affected by the potential change; (2) To the extent practicable, labor or materials or both which have been or might be added, deleted, or wasted by the potential change; (3) To the extent practicable, Seller’s preliminary order of magnitude estimate of cost and schedule effect of the potential change; and (4) What and in what manner are the particular technical requirements or Contract requirements regarded as changed.

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

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

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

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

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

(h) Despite good faith best efforts, occasions may arise in which Seller does not provide notice within the time periods

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

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

This modification reflects the agreement of the parties to the mutual full and final releases for the consequences of that conduct (as conduct is defined in the requirement entitled "NOTIFICATION OF CHANGES"), described below, except the conduct identified in Attachment A hereto is excluded and not covered by the terms of this release. 1. Except for the conduct listed in Attachment A by either party, neither Seller nor Buyer shall be entitled to any equitable adjustment or to money damages and/or other relief for any conduct, as specified below. 2. In consideration of the foregoing the parties hereby agree to the following release: (a) Buyer, for itself, its assigns, vendors, suppliers, and contractors, hereby remises, releases, and forever discharges Seller, its officers, agents and employees from any and all entitlement of Buyer to equitable adjustment of the Contract cost and fee and delivery schedule due to conduct under this Contract, which occurred on or before **TBD**. (b) Seller, for itself, its successors, assigns, vendors, suppliers, and subcontractors, hereby remises, releases and forever discharges Buyer, its officers, agents and employees from (i) any and all entitlement of Seller to equitable adjustment of the Contract cost and fee and/or delivery schedule of this Contract or of any other contract with Buyer (with this or any other contractor) or any contract between Seller and any third party by reason of any conduct which increases Seller's cost or time of performance of work under this Contract and meets the following conditions (1) known to Seller, (2) occurred on or before **TBD**, and (3) Seller failed to give notice prior to date of this release, and (ii) any and all liabilities to Seller for money damages and/or other relief for the impact of any such conduct, upon this Contract or any other contract with Buyer (with this or any other Seller) or any contract between Seller and any third party.

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

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

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

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

252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS (JUL 2009) *[Modified by Buyer]*

(a) Definitions. As used in this clause— (1) "**Alloy**" means a metal consisting of a mixture of a basic metallic element and one or more metallic, or non-metallic, alloying elements. (i) For alloys named by a single metallic element (e.g., titanium alloy), it means that the alloy contains 50 percent or more of the named metal (by mass). (ii) If two metals are specified in the name (e.g., nickel-iron alloy), those metals are the two predominant elements in the alloy, and together they constitute 50 percent or more of the alloy (by mass). (2) "**Assembly**" means an item forming a portion of a system or

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

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

(4) “**Commercially available off-the-shelf item**”— (i) Means any item of supply that is— (A) A commercial item (as defined in paragraph (1) of the definition of “commercial item” in section 2.101 of the Federal Acquisition Regulation); (B) Sold in substantial quantities in the commercial marketplace; and (C) Offered to the Government, under this contract or a subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and (ii) Does not include bulk cargo, as defined in section 3 of the Shipping Act of 1984 (46 U.S.C. App 1702), such as agricultural products and petroleum products.

(5) “**Component**” means any item supplied to the Government as part of an end item or of another component.

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

(7) “**End item**” means the final production product when assembled or completed and ready for delivery under a line item of this contract.

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

(9) “**Produce**” means the application of forces or processes to a specialty metal to create the desired physical properties through quenching or tempering of steel plate, gas atomization or sputtering of titanium, or final consolidation of non-melt derived titanium powder or titanium alloy powder.

(10) “**Qualifying country**” means any country listed in section 225.003(9) of the Defense Federal Acquisition Regulation Supplement (DFARS).

(11) “**Required form**” means in the form of mill product, such as bar, billet, wire, slab, plate, or sheet, and in the grade appropriate for the production of— (i) A finished end item to be delivered to the Government under this contract; or this contract.(ii) A finished component assembled into an end item to be delivered to the Government under (12) “**Specialty metal**” means (i) Steel—(A) With a maximum alloy content exceeding one or more of the following limits: manganese, 1.65 percent; silicon, 0.60 percent; or copper, 0.60 percent; or (B) Containing more than 0.25 percent of any of the following elements: aluminum, chromium, cobalt, molybdenum, nickel, niobium (columbium), titanium, tungsten, or vanadium; (ii) Metal alloys consisting of—(A) Nickel or iron-nickel alloys that contain a total of alloying metals other than nickel and iron in excess of 10 percent; or excess of 10 percent; (B) Cobalt alloys that contain a total of alloying metals other than cobalt and iron in (iii) Titanium and titanium alloys; or (iv) Zirconium and zirconium alloys.

(13) “**Steel**” means an iron alloy that includes between .02 and 2 percent carbon and may include other (14) “**Subsystem**” means a functional grouping of items that combine to perform a major function within an end item, such as electrical power, attitude control, and propulsion.

(b) Restriction. Except as provided in paragraph (c) of this clause, any specialty metals incorporated in items delivered under this contract shall be melted or produced in the United States, its outlying areas, or a qualifying country.

(c) Exceptions. The restriction in paragraph (b) of this clause does not apply to— (1) Electronic components.

(2)(i) Commercially available off-the-shelf (COTS) items, other than—(A) Specialty metal mill products, such as bar, billet, slab, wire, plate, or sheet, that have not been incorporated into COTS end items, subsystems, assemblies, or components; (B) Forgings or castings of specialty metals, unless the forgings or castings are incorporated into COTS end items, subsystems, or assemblies; (C) Commercially available high performance magnets that contain specialty metal, unless such high performance magnets are incorporated into COTS end items or subsystems; and (D) COTS fasteners, unless—or components; or (1) The fasteners are incorporated into COTS end items, subsystems, assemblies, of this clause.

(2) The fasteners qualify for the commercial item exception in paragraph (c)(3)(ii) A COTS item is considered to be “without modification” if it is not modified prior to contractual acceptance by the next higher tier in the supply chain.

(A) Specialty metals in a COTS item that was accepted without modification by the next higher tier are excepted from the restriction in paragraph (b) of this clause, and remain excepted, even if a piece of the COTS item subsequently is removed (e.g., the end is removed from a COTS screw or an extra hole is drilled in a COTS bracket).

(B) Specialty metals that were not contained in a COTS item upon acceptance, but are added to the COTS item after acceptance, are subject to the restriction in paragraph (b) of this clause (e.g., a special reinforced handle made of specialty metal is added to a COTS item).

(C) If two or more COTS items are combined in such a way that the resultant item is not a COTS item, only the specialty metals involved in joining the COTS items together are subject to the restriction in paragraph (b) of this clause (e.g., a COTS aircraft is outfitted with a COTS engine that is not the COTS engine normally provided with the aircraft).

(D) For COTS items that are normally sold in the commercial marketplace with various options, items that include such options are also COTS items. However, if a COTS item is offered to the Government with an option that is not normally offered in the commercial marketplace, that option is subject to the restriction in paragraph (b) of this clause (e.g. - An aircraft is normally sold to the public with an option for installation kits. The Department of Defense requests a military - unique kit. The aircraft is still a COTS item, but the military -unique kit is not a COTS item and must comply with the restriction in paragraph (b) of this clause unless another exception applies).

(3) Fasteners that are commercial items, if the manufacturer of the fasteners certifies it will purchase, during the relevant calendar year, an amount of domestically melted or produced specialty metal, in the required form, for use in the production of fasteners for sale to the Department of Defense and other customers, that is not less than 50 percent of the total amount of the specialty metal that it will purchase to carry out the production of such fasteners for all customers.

(4) Items manufactured in a qualifying country.

(5) Specialty metals for which the Government has determined in accordance with DFARS 225.7003-3 that specialty metal melted or produced in the United States, its outlying areas, or a qualifying country cannot be acquired as and when needed in—(i) A satisfactory quality; (ii) A sufficient quantity; and (iii) The required form.

(6) End items containing a minimal

amount of otherwise noncompliant specialty metals (i.e., specialty metals not melted or produced in the United States, an outlying area, or a qualifying country, that are not covered by one of the other exceptions in this paragraph (c)), if the total weight of such noncompliant metals does not exceed 2 percent of the total weight of all specialty metals in the end item, as estimated in good faith by Seller. This exception does not apply to high performance magnets containing specialty metals.

(d) Reserved.

(e) *Subcontracts. Seller shall insert the substance of this clause in subcontracts for items containing specialty metals, to the extent necessary to ensure compliance of the end products that Seller will deliver to the Government.*

FAR/DFARS CLAUSES INCORPORATED BY REFERENCE APPLICABLE TO ALL CLINS

APPLICABLE CLIN OR PART	FAR CLAUSE	TITLE	DATE
ALL	52.202-1	Definitions	JUL 2004
ALL	52.203-3	Gratuities	APR 1984
ALL	52.203-5	Covenant Against Contingent Fees	APR 1984
ALL	52.203-6	Restriction on Subcontractor Sales to the Government	SEP 2006
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.203-7	Anti-Kickback Procedures	JUL 1995 JUL 1995 OCT 2010
ALL	52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
ALL	52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	JAN 1997
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.203-12	Limitation on Payments to Influence Certain Federal Transactions	SEP 2007 SEP 2007 OCT 2010
PART 3 Item 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.203-13	Contractor Code of Business Ethics and Conduct	APR 2010 APR 2010
PART 3 Item 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.203-14	Display of Hotline Poster(s)	DEC 2007 DEC 2007
ALL	52.204-2	Security Requirements	AUG 1996
ALL	52.204-4	Printed or Copied Double-Sided on Recycle Paper	AUG 2000
PART 3 Item 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.204-10	Reporting Executive Compensation and First Tier Subcontract Awards	JUL 2010 JUL 2010
ALL	52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	SEP 2006
ALL	52.211-5	Material Requirements	AUG 2000
ALL	52.211-15	Defense Priority and Allocation Requirements	APR 2008
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 Item 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-2	Audit and Records—Negotiation	JUN 1999 MAR 2009 OCT 2010

ALL	52.215-8	Order of Precedence – Uniform Contract Format	OCT 1997
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-10	Price Reduction for Defective Cost or Pricing Data	OCT 1997 OCT 1997 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-11	Price Reduction for Defective Cost or Pricing Data – Modifications	OCT 1997 OCT 1997 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-12	Subcontractor Cost or Pricing Data	OCT 1997 OCT 1997 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-13	Subcontractor Cost or Pricing Data – Modifications	OCT 1997 OCT 1997 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-14	Integrity of Unit Prices	OCT 1997 OCT 1997 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-14 ALT I	Integrity of Unit Prices (ALT I)	OCT 1997 OCT 1997 OCT 1997
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.215-15	Pension Adjustments and Asset Reversions	OCT 2004 OCT 2004 OCT 2010
ALL	52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	JUL 2005
ALL	52.215-19	Notification of Ownership Changes	OCT 1997
ALL	52.215-21	Requirements for Certified Cost or Pricing Data and Data Other than Certified Cost or Pricing Data – Modifications and Alt II	OCT 2010 and ALT II OCT 1997

ALL	52.219-4	Notice of Price Evaluation Preference for HUB Zone Small Business Concerns	JUL 2005
ALL	52.219-8	Utilization of Small Business Concerns	MAY 2004
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.219-9	Small Business Subcontracting Plan	APR 2008 JUL 2010 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.219-9 ALT II	Small Business Subcontracting Plan ALT II	OCT 2001 OCT 2001 OCT 2001
ALL	52.222-1	Notice to the Government of Labor Disputes	FEB 1997
ALL	52.222-3	Convict Labor	JUN 2003
ALL	52.222-4	Contract Work Hours and Safety Standards Act – Overtime Compensation	JUL 2005
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.222-19	Child Labor – Cooperation with Authorities and Remedies	FEB 2008 JUL 2010 JUL 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.222-20	Walsh-Healey Public Contracts Act	DEC 1996 DEC 1996 OCT 2010
ALL	52.222-21	Prohibition of Segregated Facilities	FEB 1999
ALL	52.222-26	Equal Opportunity	MAR 2007
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2006 SEP 2006 SEP 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.222-36	Affirmative Action for Workers with Disabilities	JUN 1998 JUN 1998 OCT 2010

PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.222-37	Employment Report on Special Disabled Veterans, Veterans of the Vietnam Era, and other Eligible Veterans	SEP 2006 SEP 2006 SEP 2010
ALL	52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees	DEC 2004
ALL	52.222-99	Notification of Employee Rights Under the National Labor Relations Act	N/A
ALL	52.223-3	Hazardous Material Identification and Material Safety Data	JAN 1997
ALL	52.223-6	Drug-Free Workplace	MAY 2001
ALL	52.223-9	Estimate of Percentage of Recovered Material Content for EPA- Designated Items	MAY 2008
ALL	52.223-11	Ozone-Depleting Substances	MAY 2001
ALL	52.223-12	Refrigeration Equipment and Air Conditioners	MAY 1995
PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.223-14	Toxic Chemical Release Reporting	AUG 2003 AUG 2003
PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.223-18	Contractor Policy to Ban Text Messaging While Driving	SEP 2010
PART 3 0018	52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
ALL	52.227-1	Authorization and Consent	DEC 2007
ALL	52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	DEC 2007
PART 2 Items 0001, 0002, 0003, 0004, 0016	52.229-3	Federal, State and Local Taxes	APR 2003
ALL	52.227-9	Refund of Royalties	APR 1984
ALL	52.227-10	Filing of Patent Applications—Classified Subject Matter	DEC 2007
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.230-2	Cost Accounting Standards	APR 1998 OCT 2008 OCT 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.230-6	Administration of Cost Accounting Standards	MAR 2008 JUN 2010 JUN 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.232-16	Progress Payments	APR 2003 AUG 2010 AUG 2010

PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.232-17	Interest	JUN 1996 OCT 2008 OCT 2010
ALL	52.232-20	Limitation of Cost	APR 1984
ALL	52.232-22	Limitation of Funds	APR 1984
ALL	52.232-23	Assignment of Claims	JAN 1986
ALL	52.232-23 ALT I	Assignment of Claims ALT I	APR 1984
ALL	52.233-3	Protest After Award	AUG 1996
ALL	52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
ALL	52.234-1	Industrial Resources Developed Under Defense Production Act Title III	DEC 1994
ALL	52.242-1	Notice of Intent to Disallow Costs	APR 1984
ALL	52.242-3	Penalties for Unallowable Costs	MAR 2001
ALL	52.242-4	Certification of Final Indirect Costs	JAN 1997
ALL	52.242-13	Bankruptcy	JUL 1995
ALL	52.242-15	Stop-Work Order	AUG 1989
ALL	52.242-17	Government Delay of Work	APR 1984
ALL	52.243-1	Changes—Fixed Price	AUG 1987
ALL	52.243-6	Change Order Accounting	AUG 1984
ALL except for CLINS 005, 007 or 0009	52.243-7	Notification of Changes	APR 1984
ALL	52.244-5	Competition in Subcontracting	DEC 1996
ALL	52.244-6	Subcontracts for Commercial Items and Alt I	OCT 2010 and JUN 2010
ALL	52.245-1	Government Property and Alt I	AUG 2010 and AUG 2010
PART 3 0018	52.245-9	Use and Charges	AUG 2010
ALL	52.246-2 ALT I	Inspection of Supplies – Fixed Price ALT I	JUL 1985
ALL	52.246-4	Inspection of Services – Fixed Price	AUG 1996
ALL	52.246-16	Responsibility for Supplies	APR 1984
ALL	52.247-1	Commercial Bill of Lading Notations	FEB 2006
ALL	52.247-68	Report of Shipment (REPSHIP)	FEB 2006
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018 PART 4 005, 0006, 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015	52.248-1	Value Engineering	FEB 2000 FEB 2000 OCT 2010
ALL	52.249-2	Termination for Convenience of the Government (Fixed Price)	MAY 2004
ALL	52.249-8	Default (Fixed-Price Supply)	APR 1984
ALL	52.249-8 ALT II	Default (Fixed-Price Supply and Service) (FT) ALT II	APR 1984
ALL	52.251-1	Government Supply Sources	APR 1984
ALL	52.252-6	Authorized Deviations in Clauses	APR 1984
ALL	52.253-1	Computer Generated Forms	JAN 1991

APPLICABLE CLIN OR PART	DFARS CLAUSE	TITLE	DATE
PART 3 Item 0018	252.203-7000	Requirements Relating to Compensation of Former DoD Officials	JAN 2009
ALL	252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2004
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.203-7002	Display of DoD Hotline Poster	DEC 1991 JAN 2009
ALL	252.204-7000	Disclosure of Information	DEC 1991
ALL	252.204-7003	Control of Government Personnel Work Product	APR 1992
ALL	252.204-7005	Oral Attestation of Security Responsibilities	NOV 2001
PART 3 Item 0018	252.204-7008	Export-Controlled Items	APR 2010
ALL	252.205-7000	Provision of Information to Cooperative	DEC 1991
ALL	252.209-7004	Subcontracting with Firms that are Owned or Controlled by the Government of a Terrorist Country	DEC 2006
PART 2 Items 0001, 0002, 0003, 0004, 0016	252.211-7000	Acquisition Streamlining	DEC 1991
ALL	252.211-7003	Item Identification and Valuation	AUG 2008
ALL	252.211-7005	Substitutions for Military or Federal Specifications and Standards	NOV 2005
PART 3 0018	252.211-7007	Report of Government Furnished Equipment in the DoD Item Unique Identification (IUID) Registry	NOV 2008
ALL	252.215-7000	Pricing Adjustments	DEC 1991
ALL	252.215-7002	Cost Estimating System Requirements	DEC 2006
PART 3 0018	252.215-7004	Excessive Pass-Through Charges	MAY 2008
ALL	252.219-7003	Small Business Subcontracting Plan (DOD Contracts)	APR 2007
ALL	252.222-7999	Additional Requirements and Responsibilities Restricting the Use of Mandatory Arbitration Agreements	FEB 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.225-7001	Buy American Act and Balance of Payments Program	JUN 2005 JAN 2009
ALL	252.225-7002	Qualifying Country Sources as Subcontractors	APR 2003
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.225-7004	Report of Contract Performance Outside the United States and Canada—Submission after Award	MAY 2007 MAY 2007
PART 3 0018	252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	SEP 2006
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.225-7012	Preference for Certain Domestic Commodities	MAR 2008 JUN 2010
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.225-7013	Duty-Free Entry	OCT 2006 DEC 2009
ALL	252.225-7015	Restriction on Acquisition of Hand or Measuring Tools	JUN 2005
ALL	252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	MAR 2006
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.225-7019	Restriction on Acquisition of Anchor and Mooring Chain	JUN 2005 DEC 2009
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.225-7025	Restriction on Acquisition of Forgings	JUN 2006 DEC 2009
PART 3 0018	252.225-7031	Secondary Arab Boycott of Israel	JUN 2005

PART 3 0018	252.225-7033	Waiver of United Kingdom Levies	APR 2003
ALL	252.225-7038	Restriction on Acquisition of Air Circuit Breakers	JUN 2005
ALL	252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	SEP 2004
ALL	252.227-7013	Rights in Technical Data—Noncommercial Items	NOV 1995
ALL	252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	JUN 1995
ALL	252.227-7015	Technical Data—Commercial Items	NOV 1995
ALL	252.227-7016	Rights in Bid or Proposal Information	JUN 1995
ALL	252.227-7019	Validation of Asserted Restrictions—Computer Software	JUN 1995
ALL	252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	JUN 1995
ALL	252.227-7027	Deferred Ordering of Technical Data or Computer Software	APR 1988
ALL	252.227-7030	Technical Data – Withholding of Payment	MAR 2000
ALL	252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 1999
ALL	252.231-7000	Supplemental Cost Principles	DEC 1991
ALL	252.234-7002	Earned Value Management System	APR 2008
ALL	252.235-7003	Frequency Authorization	DEC 1991
ALL	252.239-7000	Protection Against Compromising Emanations	JUN 2004
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.242-7004	Material Management and Accounting System	NOV 2005 JUL 2009
ALL	252.243-7001	Pricing of Contract Modifications	DEC 1991
ALL	252.243-7002	Requests for Equitable Adjustment	MAR 1998
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.244-7000	Subcontracts for Commercial Items and Commercial Components	JAN 2007 AUG 2009
ALL	252.246-7001	Warranty of Data	DEC 1991
ALL	252.246-7001 ALT I	Warranty of Data (DEC 1991) – Alt I	DEC 1991
ALL	252.247-7023	Transportation of Supplies by Seas	MAY 2002
ALL	252.247-7024	Notification of Transportation of Supplies by Seas	MAR 2000
PART 2 Items 0001, 0002, 0003, 0004, 0016 PART 3 0018	252.249-7002	Notification of Anticipated Program Termination or Reduction	DEC 2006 DEC 2006

INSTRUCTIONS, CONDITIONS AND NOTICES TO BIDDERS (SECTION L) DOMESTIC SOURCE LIMITATION ON CERTAIN MARINE COMPONENTS

Seller's attention is directed to the provisions of subsection (a) of 10 U.S.C. 2534 regarding certain domestic source limitation items. The limitations apply to air circuit breakers, welded shipboard anchor and mooring chain with a diameter of 4 inches or less, and the following items to the extent they are unique to marine applications: gyrocompasses, electronic navigation charts systems, steering controls, pumps, propulsion and machinery control systems, and totally enclosed lifeboats. The provisions of 10 U.S.C. 2534 apply, unless waived in accordance with the terms of the statute. For example, currently there is a waiver for certain items produced in the United Kingdom. Notwithstanding any waiver under 10 U.S.C. 2534 with respect to welded anchor and mooring chain with a diameter of 4 inches or less, the anchor and mooring chain restrictions contained in the annual Department of Defense Appropriations Acts apply. (See DFARS 252.225-7019).