**NATIONAL STEEL AND SHIPBUILDING COMPANY**

SPECIAL TERMS AND CONDITIONS

**HPI PROGRAM**

**HSCG23-17-C-APB011**

Rev 1 June 6, 2017

**PRIME CONTRACT CLAUSES – HSCG23-17-C-APB011**

The following clauses are flowed down from Buyer’s Prime Contract with the Government. The defined terms in the MILGEN 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** –RFQ.

**Section B – Supplies or Services and Prices –**There are no flow-downs.

**Section C – Description and Specifications –**There are no flow-downs.

**Section D - Packaging and Marking** – There are no flow-downs.

**Section E - Inspection and Acceptance**

**52.246-4 INSPECTION OF SERVICES**  AUG 1996

**Section F - Deliveries or Performance**

**52.242-15 STOP-WORK ORDER**  AUG 1989

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

**Section H - Special Requirements** **–** There are no flow-downs.

**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 were 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 HSAR 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 HSAR clauses may be accessed electronically at the following internet websites:

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

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

**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 NOTE DATE**

**52.203-3 GRATUITIES** APR 1984   
*Note 3 applies in (c) and (d).*

**52.203-5 CONVENANT AGAINST CONTINGENT FEES** MAY 2014  
*Note 3 applies in (a).*

**52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT** SEPT 2006   
*Applies if the Contract value exceeds $150,000.*

**52.203-7 ANTI-KICKBACK PROCEDURES** MAY 2014  
*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.*

**52.203-8 CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER   
ACTIVITY** MAY 2014  
*Note 3 applies to (b) and (c).*

**52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY** MAY 2014   
*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.*

**52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS** OCT 2010   
*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.*

**52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT** OCT 2015   
*Applies if this Contract exceeds $5,500,000 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.*

**52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM** APR 2014  
**EMPLOYEES OF WHISTLEBLOWER RIGHTS**

**52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON POST CONSUMER FIBER CONTENT PAPER** MAY 2011  
*Note 3 applies to (b).*

**52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACTOR AWARDS** OCT 2015  
*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.*

**52.204-14 SERVICE CONTRACT REPORTING REQUIREMENTS** OCT 2016

**52.204-21 BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS** JUN 2016

**52.209-6 PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS   
DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT** OCT 2015  
*Applies if this Contract exceeds $35,000 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.*

**52.209-9 UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS** JUL 2013

**52.209-10 PROHIBITION OR CONTRACTING WITH INVERTED DOMESTIC CORPORATIONS** NOV 2015*Note 3 applies*

**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS -- COMMERCIAL ITEMS** NOV 2016

**52.217-5 EVALUATION OF OPTIONS**  JUL 1990

**52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS** NOV 2016  
*The plan should be provided to Buyer*.

**52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN** NOV 2016  
*Applies if value of Contract equals or exceeds $700,000 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.*

**52.219-9 ALT II SMALL BUSINESS SUBCONTRACTING PLAN** OCT 2015

**52.219-28 POST AWARD SMALL BUSINESS PROGRAM REREPRESENTATION** JUL 2013

**52.222-3 CONVICT LABOR** JUN 2003

**52.222-19 CHILD LABOR—COOPERATION WITH AUTHORITIES AND REMEDIES** OCT 2016  
*Note 2 applies for (c) and Note 2 for (d) when the Government exercises its rights and remedies against Buyer for Seller’s violations.*

**52.222-17 NONDISPLACEMENT OF QUALIFIED WORKERS** MAY 2014

**52.222-21 PROHIBITION OF SEGREGATED FACILITIES** APR 2015

**52.222-26 EQUAL OPPORTUNITY** SEP 2016  
*Applies to Contract with value of $10,000 or more. Note 7 applies to (c)(3) and (c)(5).*

**52.222-35 EQUAL OPPORTUNITY FOR VETERANS** OCT 2015  
*Applies to Contract with value of $150,000 or more*.

**52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES** JUL 2014  
*Applies if Contract value equals or exceeds $15,000.*

**52.222-37 EMPLOYMENT REPORTS ON VETERANS** FEB 2016  
*Applies if Contract value equals or exceeds $150,000.* *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.*

**52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT** DEC 2010

**52.222-41 SERVICE CONTRACT LABOR STANDARDS** MAY 2014

**52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES** MAY 2014

**52.222-44 FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT LABOR STANDARDS-PRICE ADJUSTMENT**  MAY 2014

**52.222-50 COMBATING TRAFFICKING IN PERSONS** MAR 2015  
*Note 5 applies except in (e) where Note 4 applies.*

**52.222-53 EXEMPTION FROM APPLICATION OF THE SERVICE CONTRACT LABOR STANDARDS TO CONTRACTS FOR CERTAIN SERVICES--REQUIREMENTS** MAY 2014

**52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION** OCT 2015  
*Applies if this Contract exceeds $3,500.*

**52.222-55 MINIMUM WAGES UNDER EXECUTIVE ORDER 13658** DEC 2015

**52.222-60 PAYCHECK TRANSPARENCY (EXECUTIVE ORDER 13673)** OCT 2016

**52.223-6 DRUG-FREE WORKPLACE** MAY 2001  
*Note 5 applies except Note 4 applies in (d).*

**52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING** AUG 201*.*

**52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES** JUN 2008

**52.225-26 CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS OUTSIDE THE UNITED STATES** OCT 2016

**52.226-6 PROMOTING EXCESS FOOD DONATION TO NONPROFIT ORGANIZATIONS** MAY 2014

**52.227-1 AUTHORIZATION AND CONSENT** DEC 2007  
*Government and Contracting Officer remain unchanged.*

**52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT** DEC 2007  
*Applies if Contract value exceeds $150,000; Note 5 applies to (a) and (b).*

**52.227-14 RIGHTS IN DATA – GENERAL**  MAY 2014

**52.229-3 FEDERAL, STATE, AND LOCAL TAXES** FEB 2013

**52.232-9 LIMITATION ON WITHHOLDING PAYMENTS** APR 1984

**52.232-23 ASSIGNMENT OF CLAIMS** MAY 2014  
*Note 2 applies for (c).*

**52.232-39 Unenforceability of Unauthorized Obligations** JUN 2013

**52.232-40 Providing AcceleraTED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS** DEC 2013  
*This clause applies equally to Buyer and Seller with respect to accelerated payments to Seller (if Seller is a small business)   
and its small business subcontractors.*

**52.233-3 PROTEST AFTER AWARD** AUG 1996  
*Note 2 applies except in (e) where Note 3 applies.*

**52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM** OCT 2004

**52.242-13 BANKRUPTCY** JUL 1995  
*Note 2 applies.*

**52.243-1-Alt I CHANGES- FIXED PRICE -ALTERNATE I** AUG 1997  
*Note 2 applies.*

**52.243-7 NOTIFICATION OF CHANGES** APR 1984

**52.245-1 GOVERNMENT PROPERTY**  APR 2012  
*Note 5 applies.*

**52.247-64 PREFERENCE FOR PRIVATELY-OWNED U.S. FLAG COMMERCIAL VESSELS** FEB 2006

**52.253-1 COMPUTER GENERATED FORMS** JAN 1991

**3052.219-70 SMALL BUSINESS SUBCONTRACTING PLAN REPORTING** JUN 2006