**NATIONAL STEEL AND SHIPBUILDING COMPANY**

SPECIAL TERMS AND CONDITIONS

**USS PAUL HAMILTON REPAIR PROGRAM**

**N00024-16-R-4400**

Rev 0 January 26, 2016

**PRIME CONTRACT CLAUSES – N00024-16-R-4400**

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**–The Contract is rated DO-A3.

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

**Section C – Description and Specifications**

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

1. 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 contract to list those third parties with which Buyer or Seller has agreement(s).
2. 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.
3. 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.
4. Seller agrees that it will promptly notify Buyer of any attempt by an individual, company, or Buyer or Government representative 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 individual, company, or Buyer or Government representative seeking access to such information.
5. 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.
6. Compliance with this requirement is a material requirement of this Contract.

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

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

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

No person not known to be a U.S. citizen shall be eligible for access to naval 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. If Seller desires to employ non-U.S. citizens in the performance of work under this Contract or agreement that requires access as specified in the preceding sentence, approval must be first obtained from the cognizant Contract Administration Office (CAO) through Buyer’s communication with the CAO.

**DEPARTMENT OF LABOR SAFETY AND HEALTH STANDARDS FOR SHIP REPAIR (NAVSEA) (APR 2015)** [*Modified by Buyer*] Attention of the Seller is directed to Public Law 91 596, approved December 29, 1970 (84 Stat. 1590, 29 USC 655), and to the Safety and Health Regulations for Ship Repairing (29 CFR 1915), promulgated under Public Law 85-742, amending Section 41 of the Longshoremen’s and Harbor Workers’ Compensation Act (33 USC 941), and adopted by the Department of Labor as occupational safety or health standards under Section 6(a) of the Occupational Safety and Health Act of 1970 (See 29 CFR 1910.15). These regulations apply to all ship repair and related work, as defined in the regulations performed under this Contract on the navigable waters of the United States including any dry dock and marine railway. Nothing contained in this Contract shall be construed as relieving the Seller from any obligations which is may have for compliance with the aforesaid regulations.

### EXCLUSION OF MERCURY (NAVSEA) (MAY 1998)

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

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

Seller shall extend to Buyer so that Buyer can extend to the Government the full coverage of any standard commercial warranty normally offered in a similar commercial sale, provided that such warranty is available at no additional cost. Seller shall provide a copy of the standard commercial warranty with the Contract Work. The standard commercial warranty period shall begin upon the final acceptance of the applicable Contract Work. Acceptance of the standard commercial warranty does not waive Buyer’s or the Government’s rights under the “Inspection” clause, nor does it limit Buyer’s or the Government’s rights with regard to other terms and conditions of the Contract. In the event of a conflict, the terms and conditions of the Contract shall take precedence over the standard commercial warranty.

**SPECIFICATIONS AND STANDARDS (NAVSEA) (AUG 1994)**

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

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

**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.

**SELLER SAFETY AND HEALTH REQUIREMENTS FOR ACCESS TO NAVSEA/PEO SITE (NAVSEA) (MAY 2012)** [*Modified by Buyer*]

1. Seller personnel shall comply with all badging and security procedures required to gain access to any NAVSEA/PEO site.
2. Seller is required to adhere to the requirements of 29 CFR 1910, 29 CFR 1926 and applicable state and local requirements while in NAVSEA/PEO government spaces.
3. Any of Seller’s personnel exhibiting unsafe behavior may be removed from the NAVSEA/PEO site. Such removal shall not relieve the Seller from meeting its obligations and shall not be an excusable delay as defined in FAR 52.249-14.

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

**Section E - Inspection and Acceptance** [*Modified by Buyer*]

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

|  |  |
| --- | --- |
| 52.211-11 | LIQUIDATED DAMAGES—SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT (SEP 2000) |
| 52.246-2 | INSPECTION OF SUPPLIES – FIXED PRICE (AUG1996) |
| 52.246-4 | INSPECTION OF SERVICES – FIXED PRICE (AUG 1996) |
| 52.246-5 | INSPECTION OF SERVICES – COST REIMBURSEMENT (APR 1984) |
| 52.246-16 | RESPONSIBILITY FOR SUPPLIES (APR 1984) |
| 252.217-7005 | INSPECTION AND MANNER OF DOING WORK (DEC 1991) |
| 252.217.7013 | GUARANTEES (DEC 1991) |

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

In case any work done or materials or supplies furnished by Seller under this Contract for any vessel, or the equipment thereof, shall within sixty (60) days of delivery of the vessel to the Government, or the date of final acceptance, whichever occurs first, prove defective or deficient, such defects or deficiencies shall, as required by the Government, be corrected or repaired by Seller to the satisfaction of the Government; provided, however, that with respect to any individual work item which is incomplete or deficient at the time of delivery or acceptance, Seller’s obligation under this requirement to correct or repair such deficiency shall extend sixty (60) days from the date of such correction or repair, whichever occurs first. Seller shall not be entitled any additional fee for this work.

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

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

**Section F - Deliveries or Performance**

**CLAUSES INCORPORATED BY REFERENCE**

|  |  |
| --- | --- |
| 52.211-17 | DELIVERY OF EXCESS QUANTITIES (SEP 1989) |
| 52.242-15 | STOP-WORK ORDER (AUG 1989) (Applicable only if Stop Work order initiated by the Government) |
| 52.242-17 | GOVERNMENT DELAY OF WORK (APR 1984) |

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

**Section H - Special Requirements**

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

1. It is the Government’s intention to ensure that, where it is determined that the Contract Work will be performed by the private sector, any growth or new work identified during the overhaul will be awarded to Buyer and its subcontractors including Seller only if a fair and reasonable price can be negotiated for such work. If a fair and reasonable price cannot be negotiated for the above actions, the Government may, at its election, pursue any or all of the following course of action: (1) defer the Contract Work to a repair period after completion of the instant Contract; (2) accomplish the Contract Work using Government employees during the original overhaul period. (Government employees may engage in and complete the assigned work while the ship is undergoing overhaul in the initial prime contractor’s facility pursuant to the “ACCESS TO VESSEL” clause (DFARS 252.217-7011)); and/or (3) conduct a separate, competitive procurement for growth or new work. Performance will be during the original overhaul period. Buyer and other Master Ship Repair Agreement (MSRA) holders may enter this competition. If other than Buyer is successful, the successful contractor may engage in and complete the work while the ship is undergoing overhaul in Buyer’s Facility pursuant to the “ACCESS TO VESSEL” clause.
2. Seller shall include in its proposed price the cost of supporting one or more third parties (including Government employees and/or other contractors’ workers) at the overhaul site in performance of growth and/or new work, should the Government elect to pursue such a course. Increased costs that may result from third party presence as described above, may include, but are not limited to: insurance; physical plant security; reasonable access for third party workers who must transit Seller’s facility or any other work site provided by the overhaul; and similar requirements. Third party presence will occur only if the prime ship repair contractor proposes other than a fair and reasonable price. Seller shall price anticipated added expenses associated with third party presence as a contingency into the fixed price offered for performance of the specified work package. Seller shall be guided in arriving at this contingency price based on a risk assessment relative to the probability of proposing fair and reasonable prices versus reaching a potential impasse with the Government which would precipitate third party presence.
3. This requirement does not preclude the Government from using Government employees to perform new or growth work at any time during the availability provided the use of Government employees is in the best interest of the Government.
   * 1. MANAGEMENT AND DISPOSAL OF HAZARDOUS WASTE (NOV 1996) [Modified by Buyer]

(a) GENERAL

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

(b) IDENTIFICATION OF HAZARDOUS WASTES. Standard Work Template 077-11-001 (to be provided by Buyer) identifies the types and amounts of hazardous wastes that are required to be removed by Seller pursuant to applicable law, or that are expected to be generated, during the performance of Contract Work under this Contract.

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

### 5252.227-9113 GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM (APR 2015) [Modified by Buyer]

(a) Seller shall participate in the appropriate interchange of the Government-Industry Data Exchange Program (“**GIDEP**”) in accordance with GIDEP PUBLICATION 1 dated April 2008. Data entered is retained by the program and provided to qualified participants. Compliance with this requirement shall not relieve Seller from complying with any other requirement of the Contract.

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

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

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

1. 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.
2. 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.
3. 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.
4. 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, it will execute a release, in form and substance satisfactory to Buyer and/or the Government’s Contracting Officer, as part of the supplemental agreement setting forth the aforesaid equitable adjustment, and that such release shall discharge Buyer and the Government, its officers, agents and employees, from any further claims including but not limited to further claims arising out of delays or disruptions or both, caused by the aforesaid change.

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

1. 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.
2. Pending execution of a bilateral agreement or the direction of Buyer’s Procurement Representative pursuant to the “CHANGES” clause, Seller shall proceed diligently with Contract performance without regard to the effect of any such proposed change.
3. In the event that a change proposed by Buyer’s Procurement Representative is not incorporated into the Contract, the work done by Seller in preparing the estimate in accordance with subparagraph (a) above shall be treated as if ordered by Buyer under the “CHANGES” clause. Seller shall be entitled to an equitable adjustment in the Contract cost and fee for the effort required under subparagraph (a), but Seller shall not be entitled to any adjustment in delivery date. Failure to agree to such equitable adjustment in the Contract cost and fee shall be a dispute within the meaning of the clause of this Contract entitled “DISPUTES” (FAR 52.233-1).

**Section I - Contract Clauses**

In interpreting the requirements of these clauses, “Contracting Officer” should be considered to be Buyer’s Procurement Representative and “Government” should be considered to be Buyer, unless the context indicates otherwise. Reasonable efforts have been used to convert the terminology used in the Government’s solicitation clauses to the terms used in NASSCO’s MILGEN terms; however, there may some instances where those conversions were not made for clauses 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 DFARS are hereby incorporated into this Contract by reference as if given in full text, subject to the following definitions, and subject to the particular limitations and modifications indicated. The full text of FAR and DFARS clauses may be accessed electronically at the following internet websites:

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

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

**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**

**52.202-1 DEFINITIONS** NOV 2013   
*No Note applies.*

**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. No Note applies.*

**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** APR 2010   
*Applies if this Contract exceeds $5,000,000 and the period of performance is more than 120 days.*

*Disclosures made under this clause shall be made directly to the Government entities identified in the clause.   
Clause does not apply to small businesses.*

**52.203-14 DISPLAY OF HOTLINE POSTERS** OCT 2015

**52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM** APR 2014  
**EMPLOYEES OF WHISTLEBLOWER RIGHTS**   
*No Note applies*.

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

**52.204-9 PERSONAL IDENTIFICATION VERIFICATION OF CONTRACTOR PERSONNEL** JAN 2011

**52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACTOR AWARDS** JUL 2013  
*Applies if Seller meets the first tier subcontract thresholds specified in the clause. Seller is to send information to Buyer   
so that Buyer and fulfill its reporting obligations under this clause. No Note applies.*

**52.209-6 PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS   
DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT** AUG 2013  
*Applies if this Contract exceeds $30,000 and is not a subcontract for commercially available off the shelf items.   
Seller is to provide notices to Buyer so that Buyer can fulfill its reporting obligations under this clause. Note 5 applies.*

**52.209-9 UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS** JUL 2013  
*No Note applies*.

**52.209-10 PROHIBITION OR CONTRACTING WITH INVERTED DOMESTIC CORPORATIONS** DEC 2014*Note 3 applies*

**52.211-5 MATERIAL REQUIREMENTS** AUG 2000   
*Note 2 applies to (d) and (e).*

**52.211-6 BRAND NAME OR EQUAL** AUG 1999

**52.211-15 DEFENSE PRIORITIES AND ALLOCATION REQUIREMENTS** APR 2008

**52.215-2 AUDIT AND RECORDS—NEGOTIATION** OCT 2010  
*Applicable if: (1) Seller is required to furnish cost or pricing data, or (2) the Contract requires Seller to furnish cost,   
funding or performance reports, or (3) this is an incentive or re-determinable type contract.*

**52.215-11 PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA- MODIFICATIONS** AUG 2011  
*Applies if submission of certified cost or pricing data is required. Note 4 applies.   
Rights and obligations under this clause shall survive completion of the work and final payment under this Contract.*

**52.215-13 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA - MODIFICATIONS** OCT 2010  
*Applies if this Contract exceeds $700,000 and is not otherwise exempt under FAR 15.403. No Note applies.*

**52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS** OCT 2010  
*Applies if this Contract meets the applicability requirements of FAR 15.408(g). Note 5 applies.*

**52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB)**  
**OTHER THAN PENSIONS** JUL 2005  
*Applies if this Contract meets the requirements of FAR 15.408(j). Note 5 applies.*

**52.215-19 NOTIFICATIONS OF OWNERSHIP CHANGES**  
*Applies if this Contract meets the requirements of FAR 15.408(K). Note 5 applies.* OCT 1997

**52.215-20 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND OTHER THAN CERTIFIED COST OR**

**PRICING DATA** OCT 2010  
*Note 5 applies.*

**52.215-21 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND OTHER THAN CERTIFIED COST OR   
PRICING DATA-MODIFICATIONS**  OCT 2010  
*Note 5 applies.*

**52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS** OCT 2014  
*The plan should be provided to Buyer*.

**52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN** OCT 2014

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

**52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES** FEB 1997

**52.222-3 CONVICT LABOR** JUN 2003  
*No Note applies.*

**52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT—OVERTIME COMPENSATION** MAY 2014  
*Applies if the Contract requires or involves employment of laborers or mechanics. Note 7 applies.*

**52.222-19 CHILD LABOR—COOPERATION WITH AUTHORITIES AND REMEDIES** JAN 2014  
*Note 2 applies for (c) and Note 2 for (d) when the Government exercises its rights and remedies against Buyer for Seller’s violations.*

**52.222-20 CONTRACTS FOR MATERIALS, SUPPLIES, ARTICLES, AND EQUIPMENT EXCEEDING $15,000** MAY 2014

**52.222-21 PROHIBITION OF SEGREGATED FACILITIES** APR 2015  
*No Note applies.*

**52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS** FEB 1999

**52.222-25 AFFIRMATIVE ACTION COMPLIANCE** APR 1984

**52.222-26 EQUAL OPPORTUNITY** APR 2015  
*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** JUL 2014  
*Applies to Contract with value of $100,000 or more*.

**52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES** JUL 2014

**52.222-37 EMPLOYMENT REPORTS ON VETERANS** JUL 2014  
*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.*

**52.222-38 COMPLIANCE WITH VETERANS’ EMPLOYMENT REPORTING REQUIREMENTS** SEP 2010

**52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT** DEC 2010  
*No Note applies*.

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

**52.222-54 EMPLOYMENT ELIGIBILITY VERIFICATION** AUG 2013  
*Applies if this Contract exceeds $3,000. No Note applies.*

**52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA** JAN 1997

**52.223-5 POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION** MAY 2011

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

**52.223-11 OZONE-DEPLETING SUBSTANCES** MAY 2001

**52.223-12 REFRIGERATION EQUIPMENT AND AIR CONDITIONERS** MAY 1995

**52.223-15 ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS** DEC 2007

**52.223-18 ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING** AUG 2011  
*No Note applies.*

**52.223-19 COMPLIANCE WITH ENVIRONMENTAL MANAGEMENT SYSTEMS** MAY 2011

**52.224-1 PRIVACY ACT NOTIFICATION** APR 1984

**52.224-2 PRIVACY ACT** APR 1984

**52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES** JUN 2008  
*No Note applies.*

**52.227-1 AUTHORIZATION AND CONSENT** DEC 2007  
*No Note applies. 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).*

**52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL)** JUN 1987

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

**52.232-39 Unenforceability of Unauthorized Obligations** JUN 2013  
*No Note applies*.

**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  
*No Note applies.*

**52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIMENT AND VEGETATION** APR 1984

**52.242-1 NOTICE OF INTENT TO DISALLOW COSTS** APR 1984

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

**52.243-1 CHANGES—FIXED PRICE** AUG 1987  
*Note 2 applies.*

**52.242-1 NOTICE OF INTENT TO DISALLOW COSTS** APR 1984

**52.243-6 CHANGE ORDER ACCOUNTING** APR 1984

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

**52.244-2 SUBCONTRACTS** OCT 2010  
*Note 5 applies. Buyer acts as the intermediary for the Government*.

**52.244-6 SUBCONTRACT FOR COMMERCIAL ITEMS** APR 2015  
*No Note applies.*

**52.248-1 VALUE ENGINEERING** OCT 2010

**52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)** APR 2012  
*Clause is applicable when Government terminates the Prime Contract.*

**52.249-6 TERMINATION (COST-REIMBURSEMENT)** MAY 2004  
*Clause is applicable when Government terminates the Prime Contract.*

**52.249-8 DEFAULT (FIXED PRICE SUPPLY AND SERVICE)** APR 1984

**52.251-1 GOVERNMENT SUPPLY SOURCES** APR 2012

**52.252-2 CLAUSES INCORPORATED BY REFERENCE** FEB 1998

**252.203-7000 REQUIREMENTS RELATING TO COMPENSATION OF FORMER DOD OFFICIALS** SEPT 2011  
*No Note applies*.

**252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE** DEC 2008  
**CONTRACT-RELATED FELONIES**   
*Applies if this Contract exceeds $150,000. Note 5 applies*.

**252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS** SEP 2013  
*No Note applies.*

**252.203-7003 AGENCY OFFICE OF THE INSPECTOR GENERAL** DEC 2012

**252.203-7004 DISPLAY OF HOTLINE POSTERS** JAN 2015

**252.204-7000 DISCLOSURE OF INFORMATION** AUG 2013

**252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT** APR 1992  
*No Note applies.*

**252.204-7008 COMPLIANCE WITH SAFEGUARDING COVERED DEFENSE INFORMATION CONTROLS** AUG 2015

**252.204-7009 LIMITATIONS ON THE USE OR DISCLOSURE OF THIRD-PARTY CONTRACTOR REPORTED**

**CYBER INCIDENT INFORMATION** AUG 2015

**252.204-7012 SAFEGUARDING OF UNCLASSIFIED CONTROLLED TECHNICAL INFORMATION** SEP 2015

**252.204-7012 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT (DEVIATION)**

*Note 7 applies*. OCT 2015

**252.204-7014 LIMITATIONS ON THE USE OR DISCLOSURE OF INFORMATION BY LITIGATION SUPPORT**

**CONTRACTORS** FEB 2014

**252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS** DEC 2014

**252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE   
GOVERNMENT OF A TERRORIST COUNTRY** DEC 2014  
*Note 5 applies for (b)*.

**252.209-7010 CRITICAL SAFETY ITEMS** AUG 2011

**252.211-7000 ACQUISTION STREAMLINING** OCT 2010

**252.211-7003 ITEM UNIQUE IDENTIFICATION AND VALUATION** DEC 2013

**252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS** NOV 2005

**252.211-7006 PASSIVE RADIO FREQUENCY IDENTIFICATION** SEP 2011

**252.211-7008 USE OF GOVERNMENT-ASSIGNED SERIAL NUMBERS** SEP 2010

**252.217-7003 CHANGES** DEC 1991

**252.217-7004 JOB ORDERS AND COMPENSATION** MAY 2006

**252.217-7006 TITLE** DEC 1991

**252.217-7007 PAYMENTS** DEC 1991

**252.217-7008 BONDS** DEC 1991

**252.217-7009 DEFAULT** DEC 1991

**252.217-7010 PERFORMANCE** JUL 2009

**252.217-7015 SAFETY AND HEALTH** DEC 1991

**252.217-7016 PLANT PROTECTION** DEC 1991

**252.217-7028 OVER AND ABOVE WORK** DEC 1991

**252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)** OCT 2014

**252.223-7001 HAZARD WARNING LABELS** DEC 1991

**252.223-7004 DRUG FREE WORK FORCE** SEP 1988  
*No Note applies*.

**252.223-7006 PROHIBITION ON STORAGE, TREATMENT AND DISPOSAL OF TOXIC OR HAZARDOUS MATERIALS** SEP 2014

**252.223-7008 PROHIBITION OF HEXAVALENT CHROMIUM** JUN 2013

**252.225-7001 BUY AMERICAN AND BALANCE OF PAYMENTS PROGRAM – BASIC** NOV 2014

**252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS** DEC 2012

**252.225-7004 REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND** OCT 2010  
**CANADA--SUBMISSION AFTER AWARD***Note 5 applies*.

*Seller must also notify Buyer in its proposal whether it intends to perform outside of the US and Canada per 252.225-7003 (OCT 2015)*

**252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING** OCT 2014  
**SPECIALTY METALS**  
*Applies if the Contract Work to be furnished contains specialty metals. Note 5 applies to (d)(i).*

**252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODOTIES** FEB 2013

**252.225-7013 DUTY-FREE ENTRY—BASIC** NOV 2014

**252.225-7015 RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS** JUN 2005

**252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS** JUN 2011

**252.225-7019 RESTRICTION ON ACQUISITION OF ANCHOR AND MOORING CHAIN** DEC 2009

**252.225-7021 TRADE AGREEMENTS—BASIC** OCT 2015

**252.225-7025 RESTRICTION ON ACQUISITION OF FORGINGS** DEC 2009

**252.224-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE** DEC 2006

**252.225-7031 SECONDARY ARAB BOYCOTT OF ISRAEL** JUN 2005

**252.225-7038 RESTRICTION ON ACQUISITION OF AIR CIRCUIT BREAKERS** JUN 2005

**252.225-7048 EXPORT-CONTROLLED ITEMS** JUN 2013  
*No Note applies*.

252.226-7001 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES,

AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS SEP 2004

252.227-7013 RIGHTS IN TECHNICAL DATA—NONCOMMERCIAL ITEMS FEB 2014  
Note 5 applies. The Government desires Government Purpose Rights (“GPR”) or better for Technical Data and  
Computer Software to be delivered under the Contract.

252.227-7015 TECHNICAL DATA—COMMERCIAL ITEMS FEB 2014  
No Note applies. The Government desires Government Purpose Rights (“GPR”) or better for Technical Data and   
Computer Software to be delivered under the Contract.

252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION JAN 2011  
No Note applies. The Government desires Government Purpose Rights (“GPR”) or better for Technical Data and   
Computer Software to be delivered under the Contract.

252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MAY 2013  
MARKED WITH RESTRICTIVE LEGENDS  
No Note applies. The Government desires Government Purpose Rights (“GPR”) or better for Technical Data and   
Computer Software to be delivered under the Contract.

252.227-7030 TECHNICAL DATA--WITHHOLDING OF PAYMENT MAR 2000  
Note 5 applies. The Government desires Government Purpose Rights (“GPR”) or better for Technical Data and   
Computer Software to be delivered under the Contract.

252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA JUN 2013  
Note 5 applies. The Government desires Government Purpose Rights (“GPR”) or better for Technical Data and   
Computer Software to be delivered under the Contract.

**252.231-7000 SUPPLEMENTAL COST PRINCIPLES** DEC 1991  
*No Note applies*.

**252.232-7010 LEVIES ON CONTRACT PAYMENTS** DEC 2006  
*Note 2 applies*.

**252.242-7006 ACCOUNTING SYSTEM ADMINISTRATION** FEB 2012

**252.243-7001 PRICING OF CONTRACT MODIFICATIONS** DEC 1991  
*Note 5 applies*.

**252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT** DEC 2012  
*Note 5 applies*.

**252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS** JUN 2013

**252.246-7003 NOTIFICATION OF POTENTIAL SAFETY ISSUES** JUN 2013

**252.247-7021 RETURNABLE CONTAINERS OTHER THAN CYLINDERS** MAY 1995

**252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA** APR 2014  
*Note 5 applies.*

**252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA** MAR 2000  
*Note 5 applies.*

**252.251-7000 ORDERING FROM GOVERNMENT SUPPLY SOURCES** AUG 2012