

**UNIVERSAL AVIONICS SYSTEMS CORPORATION TC001-SUPPLEMENT 1
 U.S. GOVERNMENT CONTRACT PROVISIONS FROM THE FEDERAL ACQUISITION REGULATION
 (FAR) REV 0 DATED 11 SEPTEMBER 2017**

1. When the materials or products furnished are for use in connection with a U.S. Government contract or subcontract, in addition to the General Provisions, the following provisions shall apply, as required by the terms of the prime contract or by operation of law or regulation, provided that the Goods and Services provided under this Subcontract are "commercial items" as defined in FAR 2.101, and accordingly (i) only those mandatory FAR and FAR Supplement clauses made expressly applicable to commercial item subcontracts by applicable FAR and FAR Supplement provisions (the "Applicable Mandatory Clauses") are hereby flowed-down to Seller and incorporated into this Subcontract; (ii) all other FAR and FAR Supplement clauses are inapplicable and shall have no effect; and (iii) the list set forth in this Form TC002 may only be changed upon the mutual agreement of both parties to this Subcontract. In the event of a conflict between these FAR provisions and the General Provisions, the FAR provisions shall control.

2. The following clauses set forth in the FAR in effect as of the date of the prime contract are incorporated herein by reference with the same force and effect as if they were given in full text. In all clauses listed herein, the terms "Government," "Contracting Officer," and "Contractor" shall be revised to suitably identify the contracting parties herein and affect the proper intent of the provision, except where further clarified or modified below. "Subcontractor," however, shall mean "Seller's Subcontractor" under this purchase order. Notwithstanding anything to the contrary in this Subcontract, the words "Government" and "Contracting Officer" (and similar words and derivatives) do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative, (2) when title to property is to be transferred directly to the Government, (3) in FAR 52.215-2, it being agreed that the Government (and expressly not Buyer) shall have the audit rights set forth therein; and (4) in FAR 52.227-1, 52.227-2, and DFARS 252.227-7013, 252.227-7014 and any other FAR and FAR supplement clauses relating to intellectual property, where Buyer's intellectual property rights are set forth in Form TC001 as agreed upon by the parties.

3. **Clauses in this document may not be applicable to specific orders due to the type of subcontract/purchase order to be issued, dollar thresholds under requirements of the FAR, DFARS or Public Law or Mandatory Flow Down requirements of a particular prime contract. Clauses not applicable for these reasons shall be either marked as "Reserved" (i.e., deemed removed from this document as not being applicable at this time) or otherwise considered by all parties to be without force and effect.**

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THE OFFEROR, BY SIGNING ITS OFFER AND ANY RESULTANT SUBCONTRACT OR PURCHASE ORDER, HEREBY CERTIFIES COMPLIANCE WITH THE FOLLOWING CLAUSES AND IS, THEREFORE, ELIGIBLE FOR AWARD.

A. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (over \$150,000)52.203-11

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6. DISPUTES – GOVERNMENT CONTRACTS

Any reference to the “Disputes Clause” in any applicable FAR Clause under paragraph 2 above shall mean this paragraph 7, *Disputes – Government Contracts*.

- A.** Any dispute arising under this purchase order relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance with paragraph B, below. All other disputes will be resolved under the Article entitled, “DISPUTES,” as found in section 24 of the General Terms and Conditions TC001.
- B.**
1. Notwithstanding any other provisions in this purchase order, any decision of the Contracting Officer under the prime contract, which binds Buyer, shall bind both Buyer and Seller to the extent that it relates to this purchase order—provided that:
 - i. The Buyer notifies with reasonable promptness the Seller of such decision;
 - ii. The Buyer, at its sole discretion, authorizes in writing the Seller to appeal in the name of the Buyer such decision at its own expense, or
 - iii. If Buyer should appeal such decision, Buyer, at its sole discretion, offers to the Seller the opportunity, at its own expense, to join Buyer in such appeal.
 2. Any decision upon such appeal, when final, shall be binding upon the Seller.
 3. The Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer.

4. The Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5, "Fraudulent Claims," of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.
 - C. Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this purchase order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this purchase order.
 - D. Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.
 - E. As used in this clause, the word "appeal" means an appeal taken under the contract Disputes Act of 1978, as amended.
8. **52.203-12 Limitation on Payments to Influence Certain Federal Transactions. (Applicable to all subcontracts over the Simplified Acquisition Threshold) (Oct 2010)**
- (a) Definitions. As used in this clause—
- "Agency" means "executive agency" as defined in Federal Acquisition Regulation (FAR) 2.101.
- "Covered Federal action" means any of the following actions:
- (1) Awarding any Federal contract.
 - (2) Making any Federal grant.
 - (3) Making any Federal loan.
 - (4) Entering into any cooperative agreement.
 - (5) Extending, continuing, renewing, amending, or modifying any Federal contract, grant, loan, or cooperative agreement.
- "Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) and include Alaskan Natives.
- "Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.
- "Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.
- "Officer or employee of an agency" includes the following individuals who are employed by an agency:
- (1) An individual who is appointed to a position in the Government under Title 5, United States Code, including a position under a temporary appointment.
 - (2) A member of the uniformed services, as defined in subsection 101(3), Title 37, United States Code.
 - (3) A special Government employee, as defined in section 202, Title 18, United States Code.
 - (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5, United States Code, appendix 2.
- "Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization eligible to receive Federal contracts, grants, cooperative agreements, or loans from an agency, but only with respect to expenditures by such tribe or organization that are made for purposes specified in paragraph (b) of this clause and are permitted by other Federal law.

“Reasonable compensation” means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

“Reasonable payment” means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

“Recipient” includes the Contractor and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization eligible to receive Federal contracts, grants, cooperative agreements, or loans from an agency, but only with respect to expenditures by such tribe or organization that are made for purposes specified in paragraph (b) of this clause and are permitted by other Federal law.

“Regularly employed” means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

“State” means a State of the United States, the District of Columbia, or an outlying area of the United States, an agency or instrumentality of a State, and multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition. 31 U.S.C. 1352 prohibits a recipient of a Federal contract, grant, loan, or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal actions. In accordance with 31 U.S.C. 1352 the Contractor shall not use appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the award of this contractor the extension, continuation, renewal, amendment, or modification of this contract.

(1) The term appropriated funds does not include profit or fee from a covered Federal action.

(2) To the extent the Contractor can demonstrate that the Contractor has sufficient monies, other than Federal appropriated funds, the Government will assume that these other monies were spent for any influencing activities that would be unallowable if paid for with Federal appropriated funds.

(c) Exceptions. The prohibition in paragraph (b) of this clause does not apply under the following conditions:

(1) Agency and legislative liaison by Contractor employees.

(i) Payment of reasonable compensation made to an officer or employee of the Contractor if the payment is for agency and legislative liaison activities not directly related to this contract. For purposes of this paragraph, providing any information specifically requested by an agency or Congress is permitted at any time.

(ii) Participating with an agency in discussions that are not related to a specific solicitation for any covered Federal action, but that concern—

(A) The qualities and characteristics (including individual demonstrations) of the person’s products or services, conditions or terms of sale, and service capabilities; or

(B) The application or adaptation of the person’s products or services for an agency’s use.

(iii) Providing prior to formal solicitation of any covered Federal action any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(iv) Participating in technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(v) Making capability presentations prior to formal solicitation of any covered Federal action by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507, and subsequent amendments.

(2) Professional and technical services.

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical

services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(iii) As used in paragraph (c)(2) of this clause, "professional and technical services" are limited to advice and analysis directly applying any professional or technical discipline (for examples, see FAR 3.803(a)(2)(iii)).

(iv) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.

(3) Only those communications and services expressly authorized by paragraphs (c)(1) and (2) of this clause are permitted.

(d) Disclosure.

(1) If the Contractor did not submit OMB Standard Form LLL, Disclosure of Lobbying Activities, with its offer, but registrants under the Lobbying Disclosure Act of 1995 have subsequently made a lobbying contact on behalf of the Contractor with respect to this contract, the Contractor shall complete and submit OMB Standard Form LLL to provide the name of the lobbying registrants, including the individuals performing the services.

(2) If the Contractor did submit OMB Standard Form LLL disclosure pursuant to paragraph (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, and a change occurs that affects Block 10 of the OMB Standard Form LLL (name and address of lobbying registrant or individuals performing services), the Contractor shall, at the end of the calendar quarter in which the change occurs, submit to the Contracting Officer within 30 days an updated disclosure using OMB Standard Form LLL.

(e) Penalties.

(1) Any person who makes an expenditure prohibited under paragraph (b) of this clause or who fails to file or amend the disclosure to be filed or amended by paragraph (d) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(2) Contractors may rely without liability on the representation made by their subcontractors in the certification and disclosure form.

(f) Cost allowability. Nothing in this clause makes allowable or reasonable any costs which would otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provision.

(g) Subcontracts.

(1) The Contractor shall obtain a declaration, including the certification and disclosure in paragraphs (c) and (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, from each person requesting or receiving a subcontract exceeding \$150,000 under this contract. The Contractor or subcontractor that awards the subcontract shall retain the declaration.

(2) A copy of each subcontractor disclosure form (but not certifications) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall, at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor, submit to the Contracting Officer within 30 days a copy of all disclosures. Each subcontractor certification shall be retained in the subcontract file of the awarding Contractor.

(3) The Contractor shall include the substance of this clause, including this paragraph (g), in any subcontract exceeding \$150,000.

UNIVERSAL AVIONICS SYSTEMS CORPORATION TC001 SUPPLEMENT 2
U.S. GOVERNMENT CONTRACT PROVISIONS FROM THE DEPARTMENT OF DEFENSE FEDERAL ACQUISITION
REGULATION SUPPLEMENT (DFARS) REVISION AND DATE AS IN TC001 SUPPLEMENT 1

1. When the materials or products furnished are for use in connection with a U. S. Government Department of Defense contract or subcontract, in addition to the General Provisions and the FAR provisions, the following provisions shall apply, as required by the terms of the prime contractor or by operation of law or regulation, provided that the Goods and Services provided under this Subcontract are "commercial items" as defined in FAR 2.101, and accordingly (i) only those mandatory FAR and FAR Supplement clauses made expressly applicable to commercial item subcontracts by applicable FAR and FAR Supplement provisions (the "Applicable Mandatory Clauses") are hereby flowed-down to Seller and incorporated into this Subcontract; (ii) all other FAR and FAR Supplement clauses are inapplicable and shall have no effect; and (iii) the list set forth in this Form TC002 may only be changed upon the mutual agreement of both parties to this Subcontract. In the event of a conflict between these DFARS provisions and the General Provisions or the FAR provisions, the DFARS provisions shall control.

2. The following clauses set forth in the DFARS, in effect as of the date of the prime contract, are incorporated herein by reference with the same force and effect as if they were given in full text. In all clauses listed herein, the terms "Government," "Contracting Officer," and "Contractor" shall be revised to suitably identify the contracting parties under this purchase order and affect the proper intent of the provision, except where further clarified or modified below. "Subcontractor;" however, shall mean "Seller's Subcontractor" under this purchase order. Notwithstanding anything to the contrary in this Subcontract, the words "Government" and "Contracting Officer" (and similar words and derivatives) do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative, (2) when title to property is to be transferred directly to the Government, (3) in FAR 52.215-2, it being agreed that the Government (and expressly not Buyer) shall have the audit rights set forth therein; and (4) in FAR 52.227-1, 52.227-2, and DFARS 252.227-7013, 252.227-7014 and any other FAR and FAR supplement clauses relating to intellectual property, where Buyer's intellectual property rights are set forth in Form TC001 as agreed upon by the parties. The Seller, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.

3. **Clauses in this document may not be applicable to specific orders due to the type of subcontract/purchase order to be issued, dollar thresholds under requirements of the FAR, DFARS or Public Law or Mandatory Flow Down requirements of a particular prime contract. Clauses not applicable for these reasons shall be either marked as "Reserved" (i.e., deemed removed from this document as not being applicable at this time) or otherwise considered by all parties to be without force and effect.**

A. Title of Clause	DFARS
1. Requirement to Inform Employees of Whistleblower Rights.....	252.203-7002
(a) The Contractor shall inform its employees in writing, in the predominant native language of the workforce, of contractor employee whistleblower rights and protections under 10 U.S.C. 2409, as described in subpart 203.9 of the Defense federal Acquisition Regulation Supplement. (b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts. (End of Clause)	
2. Disclosure of Information	252.204-7000
3. Alternate A, System For Award Management	252.204-7004
4. Alternate A, Annual Representations and Certifications	252.204-7007
5. Limitations on the USE and Disclosure of Third Party Contractor Reported Cyber Incident Information	252.204-7009
6. Limitations on the Use of Disclosure of Cyber Incident Reporting (for Operationally Critical Support or where Performance involves a covered contractor information system).....	252.204-7012
7. Limitations on the Use or Disclosure of Information by Litigation Support Solicitation Offerors.....	252.204-7013
8. Limitations on the Use or Disclosure of Information by Litigation Support Contractors.....	252.204-7014
9. Disclosure of Information to Litigation Support Contractors.....	252.204-7015
10. Intent to Furnish Precious Metals as Government-Furnished Material	252.208-7000
11. Disclosure of Ownership of Control by a Foreign Government	252.209-7002

12. Limitations on Contractors Acting as Lead System Integrators	252.209-7006
13. Prohibited Financial Interests for Lead System Integrators.....	252.209-7007
14. Item Unique Identification and Valuation	252.211-7003
15. Radio Frequency Identification	252.211-7006
16. Reporting of Government Furnished Equipment in DoD Item Unique Identification (IUID) Registry	252.211-7007
17. Removed and Reserved	252.212-7001
18. Pricing Adjustments	252.215-7000
19. Cost Estimating System Requirements	252.215-7002
20. Award Fee Reduction or Denial for Jeopardizing the Health and Safety of Gov't Personnel (Award Fee Only).....	252.216-7004
21. Restrictions on Employment of Personnel	252.222-7000
22. Hazard Warning Labels (Fill in State where this purchase order will be performed.)	252.223-7001
23. Safety Precautions for Ammunition and Explosives	252.223-7002
24. Change in Place of Performance - Ammunition and Explosives	252.223-7003
25. Drug-Free Work Force	252.223-7004
26. Prohibition on Storage and Disposal of Toxic and Hazardous Materials	252.223-7006
27. Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	252.223-7007
28. Prohibition of Hexavalent Chromium.....	252.223-7008
29. Buy American Act – Balance of Payments Program Certificate	252.225-7000
30. Buy American Act and Balance of Payments Program	252.225-7001
31. Buy American Act and Balance of Payments Program	252.225-7001
32. Qualifying Country Sources as Subcontractors	252.225-7002
33. Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	252.225-7007
34. Restriction on Acquisition of Specialty Metals	252.225-7008
35. Restriction on Acquisition of Certain Articles Containing Specialty Metals (excludes and reserves para (d) and (e)(1)	252.225-7009
36. Commercial Derivative Military Article – Specialty Metals Compliance Certificate	252.225-7010
37. Preference for Certain Domestic Commodities	252.225-7012
38. Duty Free Entry	252.225-7013
39. Restriction on Acquisition of Hand or Measuring Tools	252.225-7015
40. Restriction on Acquisition of Ball and Roller Bearings	252.225-7016
41. Restriction on Acquisition of Foreign Anchor and Mooring Chain	252.225-7019
42. Trade Agreements – Certificate	252.225-7020
43. Trade Agreements	252.225-7021
44. Trade Agreements Certificate – Inclusion of Iraqi End Products	252.225-7022
45. Restriction on the Acquisition of Forgings	252.225-7025
46. Restriction on Contingent Fees for Foreign Military Sales (blank is filled in “zero”)	252.225-7027
47. Exclusionary Policies and Procedures of Foreign Governments	252.225-7028
48. Restriction on Acquisition of Carbon Alloy and Armor Steel Plate	252.225-7030
49. Secondary Arab Boycott of Israel	252.225-7031
50. Buy American Act – Free Trade Agreements – Balance of Payments Program Certificate	252.225-7035
51. Buy American Act – Free Trade Agreements – Balance of Payments Program	252.225-7036
52. Defense Contractors Performing Private Security Functions Outside the United States.....	252.225-7039
53. Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States	252.225-7040
54. Antiterrorism / Force Protection Policy for Defense Contractors Outside the United States	252.225-7043
55. Balance of Payments Program – Construction Material.....	252.225-7044
56. Balance of Payments Program – Construction Material Under Trade Agreements	252-225-7045
57. Exports By Approved Community Members in Response to this Solicitation.....	252.225-7046
58. Export by Approved Community Members in Performance of the Contract.....	252.225-7047
59. Export Controlled Items.....	252-225-7048
60. Additional Access to Contractor and Subcontractor Records (Other than USCENTCOM) DEVIATION 2015-O0016 (Over \$50,000.00).....	252-225-7981
61. Prohibition on Providing Funds to the Enemy Deviation 2015-O0016 (Over \$50,000.00).....	252-225-7993
62. Additional Access to Contractor and Subcontractor Records in the United States Central Command theater of Operations (DEVIATION[2015-O0013]) For subcontracts with an estimated value over \$100,000.00).....	252.225-7994

63. Rights in Technical Data - Noncommercial Items	252.227-7013
64. Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	252.227-7014
65. Technical Data - Commercial Items	252.227-7015
66. Rights in Bid or Proposal Information.....	252.227-7016
67. Identification and Assertion of Use, Release, or Disclosure Restrictions	252.227-7017
68. Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program	252.227-7018
69. Validation of Asserted Restrictions - Computer Software	252.227-7019
70. Limitations on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	252.227-7025
71. Delivery of Technical Data or Computer Software	252.227-7026
72. Deferred Ordering of Technical Data or Computer Software	252.227-7027
73. Technical Data or Computer Software Previously Delivered to the Government	252.227-7028
74. Technical Data--Withholding of Payment	252.227-7030
75. Rights in Shop Drawings Reserved?.....	252.227-7033
76. Validation of Restrictive Markings on Technical Data	252.227-7037
77. Patent Rights-Ownership by the Contractor.....	252.227-7038
78. Patents – Reporting of Subject Inventions	252.227-7039
79. Ground and Flight Risk	252.228-7001
80. Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.228-7005
81. Reporting of Foreign Taxes – U.S. Assistance Programs	252.229-7011
82. Taxes – Foreign Contracts in Afghanistan.....	252.229-7014
83. Supplemental Cost Principles (First Tier Subcontractors Only)	252.231-7000
84. Frequency Authorization	252.235-7003
85. Protection of Human Rights.....	252.235-7004
86. Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers (for Construction Subcontracts) DELETED	252-236-7013
87. Training for Contract Personnel Interacting with Detainees	252.237-7019
88. Continuation of Essential Contractor Services.....	252.237-7023
89. Notice of Continuation of Essential Contractor Services	252-237-7024
90. Protection Against Compromising Emanations	252.239-7000
91. Information Assurance Contractor Training and Certification	252.239-7001
92. Cloud Computing Services.....	252.239-7010
93. Telecommunications Security Equipment, Devices, Techniques, and Services	252.239-7016
94. Notice of Supply Chain Risk.....	252.239-7017
95. Pricing of Contract Modifications	252-243-7001
96. Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	252.244-7000
97. Tagging, Labeling, and Marking Government Furnished Property.....	252.245-7001
98. Reporting Loss of Government Property.....	252.245-7002
99. Material Inspection and Receiving Report	252.246-7000
100. Notification of Potential Safety Issues.....	252.246-7003
101. Safety of Facilities, Infrastructure, and Equipment for Military Operations.....	252-246-7004
102. Counterfeit Electronic Part Detection and Avoidance System.....	252.246-7007
103. Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer	252.247-7003
104. Notification of Transportation of Supplies by Sea	252.247-7024

B. ORDERS OVER THE SIMPLIFIED ACQUISITION THRESHOLD ALSO INCLUDE THE FOLLOWING:

1. Prohibition on Persons Convicted of Fraud or Other Defense–Contract-Related Felonies.....	252.203-7001
2. Disclosure of Ownership or Control by the Government of a Terrorist County	252.209-7001
3. Subcontracting with Firms that are Owned or Controlled by the government of a Terrorist Country.....	252.209-7004
4. Additional Access to Contractor and Subcontractor Records in the United States Central Command theater of Operations.....	252.225-7994
5. Requests for Equitable Adjustment	252.243-7002
6. Contractor Purchasing System Administration.....	252.244-7001
7. Representation of Extent of Transportation by Sea	252.247-7022

- 8. Transportation of Supplies by Sea 252.247-7023
- 9. Notification of Transportation of Supplies by Sea.....252.247-7024

C. ORDERS OVER \$ 500,000 ALSO INCLUDE THE FOLLOWING:

- 1. Small Business Subcontracting Plan (DoD Contracts) - over \$650K..... 252.219-7003
- 2. Report of Intended Performance Outside the United States – Submission with Offer (\$650,000)..... 252-225-7003
- 3. Report of Intended Performance Outside the United States & Canada – Submission After Award (\$650,000) 252.225-7004
- 4. Removed and Reserved 252.225-7006
- 5. Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns 252.226-7001

D. ORDERS OVER \$1,000,000 ALSO INCLUDE THE FOLLOWING:

- 1. Agency Office of the Inspector General (\$5M).....252.203-7003
- 2. Display of Fraud Hotline Posters (Over \$5M).....252.203-7004
- 3. Acquisition Streamlining 252.211-7000
- 4. Restriction on the Use of Mandatory Arbitration Agreements 252.222-7006
- 5. Report of Intended Performance Outside the United States & Canada – Submission with Offer (over \$12.5 million) 252.225-7003
- 6. Waiver of United Kingdom Levies – Evaluation of Offers 252.225-7032
- 7. Waiver of United Kingdom Levies 252.225-7033

E. ORDERS FOR MAJOR DEFENSE ACQUISITION PROGRAMS INCLUDE THE FOLLOWING:

- 1. Notice of Prohibition Relating to Organizational Conflict of Interest – Major Defense Acquisition Program..... 252.209-7008
- 2. Organizational Conflict of Interest – Major Defense Acquisition Program 252.209-7009
- 3. Earned Value Management System (Orders over \$50M).....252.234-7002
- 4. Notice of Cost and Software Data reporting System (Orders over \$50M)252.234.7003
- 5. Cost and Software Date Reporting System (Orders over \$50M)..... 252.234-7004

CERTIFICATIONS the Offeror, by signing its offer, hereby certifies compliance with the following clauses and is, therefore eligible for Award.

- 1. Representation Regarding Combating Trafficking in Persons.....252.222-7007

The following clauses are incorporated in full text and will be flowed to suppliers at all tiers:

252.239-7018 Supply Chain Risk.

As prescribed in 239.7306(b), use the following clause: SUPPLY CHAIN RISK (NOV 2013)

(a) Definitions. As used in this clause—

“Information technology” (see 40 U.S.C 11101(6)) means, in lieu of the definition at FAR 2.1, any equipment, or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency.

(1) For purposes of this definition, equipment is used by an agency if the equipment is used by the agency directly or is used by a contractor under a contract with the agency that requires—

- (i) Its use; or
- (ii) To a significant extent, its use in the performance of a service or the furnishing of a product.

(2) The term “information technology” includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources.

(3) The term “information technology” does not include any equipment acquired by a contractor incidental to a contract.

“Supply chain risk,” means the risk that an adversary may sabotage, maliciously introduce unwanted function, or otherwise subvert the design, integrity, manufacturing, production, distribution, installation, operation, or maintenance of a national security system (as that term is defined at 44 U.S.C. 3542(b)) so as to surveil, deny, disrupt, or otherwise degrade the function, use, or operation of such system.

(b) The Contractor shall maintain controls in the provision of supplies and services to the Government to minimize supply chain risk.

(c) In order to manage supply chain risk, the Government may use the authorities provided by section 806 of Pub. L. 111-383. In exercising these authorities, the Government may consider information, public and non-public, including all-source intelligence, relating to a Contractor’s supply chain.

(d) If the Government exercises the authority provided in section 806 of Pub. L. 111-383 to limit disclosure of information, no action undertaken by the Government under such authority shall be subject to review in a bid protest before the Government Accountability Office or in any Federal court.

(e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts involving the development or delivery of any information technology, whether acquired as a service or as a supply.

(End of clause)

252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting.

As prescribed in 204.7303, use the following clause: SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING

(a) Definitions. As used in this clause—

Adequate security means protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information.

Attribution information means information that identifies the Contractor, whether directly or indirectly, by the grouping of information that can be traced back to the Contractor (e.g., program description or facility locations).

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

Contractor information system means an information system belonging to, or operated by or for, the Contractor.

Controlled technical information means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information is to be marked with one of the distribution statements B-through-F, in accordance with DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

Cyber incident means actions taken through the use of computer networks that result in an actual or potentially adverse effect on an information system and/or the information residing therein.

Exfiltration means any unauthorized release of data from within an information system. This includes copying the data through covert network channels or the copying of data to unauthorized media.

Media means physical devices or writing surfaces including, but is not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which information is recorded, stored, or printed within an information system.

Technical information means technical data or computer software, as those terms are defined in the clause at DFARS 252.227-7013, Rights in Technical Data-Non Commercial Items, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(b) Safeguarding requirements and procedures for unclassified controlled technical information. The Contractor shall provide adequate security to safeguard unclassified controlled technical information from compromise. To provide adequate security, the Contractor shall—
(1) Implement information systems security in its project, enterprise, or company-wide unclassified information technology system(s) that may have unclassified controlled technical information resident on or transiting through them. The information systems security program shall implement, at a minimum—

(i) The specified National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53 security controls identified in the following table; or

- (ii) If a NIST control is not implemented, the Contractor shall submit to the Contracting Officer a written explanation of how—
 A) The required security control identified in the following table is not applicable; or
 (B) An alternative control or protective measure is used to achieve equivalent protection.

(2) Apply other information systems security requirements when the Contractor reasonably determines that information systems security measures, in addition to those identified in paragraph (b)(1) of this clause, may be required to provide adequate security in a dynamic environment based on an assessed risk or vulnerability.

Table 1 -- Minimum Security Controls for Safeguarding

Minimum required security controls for unclassified controlled technical information requiring safeguarding in accordance with paragraph (d) of this clause. (A description of the security controls is in the NIST SP 800-53, "Security and Privacy Controls for Federal Information Systems and Organizations" (<http://csrc.nist.gov/publications/PubsSPs.html>.)

<u>Access Control</u>	<u>Audit & Accountability</u>	<u>Identification and Authentication</u>	<u>Media Protection</u>	<u>System & Comm Protection</u>
AC-2	AU-2	IA-2	MP-4	SC-2
AC-3(4)	AU-3	IA-4	MP-6	SC-4
AC-4	AU-6(1)	IA-5(1)		SC-7
AC-6	AU-7		<u>Physical and Environmental Protection</u>	SC-8(1)
AC-7	AU-8	<u>Incident Response</u>	PE-2	SC-13
AC-11(1)	AU-9	IR-2	PE-3	
AC-17(2)		IR-4	PE-5	SC-15
AC-18(1)	<u>Configuration Management</u>	IR-5		SC-28
AC-19	CM-2	IR-6	<u>Program Management</u>	
AC-20(1)	CM-6		PM-10	<u>System & Information Integrity</u>
AC-20(2)	CM-7	<u>Maintenance</u>		SI-2
AC-22	CM-8	MA-4(6)	<u>Risk Assessment</u>	SI-3
		MA-5	RA-5	SI-4
		MA-6		
<u>Awareness & Training</u>	<u>Contingency Planning</u>			
AT-2	CP-9			

Legend:

AC: Access Control

MA: Maintenance

AT: Awareness and Training

MP: Media Protection

AU: Auditing and Accountability

PE: Physical & Environmental Protection

CM: Configuration Management

PM: Program Management

CP: Contingency Planning

RA: Risk Assessment

IA: Identification and Authentication

SC: System & Communications Protection

IR: Incident Response SI: System & Information Integrity

(c) Other requirements. This clause does not relieve the Contractor of the requirements specified by applicable statutes or other Federal and DoD safeguarding requirements for Controlled Unclassified Information (CUI) as established by Executive Order 13556, as well as regulations and guidance established pursuant thereto.

(d) Cyber incident and compromise reporting.

(1) Reporting requirement. The Contractor shall report as much of the following information as can be obtained to the Department of Defense via (<http://dibnet.dod.mil/>) within 72 hours of discovery of any cyber incident, as described in paragraph (d)(2) of this clause, that affects unclassified controlled technical information resident on or transiting through the Contractor's unclassified information systems:

- (i) Data Universal Numbering System (DUNS).
- (ii) Contract numbers affected unless all contracts by the company are affected.
- (iii) Facility CAGE code if the location of the event is different than the prime Contractor location.
- (iv) Point of contact if different than the POC recorded in the System for Award Management (address, position, telephone, email).
- (v) Contracting Officer point of contact (address, position, telephone, email).
- (vi) Contract clearance level.
- (vii) Name of subcontractor and CAGE code if this was an incident on a Sub-contractor network.
- (viii) DoD programs, platforms or systems involved.
- (ix) Location(s) of compromise.
- (x) Date incident discovered.
- (xi) Type of compromise (e.g., unauthorized access, inadvertent release, other).
- (xii) Description of technical information compromised.
- (xiii) Any additional information relevant to the information compromise.

(2) Reportable cyber incidents. Reportable cyber incidents include the following:

- (i) A cyber incident involving possible exfiltration, manipulation, or other loss or compromise of any unclassified controlled technical information resident on or transiting through Contractor's, or its subcontractors', unclassified information systems.
- (ii) Any other activities not included in paragraph (d)(2)(i) of this clause that allow unauthorized access to the Contractor's unclassified information system on which unclassified controlled technical information is resident on or transiting.

(3) Other reporting requirements. This reporting in no way abrogates the Contractor's responsibility for additional safeguarding and cyber incident reporting requirements pertaining to its unclassified information systems under other clauses that may apply to its contract, or as a result of other U.S. Government legislative and regulatory requirements that may apply (e.g., as cited in paragraph (c) of this clause).

(4) Contractor actions to support DoD damage assessment. In response to the reported cyber incident, the Contractor shall—

- (i) Conduct further review of its unclassified network for evidence of compromise resulting from a cyber incident to include, but is not limited to, identifying compromised computers, servers, specific data and users accounts. This includes analyzing information systems that were part of the compromise, as well as other information systems on the network that were accessed as a result of the compromise;
- (ii) Review the data accessed during the cyber incident to identify specific unclassified controlled technical information associated with DoD programs, systems or contracts, including military programs, systems and technology; and
- (iii) Preserve and protect images of known affected information systems and all relevant monitoring/packet capture data for at least 90 days from the cyber incident to allow DoD to request information or decline interest.

(5) DoD damage assessment activities. If DoD elects to conduct a damage assessment, the Contracting Officer will request that the Contractor point of contact identified in the incident report at (d)(1) of this clause provide all of the damage assessment information gathered in accordance with paragraph (d)(4) of this clause. The Contractor shall comply with damage assessment information requests. The requirement to share files and images exists unless there are legal restrictions that limit a company's ability to share digital media. The Contractor shall inform the Contracting Officer of the source, nature, and prescription of such limitations and the authority responsible.

(e) Protection of reported information. Except to the extent that such information is lawfully publicly available without restrictions, the Government will protect information reported or otherwise provided to DoD under this clause in accordance with applicable statutes, regulations, and policies. The Contractor shall identify and mark attribution information reported or otherwise provided to the DoD. The Government may use information, including attribution information and disclose it only to authorized persons for purposes and activities consistent with this clause.

(f) Nothing in this clause limits the Government's ability to conduct law enforcement or counterintelligence activities, or other lawful activities in the interest of homeland security and national security. The results of the activities described in this clause

may be used to support an investigation and prosecution of any person or entity, including those attempting to infiltrate or compromise information on a contractor information system in violation of any statute.

(g) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (g), in all subcontracts, including subcontracts for commercial items.

(End of clause)