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|  <p>UNIVERSAL AVIONICS SYSTEMS CORPORATION</p> <p>PROPRIETARY NOTICE</p> <p>This document is not to be distributed or copied in part or in whole without written permission from Universal Avionics Systems Corporation.</p> | <p>STANDARD OPERATING PROCEDURE</p> <p>PURCHASE ORDER TERMS AND CONDITIONS</p> <p>SOP-MMD-08.11 REV 02</p> | <p>APPROVALS AUTHOR/PROCESS OWNER</p> <p>BILL MOSSBURG</p> |
| | | <p>DIVISION/DEPARTMENT MANAGER</p> <p>STEVE PAGNUCCO</p> |
| | | <p>QUALITY REPRESENTATIVE</p> <p>JON HEMBURY</p> |

1. PURPOSE AND SCOPE

The purpose of this procedure is to establish the Terms and Conditions for purchase orders issued by Universal Avionics Systems Corporation Manufacturing Division.

This procedure describes the terms and conditions between Universal Avionics Systems Corporation and the vendors who are issued purchase orders

2. RESPONSIBILITY

- It shall be the responsibility of Purchasing Personnel to understand and apply the terms and conditions set forth in this document.

3. DEFINITIONS

- UASC-MFG Universal Avionics Systems Corp., Tucson AZ Manufacturing Division.
- P.O. Purchase Order.

4. PROCEDURE

4.1. Applicable Terms and Definitions

These terms and conditions are an integral part of this order. As used herein below, the following terms have the indicated meanings:

- “Seller” shall mean the recipient of the Purchase Order
- “Buyer” shall mean Universal Avionics Systems Corporation
- “Order” shall mean the Universal Avionics Systems Corporation Purchase Order Number
- "FAA" shall mean the Federal Aviation Administration

4.2. Packing and Shipping

- All material shall be suitably packed, marked and shipped as designated by Buyer in accordance with the requirements of common carriers in a manner to secure lowest transportation cost, and no additional charge shall be made to Buyer therefore unless otherwise stated herein.
- F.O.B. point and cash discount terms must be shown on all invoices.
- Transportation must be prepaid on all shipments to which delivered price applies.
- Charges for prepaid transportation must be substantiated by attaching the original transportation bill to the invoice, receipted by the carrier.
- This order may not be filled at prices higher than those last charged or quoted for the same material without notification and acceptance by Buyer of the advanced prices.
- No charges for packing, packaging, or drayage will be accepted except by express agreement to such charges.

- g) Drafts against Buyer will not be honored, nor C.O.D. shipments accepted, except by express agreement to that effect.
- h) Shipments for which Buyer is responsible for transportation charges must be properly described on the bill of lading to obtain the lowest applicable charge. The lowest valuation available must be declared when the carrier offers released valuation rates.

4.3. Contract

This order becomes a binding contract on the terms set forth herein when accepted by Seller by (1) giving Buyer a formal written acknowledgement hereof, or (2) the commencement by Seller of any of the work called for by this order, and Seller shall give notice of acceptance with a reasonable time after commencement of work. Acceptance of this offer is expressly limited to the terms of this order and any additional terms contained in Seller's acknowledgement of the order, and any alterations in this order, shall have no force or effect and that Seller by such acceptance thereby agrees that any such provisions therein or any such alterations in this order shall not constitute any part of the contract resulting from Seller's acceptance of this order. This order is non-assignable by Seller. If any term or provision of this order or the application thereof shall, to any extent, be invalid or unenforceable, the remainder of this order, or the application of such term or provision to persons or circumstances other than those as to which is held invalid or unenforceable, shall not be affected thereby and each term and provision of this order shall be valid and be enforced to the fullest extent permitted by law.

4.4. Delivery Schedules

Time is of the essence on this order and deliveries are to be made in quantities and at times specified in schedules furnished by Buyer. Buyer will have no liability for payment for material or items delivered to Buyer which are in excess of quantities specified in the delivery schedules. Buyer may from time to time change deliver schedules or direct temporary suspension of scheduled shipments. Acceptance by Buyer of late delivery of either the whole or part of the order shall not constitute a waiver of any claim for damages which Buyer may have arising from and out of such late delivery. Goods shipped to Buyer in advance of delivery schedule, without express written consent of Buyer, may be returned to Seller at Seller's expense.

4.5. Excusable Delays

Strikes, fires, accidents or other causes beyond the reasonable control of Buyer which affect its ability to receive and use the material ordered hereunder shall constitute valid grounds for suspension of shipment under this order upon notification to Seller by facsimile or letter, and any such suspension of shipment shall be without penalty or cost to Buyer. Except for delays of Seller's subcontractors, Sellers shall not be liable for damages to Buyer or its customers for delays or defaults in deliveries due to unforeseeable contingencies beyond Seller's control and without Seller's fault or negligence. Seller's delays or defaults in deliveries shall be grounds for cancellation of this order regardless of the cause thereof. Seller shall within five (5) days of the occurrence thereof notify Buyer in writing of the occurrence of any cause which will give rise to a delay in delivery. Failure to give such notice shall render Seller liable for all damages, including incidental and consequential damages to Buyer and its customer occasioned by delay in the delivery of the material covered by this order.

4.6. Warranty

Seller expressly warrants that all the material and work covered by this order will conform to the specifications, drawings, samples, or other description furnished or specified by the Buyer, and

will be merchantable of good material and workmanship and free from defects. Seller expressly warrants that all material covered by this order which is the product of Seller, or is in accordance with Seller's specifications, will be fit and sufficient for the purposes intended, will be free from defects in design, and will be merchantable.

4.7. Extension of Warranty

Any right, cause of action or remedy under the terms and conditions hereof, including Warranty and Patent Indemnity, assumed by or imposed upon Seller, shall extend without exception to any company (1) affiliated with Buyer, or (2) upon whose behalf this order is issued by Buyer, and shall also extend to the customers of Buyer.

4.8. Quality Control

By accepting this Order, Seller agrees that they will establish and maintain a quality system as defined in UASC document SOP-QA-08.13, Supplier Quality Requirements.

4.9. Changes

Buyer reserves the right at any time to make changes in 1) drawings and specifications, 2) methods of shipment and packaging, 3) schedules, 4) quantities, 5) the place of delivery, as to any material or work covered by this order. Any difference in price or time of performance resulting from such changes shall be equitably adjusted and the contract shall be modified in writing accordingly, but any claim by Seller for any adjustment must be made within thirty (30) days of the receipt of such changes.

4.10. Remedies

The remedies herein reserved shall be cumulative, and additional to any other or further remedies provided in law or equity. No waiver of a breach of any provision of this contract shall constitute a waiver of any other breach, or of such provision.

4.11. Patent Indemnity

By accepting this Order, Seller guarantees that the material hereby ordered and the sale or use of it will not infringe any United States or foreign Letters of Patent, and Seller agrees to indemnify, defend, protect and save harmless Buyer, its successors, assigns, customers, and users of its products, from all damages, costs, and expenses, including attorney's fees, arising from a claim for actual or alleged infringement of any Patent by reason of the manufacturing, use of sale of the material hereby ordered, and Seller agrees at its own expense to undertake the defense of any suit against Buyer brought upon such claim or claims.

4.12. Indemnification, Insurance

In the event Seller, its employees, agents or subcontractors enter premises occupied by or under the control of Buyer or its customers in the performance of this order, Seller will indemnify and hold harmless Buyers, its customers and their officers and employees from any loss, cost, damage, expense or liability by reason of property damage or personal injury of whatsoever nature or kind, occasioned in whole or in part by the actions or omissions of Seller, its employees agents, or subcontractors, and Seller agrees that it and its subcontractors will maintain public liability and property damage insurance in reasonable amounts covering the obligations set forth above and will maintain proper workmen's compensation insurance covering all employees performing this order. Seller shall provide written evidence of such insurance upon request of

Buyer. While on the premises of Buyer, Seller and its employees shall comply with all statutory and governmental safety and health regulations, and with the safety, health and plant, regulations of Buyer.

4.13. Advertising

Seller shall not, without first obtaining the written consent of Buyer, in any manner, advertise or publish the fact that Seller has contracted to furnish Buyer the material herein ordered, and for failure to observe this provision, Buyer shall have the right to terminate the contract resulting from the acceptance of this order without any obligation to accept deliveries after the date of termination or make further payments except for completed material delivered prior to termination.

4.14. Insolvency

This contract may be terminated by Buyer by giving written notice to Seller, in the event Buyer has a reasonable basis for concluding that Seller's financial condition is such that Seller is at or near insolvency, and Seller, within ten (10) days after receipt of such notice, does not provide acceptable information upon which it is reasonable to conclude that Seller is not at or near insolvency and will be able to perform its obligations under this contract.

4.15. Compliance with Laws

Seller guarantees that all equipment, work and other items supplied by Seller pursuant to this order will comply with all applicable federal, state, and local laws, ordinances and regulation. Unless otherwise expressly set forth herein, the laws of the state from which this order issues as shown by the address of Buyer shall apply to and govern the interpretation, performance and enforcement of this order. Seller further guarantees that all equipment furnished by Seller in performance of this order will comply fully with the Occupational Safety and Health Act of 1970 (84 U.S. Stat. 1950), as amended, and state plans approved under such Act, and the regulations hereunder, to the extent applicable to such equipment, and Seller shall indemnify Buyer and its customer, if any, from and against any and all claims, loss, or liability arising from failure of such equipment to comply therewith. Seller agrees, in connection with the production of the material specified herein and services performed hereunder, to comply therewith. Seller agrees, in connection with the production of the material specified herein and services performed hereunder, to comply with all applicable local, state, and federal laws, regulations, rulings and executive orders issued pursuant thereto, and agrees to indemnify Buyer against any loss, cost, liability, or damage by reason of Seller's violation of this paragraph. Without limiting the generality of the foregoing, Seller agrees to comply with the applicable provisions of the following laws and any regulations, ruling or executive orders hereunder (or any amendments thereof, successors thereto, or other similar laws and regulations); any and all of which provisions are incorporated herein by reference. Applicable laws, regulations, ruling and executing orders include, but are not limited to the following:

- a) The Wage Hour Act (40 U.S.C. 324-326).
- b) The Fair Labor Standards Act (29 U.S.C. 209-219).
- c) The Federal Occupational Safety and Health Act (Pub. L. 91-596).
- d) The provisions of Section 202 of Executive Order 11246 and rules and regulations issued pursuant to Section 201 therein are hereby incorporated by reference and the Seller represents, by acceptance of this purchase order, that Seller will comply with such Executive Order and rules and regulations and amendments thereto, to the extent the

same are applicable to the manufacture and/or sale of goods purchased hereunder; or the contracting and/or subcontracting of services or work hereunder.

- e) The Vietnam Era Veterans Readjustment Assistance Act of 1974 (Pub. L. 93-508, as it amends 38 U.S.C. 2012).
- f) The Rehabilitation Act of 1973 (Pub. L. 93-112 as amended by Pub. L.93-516).
- g) The Walsh-Healy Public Contracts Act as amended (41 U.S.C. 35-45).

4.16. Independent Contractor

Seller agrees that the relationship established by this order constitutes him an independent contractor, and that no tax, assessment or legal liability of Seller, or of Seller's agents or employees, becomes, by reason of this order, an obligation to the Buyer.

4.17. Buyer's Design and Property

Seller shall keep confidential the features of any equipment, tools, gauges, patterns, designs, drawings, engineered data or other technical or proprietary information furnished by Buyer and will use such items only in the production of material covered by this order or other orders from Buyer. In no event shall Seller use data designs, or information supplied by or on behalf of Buyer for manufacture of Buyer's products or cause others to do so without the express written consent of Buyer. Upon completion or termination of this order, Seller shall return all such items and copies thereof made by Seller to Buyer or make such other disposition thereof as may be directed or approved by Buyer. Any material furnished by Buyer on other than a charge basis in connection with this order shall be deemed to be held by Seller on consignment. Seller agrees to pay for any such material damaged, destroyed or not satisfactorily accounted for. Buyer will specify acceptable scrap allowances, of any, and any amount in excess of this will be paid for Seller at Buyer's cost. All tools, gauges, patterns, dies, and other equipment furnished to Seller by Buyer shall remain the property of Buyer. Such property shall be plainly identified by Seller as "Property of Universal Avionics Systems Corporation" and shall be safely stored and not used except in filling Buyer's orders. Such property, while in Seller's possession, shall be maintained in good condition at Seller's expense and shall be kept insured at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer. Buyer's property may be removed at any time.

4.18. Patent Rights

Where payment is made for experimental, developmental or research work to be performed or actually performed under this order, Seller agrees promptly to disclose to Buyer and, on request, to assign to Buyer without additional compensation full and complete title to each improvement and invention conceived or reduced to practice hereunder, free and clear of any encumbrances or restrictions, and for this purpose Seller will procure the execution of all documents necessary to vest full title to such improvements and inventions in Buyer and, where Buyer decides to file foreign or domestic patent applications on such inventions, Seller will procure the execution of all oaths, declarations and other documents necessary or required to file such patent applications and vest full title therein in Buyer.

4.19. Termination Clause

- a) Buyer may terminate work under this order in whole or in part at any time by written or facsimile notice to Seller. Such notice shall state the extent and effective date of such termination, and upon receipt thereof Seller will, as and to the extent directed by Buyer, stop work under this order and the placement of further orders or subcontracts hereunder,

terminate work under orders and subcontracts outstanding hereunder, and take any necessary action to protect property in Seller's possession in which Buyer has or may acquire an interest.

- b) If the parties cannot by negotiation agree within a reasonable time upon the amount of fair compensation to Seller for such termination, Buyer, in addition to making prompt payment of amounts due for material delivered or services rendered prior to the effective date of termination, will pay to Seller the following amounts without duplication:
- 1) The contract price for all material or services which have been completed in accordance with this order and not previously paid for.
 - 2) The documented actual costs incurred by Seller which are properly allocable or apportionable under recognized commercial accounting practices to the terminated portion of this order, including the cost of discharging liabilities which are so allocable and apportionable.
 - 3) The reasonable costs of Seller in making settlement hereunder and in protecting the property in which Buyer has or may acquire an interest. Payments made under this sub-paragraph (3) shall not exceed the aggregate price specified in this order, less payments otherwise made or to be made.
- c) With consent of Buyer, Seller may retain, at an agreed price, or sell, at an approved price, any completed articles, or any articles, material, work in process or other things, the cost of which is allocable or apportionable to this order under sub-paragraph (b) (2) above, and will credit or pay the amounts so agreed or received as Buyer directs. As directed by Buyer, Seller will Transfer title to and make delivery of any such articles, and material or work.

4.20. Cancellation

Buyer reserves the right to cancel all or any part of the undelivered portion of this order if seller does not make deliveries as specified in the schedules as promised, or if Seller breaches any of the terms hereof, including the warranties of Seller, said rights to cancellation to be exercised by Buyer without penalty.

4.21. Facility or Organizational Changes

Supplier shall notify Universal Avionics Systems Corporation Purchasing Department immediately of changes to facility location, company name, or senior management.

This contract represents the complete and exclusive final agreement of the parties hereto with respect to the subject matter of this contract and supersedes any prior or contemporaneous oral, written, or implied agreements with respect thereto. This contract may not be modified except by a writing signed by all the parties hereto. No modification will be affected by any contract term or condition set forth in any of Buyer's orders, documents, or correspondence.

4.22. Equal Employment Opportunity

Universal Avionics Systems Corporation is dedicated to providing and promoting equal employment opportunities without regard to race, color, religion, gender, ancestry, sexual orientation, age, disability or veteran status in accordance with applicable federal, state, and local laws.

5. ASSOCIATED DOCUMENTS

| Document Type | Document Number | Title |
|------------------------------|-----------------|-------------------------------|
| Standard Operating Procedure | SOP-QA-08.13 | Supplier Quality Requirements |

6. REVISION HISTORY

| Date | Revision | Changes |
|----------|----------|--|
| 02/25/09 | 01 | This document obsoletes MD-0046. Converted 12/08/2008 in support of UASC BMS format style. |
| 01/26/11 | 02 | Added section 4.22: EEO statement. Deleted quality requirements section and referred to SOP-QA-08.13. |

**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.**

A. APPLICABLE TO ALL ORDERS:

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| 2. Security Requirements..... | 52.204-2 |
| 3. Annual Representations and Certifications..... | 52.204-8 |
| 4. Personal Identify Verification of Contractor Personnel..... | 52.204-9 |
| 5. Material Requirements | 52.211-5 |
| 6. Alternatives to Government – Unique Standards | 52.211-7 |
| 7. Defense Priority and Allocation Requirements | 52.211-15 |
| 8. Contract Terms and Conditions Required to Implement Statutes or Executive Orders– Commercial Items (DEVIATION) (includes all Statutes or Orders issued) | 52.212-5 |
| 9. Terms and Conditions – Simplified Acquisitions (other than Commercial Items) | 52.213-4 |
| 10. Limitations on Pass-Through Charges-Identification of Subcontract Effort..... | 52.215-22 |
| 11. Limitations on Pass-Through Charges-Identification of Subcontract Effort..... | 52.215-23 |
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| 13. Post-Award Small Business Program Representation (over \$3000) | 52.219-28 |
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| 16. Non-displacement of Qualified Workers (Service Orders Only)..... | 52.222-17 |
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| 23. Ozone Depleting Substances | 52.223-11 |
| 24. Energy Efficiency in Energy-Consuming Products | 52.223-15 |
| 25. IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products | 52.223-16 |
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| 29. Buy American Act Certificate | 52.225-2 |
| 30. Trade Agreement | 52.225-5 |
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| 32. Duty-Free Entry | 52.225-8 |
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| 34. Place of Manufacturer (Applicable to Solicitations) | 52.225-18 |
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| 39. Filing of Patent Applications – Classified Subject Matter | 52.227-10 |
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| 42. Additional Data Requirements..... | 52.227-16 |
| 43. Commercial Computer Software License | 52.227-19 |
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| 45. Workers Compensation and War-Hazard Insurance Overseas | 52.228-4 |
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| 48. Progress Payments | 52.232-16 |
| 49. Performance-Based Payments | 52.232-32 |
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| 60. Competition in Subcontracting | 52.244-5 |
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| 62. Government Property (or Alt I or Alt II, the Buyer shall so specify, If Buyer does not specify the requirement will default to the basic clause)..... | 52.245-1 |
| 63. Government Property Installation Operation Services..... | 52.245-2 |
| 64. Uses and Charges..... | 52.245.9 |
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| 68. Computer Generated From..... | 52.253-1 |

B. ORDERS OVER \$10,000 ALSO INCLUDE THE FOLLOWING:

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| 1. Walsh-Healy Public Contracts Act (Over \$15,000)..... | 52.222-20 |
| 2. Prohibition of Segregated Facilities | 52.222-21 |
| 3. Equal Opportunity | 52.222-26 |
| 4. Notification of Visa Denial..... | 52.222-29 |
| 5. Affirmative Action for Workers with Disabilities | 52.222-36 |

(The Contractor (Buyer) and subcontractor (Seller) shall abide by the requirements of 41 CFR 60-741.5(a))

6. Notification of Employee Rights Under the National Labor relations Act (para f only).....52.222-40

C. ORDERS OVER \$25,000 ALSO INCLUDE THE FOLLOWING:

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 2. Buy America Act—Free Trade Agreements—Israeli Trade Act June 2009 Alt I (Jan 2004).....52.225-3
 3. Buy America Act—Free Trade Agreements—Israeli Trade Act June 2009 Alt II (Jan 2004).....52.225-3
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 2. Gratuities.....52.203-3
 3. Covenant Against contingent Fees.....52.203-5
 4. Restrictions on Subcontractor Sales to the Government52.203-6
 5. Anti-Kickback Procedures (less paragraph (c) (1))52.203-7
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 15. Contract Work Hours and Safety Standards Act – Overtime Compensation52.222-4
 16. Non-displacement of Qualified Workers (Service Contracts).....52.222-17
 17. Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans52.222-35
 (The Contractor (Buyer) and subcontractor (Seller) shall abide by the requirements of 41 CFR 60-300.5(a))
 18. Employment Reports on Disabled Veterans and Veterans of the Vietnam Era, and Other Eligible Veterans.....52.222-37
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 20. Drug-Free Workplace52.223-6
 21. Estimate of Percentage of Recovered Material Content for EPA-Designated Products.....52.223-9
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 26. Change Order Accounting52.243-6
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 29. High-Level Contract Quality Requirement.....52.246-11
 30. Responsibility for Supplies52.246-16
 31. Value Engineering52.248-1
 32. Termination for Convenience of the Government (Fixed-Price) – “Government: shall mean “Buyer”. In paragraph (c), the term “120 days” is changed to “60 days.” The term “one year” in paragraph (e) is changed to “six months.” The term “90 days” in paragraph (l) is changed to “forty-five days,” per 49.502 (e)52.249-2
 33. Default (Fixed Price Supply and Service)52.249-8

E. ORDERS OVER \$650,000 ALSO INCLUDE THE FOLLOWING:

1. Pension Adjustment and Asset Reversions.....52.215-15
 2. Reversion or Adjustment of Plans for Postretirement Benefits (PRB) other than Pensions.....52.215-18
 3. Notification of Ownership Changes52.215-19
 4. Small Business Subcontracting Plan 700K.....52.219-9
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F. UNLESS OTHERWISE EXEMPT ALSO INCLUDES THE FOLLOWING:

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| 1. Audit and Records – Sealed Bidding (exceeds \$700,000) | 52.214-26 |
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G. APPLICABLE TO COST REIMBURSEMENT, TIME & MATERIAL OR LABOR HOUR ORDERS:

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| 1. Facilities Capital Cost of Money | 52.215-16 |
| 2. Waiver of Facilities – Capital Cost of Money | 52.215-17 |
| 3. Allowable Cost and Payment (Cost Reimbursement) – Seller agrees to execute assignment documents in order to meet subsection (h) | 52.216-7 |
| 4. Fixed Fee – Applicable if this is a cost plus fixed fee order. | 52.216-8 |
| 5. Incentive Fee – Applicable if this is a cost plus incentive fee order. | 52.216-10 |
| 6. Cost Contract – No Fee – Applicable if this is a cost no fee order. | 52.216-11 |
| 7. Cost Sharing Contract – No Fee – Applicable if this is a cost sharing, no fee order..... | 52.216-12 |
| 8. Payment for Overtime Premiums – Insert “0%” in paragraph (a) unless indicated otherwise on the face of this order | 52.222-2 |
| 9. Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts)..... | 52.222-43 |
| 10. Fair Labor Standards Act and Service Contract Act – Price Adjustment | 52.222-44 |
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| 12. Payments Under Time and Materials and Labor Hour Contracts (“schedule” means Purchase Order, “voucher(s) Means Purchase Order. “Government” means Buyer and “Contracting Officer” means Buyer Purchasing Representative..... | 52.232-7 |
| 13. Limitation of Cost (if fully funded) | 52.232-20 |
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| 16. Changes – Cost-Reimbursement – Applicable if this is a Cost-Reimbursement Order..... | 52.243-2 |
| 17. Changes – Time and Material or Labor-Hours – Applicable if this is a Time and Material or Labor Hour Order..... | 52.243-3 |
| 18. Inspection of Supplies (Cost Reimbursement) – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed acceptable by the Buyer), and where “Government” first appears in paragraph (k), it shall mean “Government or Buyer.” The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government. | 52.246-3 |
| 19. Inspection of Services (Cost-Reimbursement) – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed accepted by the Buyer), and where “Government” first appears in paragraph (k), it shall mean “Government or Buyer.” The provisions in this clause for access, Inspection of Services (Cost-Reimbursement) – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed accepted by the Buyer), and where “Government” first appears in paragraph (k) it shall mean “Government and Buyer.” The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government. | 52.246-5 |
| 20. Inspection – Time and Material and Labor Hour – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed accepted by the Buyer), and where “Government” first appears in paragraph (k), it shall mean “Government and Buyer.” The | |

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21. Submission of Transportation Documents for Audit.....52.247-67

22. Termination (Cost-Reimbursement) – “Government” means “Buyer” and “Contracting Officer” means “Buyer’s purchasing representative.” In paragraph (d) change “15 days” and “45 days” to “30 days” and “90 days,” respectively. In paragraph (e) change “1 year” to “six months.” Alternate IV is applicable to Time and Material or Labor-Hour orders only. 52.249-6 Alt IV

23. Excusable Delay52.249-14

4. CERTIFICATIONS:

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

B. Certification for Federal funding accountability and Transparency Act (FFATA).....52.204-10

C. Certification Regarding Responsibility Matters52.209-5

D. Protecting the Government’s Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (over \$30,000).....52.209-6

E. Information Regarding responsibility Matters (Over \$500K).....52.209-7

F. Certification Regarding Knowledge of Child Labor for Listed End Products52.222-18

G. Previous Contracts and Compliance Reports (over \$10,000)52.222-22

H. Affirmative Action Compliance.....52.222-25

I. Affirmative Action for Workers with Disabilities (over \$10K).....52.222-36

J. Certification Regarding Trafficking in Persons Compliance Plan (\$500K or greater for other than COTS items and performed outside the United States.....52.222-56

K. Bio-based Product Certification.....52.223-1

L. Recovered Material Certification.....52.223-4

M. Prohibition on Conducting Restricted Business Operations in Sudan Certification.....52.225-20

N. Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran.....52.225-25

O. Cost Accounting Standards Notices and Certifications.....52.230-1

5. APPLICABLE TO ALL CONTRACTS THAT ARE FUNDED IN WHOLE OR IN PART BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009:

1. Whistleblower Protections52.203-15

2. Audit and Records (Sealed Bidding)..... 52.214.26

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.**

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| 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 |

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| 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 |

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| 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 |
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| 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 |
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| 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 Country | 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)