

## **Government Subcontract Rider**

### FARS/DFARS FLOW DOWN CLAUSES

#### **I. Incorporation of FAR and DFARS Clauses:**

When the Products or services furnished under this Order are furnished in connection with a U.S. Government prime contract or subcontract, the following Federal Acquisition Regulation (FAR) and Department of Defense FAR Supplement (DFARS) clauses identified below shall also apply to this Order, as required by terms of the prime contract or by operation of law or regulation. Said FAR and DFARS clauses are incorporated into this Order by reference, with the same force and effect as if they were given in full text. The effective version of each FAR or DFARS clause shall be the same version as appears in Purchaser's prime contract, or higher-tier subcontract under which this Order is issued. In the event there is no such equivalent clause in Purchaser's prime contract or higher-tier subcontract, the date shall be the regulatory date in effect as of the date of this Order.

The applicability and interpretation of each clause are subject to any specific parenthetical statement following its title. In the event of a conflict between these FAR or DFARS provisions and the terms of the main body of this Order, the terms in the main body of this Order shall control. The Contracts Disputes Act shall have no application to this Order. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Order.

Seller agrees to negotiate in good faith with Purchaser to amend and incorporate into this Order any additional clauses as TEC may deem necessary in order to comply with the clauses of its prime contract or higher tier subcontract. If any such amendment causes an increase or decrease in the cost of, or the time required for, performance of any part of this Order, an equitable adjustment shall be made by Purchaser pursuant to the "Changes" clause of this Order.

#### **II. Interpretation Notes:**

In all FAR and DFARS clauses listed below, the terms "Government", "Contractor", and "Contracting Officer" shall be revised to suitably identify Purchaser and Seller and affect the proper intent of the clause, except where further clarified or modified in the parenthetical that follows each clause. Notwithstanding the foregoing, nothing herein shall be construed to mean that Purchaser may modify or limit any rights the United States Government may have as set forth in the FAR and DFARS clauses below. Nor shall anything herein be construed to provide Seller with rights that only the United States Government has the authority to grant or perform, such as in FAR 52.227-1 and FAR 52.227-2. All Seller contact with the prime contract or any higher-tier subcontractor relating to this Order shall be through or coordinated with Purchaser.

### III. FAR And DFARS Clauses:

#### A. Clauses Applicable to All Purchase Orders:

Clause	Description	Notes
FAR 52.204-9	Personal Identity Verification of Contractor Personnel	
FAR 52.211-5	Material Requirements	
FAR 52.211-15	Defense Priority and Allocation Requirements	
FAR 52.215-20	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data	
FAR 52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data-Modification	
FAR 52.222-1	Notice to Government of Labor Dispute	
FAR 52.222-41	Service Contract Act of 1965	
FAR 52.222-50 & Alt 1	Combating Trafficking in Persons and Alternate 1	
FAR 52.223-3	Hazardous Material Identification and Material Safety Data	
FAR 52.223-5	Pollution Prevention and Right-to-Know Information	
FAR 52.223-7	Notice of Radioactive Materials	
FAR 52.223-11	Ozone-Depleting Substances	
FAR 52.223-18	Contractor Policy to Ban Text Messaging While Driving	
FAR 52.224-2	Privacy Act	
FAR 52.225-1	Buy American Act-Supplies	
FAR 52.225-8	Duty-Free Entry	
FAR 52.225-13	Restrictions on Certain Foreign Purchases	
FAR 52.227-9	Refund of Royalties	
FAR 52.227-10	Filing of Patent Applications-Classified Subject Matter	
FAR 52.227-11	Patent Rights-Ownership by the Contractor	
FAR 52.227-14	Rights in Data- General	
FAR 52.227-19	Commercial Computer Software License	
FAR 52.234-1	Industrial Resources Develop Under Defense Production Act Title III	
FAR 52.243-1	Changes-Fixed Price	
FAR 52.243-6	Change Order Accounting	
FAR 52.244-6	Subcontracts for Commercial Items	
FAR 52.245-1 & Alt 1	Government Property	Includes Alt 1 when applicable.
FAR 52.245-9	Use and Charges	
FAR 52.246-15	Responsibility for Supplies	
FAR 52.247-63	Preference for U.S.-Flag Air Carriers	
FAR 52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	
DFARS 252.204-7000	Disclosure of Information	
DFARS 252.204-7008	Export-Controlled Items	
DFARS 252.211-7003	Item Identification and Valuation	
DFARS 252.211-7007	Item Unique Identification of Government Property	
DFARS 252.222-7000	Restrictions of Employment of Personnel	
DFARS 252.223-7001	Hazard Warning Labels	
DFARS 252.223-7002	Safety Precautions for Ammunition and Explosives	
DFARS 252.223-7003	Change in Place of Performance- Ammunition and Explosives	
DFARS 252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials	
DFARS 252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	
DFARS 252.225-7001	Buy American Act and Balance of Payments Program	
DFARS 252.225-7002	Qualifying Country Sources as Subcontractors	
DFARS 252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	
DFARS 252.225-7013	Duty-Free Entry	
DFARS 252.225-7014	Preference for Domestic Specialty Metals and Alternate 1	Applicable to

& Alt. 1		subcontracts in support of prime contracts issued prior to July 2009.
DFARS 252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	
DFARS 252.225-7019	Restriction on Acquisition of Foreign Anchor and Mooring chain	
DFARS 252.225-7025	Restriction on the Acquisition of Forgings	
DFARS 252.225-7027	Restriction on Contingent Fees for Foreign Military Sales	
DFARS 252.225-7028	Exclusionary Policies and Practices of Foreign Governments	
DFARS 252.225-7030	Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate	
DFARS 252.225-7031	Secondary Arab Boycott of Israel	
DFARS 252.225-7038	Restriction on Acquisition of Air Circuit Breakers	
DFARS 252.227-7013	Rights in Technical Data-Noncommercial Items	
DFARS 252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	
DFARS 252.227-7015	Technical Data-Commercial Items	
DFARS 252.227-7016	Rights in Bid or Proposal Information	
DFARS 252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions	
DFARS 252.227-7019	Validation of Asserted Restrictions-Computer Software	
DFARS 252.227-7025	Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	
DFARS 252.227-7026	Deferred Delivery of Technical Data or Computer Software	
DFARS 252.227-7027	Deferred Ordering of Technical Data or Computer Software	
DFARS 252.227-7028	Technical Data or Computer Software Previously Delivered to the Government	
DFARS 252.227-7030	Technical Data-Withholding of Payment	
DFARS 252.227-7037	Validation of Restrictive Markings on Technical Data	
DFARS 252.227-7038	Patent Rights- Ownership by the Contractor (Large Business)	
DFARS 252.227-7039	Patents-Reporting of Subject Inventions	
DFARS 252.228-7001	Ground and Flight Risk	
DFARS 252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	
DFARS 252.235-7003	Frequency Authorization	
DFARS 252.239-7016	Telecommunications Security, Equipment, Devices, Techniques, and Services	
DFARS 252.244-7000	Subcontracts for Commercial Items and Commercial Components	
DFARS 252.246-7001	Warranty of Data	
DFARS 252.247-7023	Transportation of Supplies by Sea	

## B. Additional Clauses Applicable to All Purchase Orders over \$10,000:

Clause	Description	Notes
FAR 52.222-21	Prohibition of Segregated Facilities	
FAR 52.222-22	Previous Contracts and Compliance Reports	
FAR 52.222-25	Affirmative Action Compliance	
FAR 52.222-26	Equal Opportunity	
FAR 52.222-40	Notification of Employee Rights Under the National Labor Relations Action	Applies to subcontracts exceeding \$10,000.
FAR 52.228-3	Workers' Compensation Insurance (Defense Base Act)	
FAR 52.228-4	Workers' Compensation and War Hazard Insurance Overseas	
29 CFR Part 471, Appendix A to Subpart A	Notification of Employee Rights Under Federal Labor Laws (The employee notice clause specified in 29 CFR Part 471, Appendix A to Subpart A.	Applies to prime contracts and subcontracts resulting from solicitations issued after June 20, 2010.

C. Additional Clauses Applicable to All Purchase Orders over \$15,000:

Clause	Description	Notes
FAR 52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	Applicable to subcontracts exceeding \$25,000.
FAR 52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	Applies to subcontracts exceeding \$30,000.
FAR 52.222-20	Walsh-Healy Public Contracts Act	
FAR 52.222-36	Affirmative Action for Workers with Disabilities	

D. Additional Clauses Applicable to All Purchase Orders over \$100,000:

Clause	Description	Notes
FAR 52.222-35	Equal Opportunity for Veterans	
FAR 52.222-37	Employment Reports on Veterans	

E. Additional Clauses for Purchase Orders over \$150,000:

Clause	Description	Notes
FAR 52.202.1	Definitions	
FAR 52.203-2	Certificate of Independent Price Determination	
FAR 52.203-3	Gratuities	
FAR 52.203-5	Covenant Against Contingent Fees	
FAR 52.203-6	Restrictions on Subcontractor Sales to the Government	
FAR 52.203-7	Anti-Kickback Procedures	Remove paragraph (c)(1).
FAR 52.203-12	Limitation on Payments to Influence Certain Federal Transaction	
FAR 52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	
FAR 52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	
FAR 52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	
FAR 52.209-5	Certification Regarding Responsibility Matters	
FAR 52.215-2	Audit and Records Negotiation	
FAR 52.215-14	Integrity of Unit Prices	Remove paragraph (b)
FAR 52.219-8	Utilization of Small Business Concerns	
FAR 52.222-4	Contract Work Hours and Safety Standards Act-Overtime Compensation	
FAR 52.222-54	Employment Eligibility Verification	
FAR 52.227-1	Authorization and Consent and Alternative 1	Applicable only if included in prime contract.
FAR 52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	
FAR 52.228-5	Insurance-Work on a Government Installation	
FAR 52.242-13	Bankruptcy	
FAR 52.244-5	Competition in Subcontracting	
FAR 52.246-2	Inspection of Supplies-Fixed Price	
FAR 52.248-1	Value Engineering	
FAR 52.249-2	Termination for Convenience of the Government (Fixed-Price).	In paragraph (d), revise "45 days" to state "60 days". In paragraph (e), revise "1 year" to state "90 days". In paragraph (l), revise "90 days" to state "60 days".

FAR 52.249-8	Default (Fixed-Price Supply and Service)	
DFARS 252.203-7001	Prohibition of Persons Convicted of Fraud or Other Defense Contract Related Felonies	
DFARS 252.209-7004	Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country	
DFARS 252.225-7008	Restriction on Acquisition of Specialty Metals	
DFARS 252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	
DFARS 252.225-7012	Preference for Certain Domestic Commodities	
DFARS 252.225-7015	Restriction on Acquisition of Hand or Measuring Tools	
DFARS 252.247-7024	Notification of Transportation of Supplies by Sea	
DFARS 252.249-7002	Notification of Anticipated Contract Terminations or Reductions	Remove paragraph (d)(1).
DFARS 252.226-7001	Utilization of Indian Organizations, India-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	Applicable to Purchase Orders over \$500,000.

#### F. Additional Clauses Applicable to All Purchase Orders over \$500,000:

Clause	Description	Notes
FAR 52.209-7	Information Regarding Responsibility Matters	
FAR 52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters	

#### G. Additional Clauses for Purchase Orders Over \$650,000:

Clause	Description	Notes
FAR 52.219-9	Small Business Subcontracting Plan	
FAR 52.219-16	Liquidated Damages-Subcontracting Plan	
DFARS 252.219-7003	Small Business Subcontracting Plan (DoD Contracts)	
DFARS 252.225-7006	Quarterly Reporting of Actual Contract Performance Outside of the United States	

#### H. Additional Clauses Applicable to Purchase Orders Over \$700,000:

Clause	Description	Notes
FAR 52.215-10	Price Reduction for Defective Cost or Pricing Data	
FAR 52.215-11	Price Reduction for Defective Cost or Pricing Data-Modifications	
FAR 52.215-12	Subcontractor Cost or Pricing Data	
FAR 52.215-13	Subcontractor Cost or Pricing Data Modifications	
FAR 52.215-15	Pension Adjustments and Asset Reversions	
FAR 52.215-18	Reversion or Adjustment of Plans for Post-retirement Benefits (PRB) Other than Pensions	
FAR 52.215-19	Notification of Ownership Changes	
FAR 52.215-23	Limitation on Pass-Through Charges	
FAR 52.230-2	Cost Accounting Standards	
FAR 52.230-3	Disclosure and Consistency of Cost Accounting Practices	
FAR 52.230-6	Administration of Cost Accounting Standards	
DFARS 252.215-7003	Excessive Pass-Through Charges-Identification of Subcontract Effort	Remove paragraph (c)(1)

DFARS 252.215-7004	Excessive Pass-Through Charges	
DFARS 252.231-7000	Supplemental Cost Principles	
DFARS 252.243-7001	Pricing of Contract Modifications	

I. Additional Clauses Applicable to Purchase Orders Over \$1,000,000:

Clause	Description	Notes
DFARS 252.211-7000	Acquisition Streamlining	
DFARS 252.225-7033	Waiver of United Kingdom Levies	
DFARS 252.222-7006	Restricting the Use of Mandatory Arbitration Agreements.	Applicable to Purchase Orders issued under prime contracts awarded after June 17, 2010, except for acquisition of commercial items or COTS items.

J. Additional Clauses Applicable to Purchase Order Over \$5,000,000:

Clause	Description	Notes
FAR 52.203-13	Contractor Code of Business Ethics and Conduct	Applicable if the period of performance is more than 120 days.
FAR 52.203-14	Display of Hotline Poster(s)	