

**GENERAL TERMS AND CONDITIONS OF PURCHASE--SUPPLEMENT 2  
GOVERNMENT CONTRACT PROVISIONS FROM THE FEDERAL ACQUISITION REGULATION**

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1. When the materials, parts, and products (“goods”) or services, including the products resulting from services hereby ordered are for use in connection with a United States Government (“Government”) Department of Defense prime contract or higher-tier subcontract, in addition to the General Provisions (T001) and the Federal Acquisition Regulation (FAR) provisions and clauses (T003), the following Department of Defense FAR Supplement (DFARS) provisions and clauses (T004), shall apply, as required by the terms of the prime contract or by operation of law or regulation. The effective version of each DFARS provision and clause shall be the same version as that which appears in Buyer’s prime contract, or higher-tier subcontract under which this Purchase Order is a subcontract. In the event of a conflict between these DFARS provisions and clauses (T004) and the General Provisions (T001) or the FAR provisions and clauses (T003), the DFARS provisions and clauses (T004) shall control.
  
2. The following DFARS provisions and clauses in effect as of the date of the prime contract are incorporated herein, unless made inapplicable by a corresponding note in this T004, with the same force and effect as if they were given in full text. Upon Seller's request, Buyer's Purchasing Representative will make their full text available. Also, the full text of a DFARS provision or clause may be accessed electronically at these addresses: <http://farsite.hill.af.mil/> or <http://www.acq.osd.mil/dpap/sitemap.html>. In all provisions and clauses listed herein, terms shall be revised to suitably identify the party to establish Seller’s obligations to Buyer and to the Government, and to enable Buyer to meet its obligations under the prime contract. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term “Government” and equivalent phrases shall mean “Buyer”, the term “Contracting Officer” shall mean “Buyer’s Purchasing Representative”, the term “Contractor” or “Offeror” shall mean “Seller”, “Subcontractor” shall mean “Seller’s Subcontractor” under this Purchase Order, and the term “Contract” shall mean this “Purchase Order”. For the avoidance of doubt, the words “Government” and “Contracting Officer” do not change: 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 or when title to property is to be transferred directly to the Government. If any of the following DFARS provisions and clauses do not apply to this Purchase Order, such provisions and clauses are considered self-deleting. Seller shall incorporate into each lower tier contract issued in support of this Purchase Order all applicable DFARS provisions and clauses in accordance with the flow down requirements specified in such provisions and clauses. With respect to any applicable DFARS clauses incorporated into this Purchase Order relating to rights in noncommercial technical data and noncommercial computer software and noncommercial computer software documentation, the Seller grants to Buyer the right to use, disclose, modify, combine, integrate or make derivative works of any noncommercial technical data, noncommercial computer software and/or noncommercial computer software documentation delivered under this Purchase Order to the extent necessary, and for such period as is required, for Buyer to complete its performance under the Buyer’s U.S. Government programs.

**A. APPLICABLE TO ALL PURCHASE ORDERS WITHOUT REGARD TO DOLLAR VALUE:**

1. **252.203-7002** “Requirement to Inform Employees of Whistleblower Rights”
2. **252.204-7000** “Disclosure of Information” (Applicable to Purchase Orders when Seller will have access to or generate unclassified information that may be sensitive and inappropriate for release to the public.)
3. **252.204-7012** “Safeguarding of Unclassified Controlled Technical Information” (Applicable to Purchase Orders under DoD contracts awarded after November 17, 2013 and before August 26, 2015.)
4. **252.204-7012** “Safeguarding Covered Defense Information and Cyber Incident Reporting” (Applicable to Purchase Orders under DoD contracts awarded after August 25, 2015 and before

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October 8, 2015.)

5. **252.204-7012** “Safeguarding Covered Defense Information and Cyber Incident Reporting” (DEVIATION 2016-O0001) (Applicable to Purchase Orders under DoD contracts awarded after October 7, 2015 and before December 30, 2015.)
6. **252.204-7012** “Safeguarding Covered Defense Information and Cyber Incident Reporting” (INTERIM RULE 12/30/2015) (Applicable to Purchase Orders under DoD contracts awarded after December 29, 2015 and before October 21, 2016 for operationally critical support, or for which Purchase Order performance will involve a covered contractor information system.)
7. **252.204-7012** “Safeguarding Covered Defense Information and Cyber Incident Reporting” (FINAL RULE 10/21/2016) (Applicable to Purchase Orders under DoD contracts awarded after October 20, 2016 for operationally critical support, or for which Purchase Order performance will involve covered defense information.)
8. **252.204-7015** “Disclosure Of Information To Litigation Support Contractors”
9. **252.211-7003** “Item Unique Identification and Valuation” (Seller’s obligations under this clause are limited to cooperating with Buyer’s efforts to comply with this clause, including granting Buyer access to Seller’s deliverables at its facilities and to appropriate property records.)
10. **252.223-7001** “Hazard Warning Labels” (Applicable to Purchase Orders for goods that require submission of hazardous material data sheets (see FAR 23.302(c)).)
11. **252.223-7002** “Safety Precautions for Ammunition and Explosives” (Applicable to Purchase Orders that involve ammunition or explosives. “Government” means “Government and/or Buyer”.)
12. **252.223-7003** “Change in Place of Performance – Ammunition and Explosives” (Applicable to Purchase Orders that involve ammunition or explosives.)
13. **252.223-7007** “Safeguarding Sensitive Conventional Arms, Ammunition and Explosives” (Applicable to Purchase Orders for (i) the development, production, manufacture, or purchase of arms, ammunition, and explosives (AA&E), or (ii) when AA&E will be provided to the Seller as Government-furnished property.)
14. **252.223-7008** “Prohibition of Hexavalent Chromium” (Applicable to all Purchase Orders for supplies, maintenance and repair services, or construction materials.)
15. **252.225-7001** “Buy American Act and Balance of Payments Program” (Seller must deliver goods that contain more than 50% United States or Qualifying Country content pursuant to the clause. )
16. **252.225-7007** “Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies” (Applicable to Purchase Orders for the acquisition of items covered by the United States Munitions List of the International Traffic in Arms Regulation.)
17. **252.225-7008** “Restriction on Acquisition of Specialty Metals” (Applicable to Purchase Orders for the delivery of specialty metals as end items to Buyer or Seller to the extent necessary to ensure compliance of the end products that Buyer will deliver to the Government when DFARS clause 252.225-7009 is in the prime contract.)
18. **252.225-7009** “Restriction on Acquisition of Certain Articles Containing Specialty Metals” (excluding paragraph (d) and paragraph (e)(1) which are deleted from this clause.) (Applicable to Purchase Orders for items containing specialty metals to ensure compliance of the end products that Buyer will deliver to the Government.)
19. **252.225-7012** “Preference for Certain Domestic Commodities”
20. **252.225-7013** “Duty-Free Entry” (Applicable to all Purchase Orders with Sellers who are located

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- in a "Qualifying country" as defined in DFARS Part 225.8; or if the estimated U.S. duty for the Goods will exceed \$200 per unit. The information required by paragraph (j)(3) of this clause is available upon request.)
21. **252.225-7016** "Restriction on Acquisition of Ball and Roller Bearings" (Applicable to Purchase Orders for Goods that contain ball or roller bearings.)
  22. **252.225-7040** "Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States" (Applicable to Purchase Orders that will be performed when Seller's personnel or Seller's subcontractors are supporting U.S. Armed Forces deployed outside the United States in contingency operations, peace operations consistent with Joint Publication 3-07.3, or other military operations or military exercises, when designated by the Combatant Commander or as directed by the Secretary of Defense.)
  23. **252.225-7048** "Export-Controlled Items"
  24. **252.227-7013** "Rights in Technical Data – Noncommercial Items" (Applicable to solicitations and resulting Purchase Orders when Buyer will be required to deliver to the Government Seller's technical data pertaining to noncommercial items, or pertaining to commercial items for which the Government will have paid for any portion of the development costs.)
  25. **252.227-7014** "Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation" (Applicable to solicitations and resulting Purchase Orders when Seller's performance will require delivery of computer software or computer software documentation.)
  26. **252.227-7015** "Technical Data – Commercial Items" (Applicable whenever any technical data related to commercial items developed in any part at private expense will be provided under this Purchase Order for delivery to the Government.)
  27. **252.227-7016** "Rights in Bid or Proposal Information" (Applicable to solicitations and resulting Purchase Orders that will include DFARS clause 252.227-7013, 252.227-7014, or 252.227-7018.)
  28. **252.227-7017** "Identification and Assertion of Use, Release, or Disclosure Restrictions" (Applicable to solicitations and resulting Purchase Orders that will include DFARS clause 252.227-7013, 252.227-7014, or 252.227-7018.)
  29. **252.227-7019** "Validation of Asserted Restrictions – Computer Software" (Applicable to all Purchase Orders when Seller's performance includes the furnishing of computer software that Buyer will furnish to the Government.)
  30. **252.227-7025** "Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends"
  31. **252.227-7026** "Deferred Delivery of Technical Data or Computer Software"
  32. **252.227-7027** "Deferred Ordering of Technical Data or Computer Software"
  33. **252.227-7028** "Technical Data or Computer Software Previously Delivered to the Government" (Applicable to solicitations for Purchase Orders when the resulting Purchase Order will require the Seller to deliver technical data.)
  34. **252.227-7037** "Validation of Restrictive Markings on Technical Data" (Applicable to Purchase Orders requiring the delivery of technical data.)

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35. **252.227-7038** “Patent Rights – Ownership by the Contractor (Large Business)” (Applicable to Purchase Orders for experimental, developmental, or research work if the Seller is not a small business or nonprofit organization, unless a different patent rights clause is required by FAR 27.303.)
36. **252.228-7005** “Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles” (Applicable to Purchase Orders for aircraft, missile, or space launch vehicles being manufactured, modified, repaired, or overhauled. Seller must cooperate and assist Buyer in accident investigations.)
37. **252.231-7000** “Supplemental Cost Principles” (Applicable to solicitations and resulting Purchase Orders that are subject to the principles and procedures described in FAR subparts 31.1, 31.2, 31.6, or 31.7.)
38. **252.235-7003** “Frequency Authorization” (Applicable to Purchase Orders requiring the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.)
39. **252.239-7010** “Cloud Computing Services” (Applicable to Purchase Orders that involve or may involve cloud services.)
40. **252.239-7018** “Supply Chain Risk” (Applicable to Purchase Orders involving the development or delivery of any information technology, as defined in the clause, as a service or a supply.)
41. **252.244-7000** “Subcontracts for Commercial Items and Commercial Components (DoD Contracts)”
42. **252.246-7003** “Notification of Potential Safety Issues” (Applicable to Purchase Orders for (i) parts defined as critical safety items in accordance with this clause; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; and (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system.)
43. **252.246-7007** “Contractor Counterfeit Electronic Part Detection and Avoidance System” (Applicable to Purchase Orders when the goods or services include *electronic parts* or assemblies containing *electronic parts*. This clause applies to all Sellers, at all tiers, without regard to whether the Seller itself is subject to CAS.)
44. **252.246-7008** “Sources of Electronic Parts” (Applicable to Purchase Orders for *electronic parts* or assemblies containing *electronic parts*, unless Seller is the original manufacturer.)
45. **252.247-7023** “Transportation of Supplies by Sea”

- B. PURCHASE ORDERS OVER THE SIMPLIFIED ACQUISITION THRESHOLD (AS DEFINED AT FAR 2.101 IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
1. **252.203-7001** “Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies”
  2. **252.215-7010** “Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data”
  3. **252.225-7052** “Restriction on the Acquisition of Certain Magnets and Tungsten”. (Applicable to Purchase Orders for the delivery of goods, unless an exception at paragraph (c) of the clause applies).
- C. PURCHASE ORDERS OVER \$500,000 (OR THE DOLLAR THRESHOLD IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
1. **252.226-7001** “Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns”
- D. PURCHASE ORDERS OF \$700,000 OR MORE (OR THE DOLLAR THRESHOLD IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
1. **252.249-7002** “Notification of Anticipated Contract Terminations or Reductions” (Seller shall (i) Provide notice to each of its subcontractors with a subcontract of \$150,000 or more; and (ii) Impose a similar notice and flowdown requirement to subcontractors with subcontracts of \$150,000 or more.)
- E. PURCHASE ORDERS OVER \$700,000 (OR THE DOLLAR THRESHOLD IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
- 252.219-7003** “Small Business Subcontracting Plan (DoD Contracts)” (Include Alternate 1 if it is included in the prime contract) (Applicable to Purchase Orders under prime contracts that contain FAR clause 52.219-9.)
- F. PURCHASE ORDERS OVER \$1,000,000 (OR THE DOLLAR THRESHOLD IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
1. **252.222-7006** “Restricting the Use of Mandatory Arbitration Agreements” (Seller certifies by acceptance of the Purchase Order that (i) Seller complies with all requirements set out in the clause and (ii) Seller requires each covered subcontractor to agree not to enter into, and not to take any action to enforce, any provision of any existing agreements, as described in paragraph (b)(1) of the clause, with respect to any employee or independent contractor performing work related to such subcontract.)
  2. **252.225-7033** “Waiver of United Kingdom Levies” (Applicable to Purchase Orders where a lower-tier subcontract exceeding \$1 million with a U.K. firm is anticipated.)
- G. PURCHASE ORDERS OVER \$1,500,000 (OR THE DOLLAR THRESHOLD IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
1. **252.211-7000** “Acquisition Streamlining”
- H. PURCHASE ORDERS OVER \$5,500,000 (OR THE THRESHOLD IN EFFECT AS OF THE DATE OF THE PRIME CONTRACT) ALSO INCLUDE:**
1. **252.203-7004** “Display of Fraud Hotline Poster(s)”



**3. Business Systems Rule:**

Seller shall communicate and otherwise deal directly with the United States Government Contracting Officer to the extent practicable and permissible as to all matters relating to any of Seller's business systems under any of the following applicable Business Systems clauses: 252.215-7002 "Cost Estimating System Requirements", 252.234-7002 "Earned Value Management System", 252.242-7004 "Material Management and Accounting System", 252.242-7006 "Accounting System Administration", 252.244-7001 "Contractor Purchasing System Administration", 252.245-7003 "Contractor Property Management System Administration" (hereinafter referred to collectively as "Business Systems clauses"). Seller shall provide Buyer with copies of communications with the United States Government respecting significant deficiencies in any of Seller's business systems under the applicable Business Systems clauses, provided Seller shall not be required to disclose to Buyer such communications containing information confidential to the Seller. In addition to any other remedies provided by law or under this Purchase Order, Seller hereby indemnifies and holds Buyer harmless to the full extent of any loss, damage, or expense including without limitation any withholds under 252.242-7005 "Contractor Business Systems" incurred by Buyer that result from any government action, claim, withhold or similar action against Buyer that results in a Buyer loss or expense of any type, including lost profit or fee, legal costs, interest, indirect cost markups, because of a failure of Seller or its lower-tier subcontractors to comply with any of the Business Systems clauses.