



Delfasco, LLC

**General Provisions For Purchase Orders/Subcontracts For Products
Issued Under A United States Department of Defense Prime Contract**

(MARCH 5, 2021)

These General Provisions include the contract terms and conditions under which Delfasco, LLC conducts its procurement activity. All provisions set forth below are applicable to the Purchase Order (PO) issued to Subcontractor except to the extent expressly altered in writing on the face of the PO. The federal procurement clauses referenced in Section 2 below are incorporated herein by reference, with the same force and effect as if they were given in full text. If the date or substance of any of the federal procurement clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract under which the PO is issued, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Subcontract. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Subcontract.

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SECTION 1 –SPECIAL PROVISIONS

1.1 DEFINITIONS

As used throughout the document, the following terms shall have the meanings set forth below unless otherwise indicated:

- (a) **"Delfasco"** means Delfasco, LLC acting through its duly authorized Procurement Representative as noted on the Purchase Order, who is the only person authorized to direct the efforts of the Subcontractor
- (b) **"Subcontractor"** means the Offeror, Seller, individual, partnership, corporation, or association contracting to furnish the described Articles.
- (c) **"Articles"** refers to the goods, products, supplies, parts, assemblies, or other items constituting the subject matter of the Subcontract, which are to be furnished by Subcontractor to Delfasco.
- (d) **"Lower Tier Subcontract"** except as otherwise provided in the Subcontract, means all contracts placed by the Subcontractor or lower tier Subcontractors for the specific purpose of performing any portion of work under the Contract, and includes, but is not limited to, purchase orders, changes, and modifications thereto.
- (e) **"Delivery Date"** means the date of receipt at destination, not ship date, irrespective of Free on Board (FOB) point.
- (f) **"Prime Contract"** shall mean the Delfasco contract under which the Articles delivered by Subcontractor are sold to Delfasco's customer. "Prime Contract" may include subcontracts awarded to Delfasco.

1.2 TERMS AND CONDITIONS

Delfasco objects to, and is not bound by, any term or condition, which differs from or adds to the Subcontract unless accepted by Delfasco in writing. Subcontractor shall be deemed to have assented to all terms and conditions herein if Subcontractor begins performance or transmits acknowledgement of the Subcontract by written or electronic means to Delfasco.

1.3 PRECEDENCE

All documents and clauses in the Subcontract shall be read, to the extent practical, so as to be consistent. In the event of conflict, the order of precedence for the Subcontract is:

- (a) The Purchase Order
- (b) Section 1
- (c) Section 2
- (d) Section 3 if applicable
- (e) Any other documents specifically incorporated into the Subcontract.

1.4 SCHEDULE

- (a) Subcontractor shall strictly adhere to the Subcontract's scheduled delivery date(s), or completion schedule(s) as set forth on the Delfasco's Purchase Order. Subcontractor shall not deliver Articles more than fifteen (15) calendar days prior to the scheduled delivery date unless authorized in writing by Delfasco. Articles delivered to Delfasco in advance of schedule as set forth on the PO and without written authorization may be returned at Subcontractor's expense and without any obligation to Delfasco.
- (b) In the event of any anticipated or actual delay in the performance of the Subcontract, Subcontractor shall:
 - (1) Promptly notify Delfasco in writing of the reasons for the actual/anticipated delay and the actions being taken to overcome or minimize the delay.
 - (2) Provide Delfasco with a proposed, revised delivery schedule.
 - (3) If Delfasco requests, Subcontractor shall, at Subcontractor's expense, ship via air or other expedited routing to avoid the delay or minimize it as much as possible.

- (4) Subcontractor agrees to flow down this provision to its Lower Tier Subcontractors, and promptly notify Delfasco when there are anticipated or actual delays at a Lower Tier Subcontract level that could affect performance under the Subcontract.
- (5) Notification shall not be construed to relieve Subcontractor of its obligation to comply with the Subcontract delivery requirements.
- (c) At its sole discretion, and without waiving any other remedies available to Delfasco, Delfasco shall be entitled to either an equitable price reduction for late deliveries, or the right to terminate the Subcontract for default for late deliveries. Failure of the Parties to reach agreement on an equitable price reduction shall be a dispute under the **DISPUTES** clause at Section 1.6. Subcontractor has a duty to continue performance under the Subcontract pending resolution of all disputes.

1.5 CHANGES

- (a) Delfasco may at any time, by written order, and without notice to sureties, if any, make changes within the general scope of the Subcontract with respect to any one or more of the following:
 - (1) Technical requirements and descriptions, statements of work, drawings, designs, or specifications;
 - (2) Method of shipment or packing;
 - (3) Place of delivery, inspection, acceptance, or performance;
 - (4) Reasonable adjustments in quantities, delivery schedules, or both; and/or
 - (5) Amount of Delfasco – furnished property.

Subcontractor shall comply immediately with such directions.

- (b) If such change increases or decreases the cost or time required to perform the Subcontract, Delfasco shall make an equitable adjustment in price or schedule, or both, to reflect the increase or decrease. Delfasco shall then modify the Subcontract to reflect such adjustment.
- (c) Subcontractor shall submit any "Request For Equitable Adjustment" (hereafter referred to as "REA") under this Section within thirty (30) calendar days from the date of receipt of the written change order. Delfasco, at its option, may receive and act upon a proposal submitted later than thirty (30) calendar days but before final payment of the Subcontract.
- (d) If Subcontractor's proposal includes the cost of property made obsolete or excess by the change, Delfasco shall have the right to prescribe the manner of the disposition of the property.
- (e) Failure to agree on an equitable adjustment shall be addressed under the **DISPUTES** clause at Section 1.6. In any event, Subcontractor has a duty to proceed with its performance under the Subcontract pending resolution of the dispute, and nothing in the clause shall excuse Subcontractor from proceeding with the Subcontract as changed.

1.6 DISPUTES

- (a) In the event of any dispute or disagreement arising under or relating to the Subcontract, the Parties agree to make diligent and reasonable attempts to resolve through negotiations all such disputes or disagreements prior to resorting to any remedy available in law or equity. However, any dispute that is not settled to the mutual satisfaction of both Parties, within thirty (30) calendar days from the date of receipt of the written notice of a dispute, shall be resolved within Kings County, State of New York. Each party hereby submits to the exclusive jurisdiction of any state or federal court located within Kings County, State of New York, and hereby waives any and all objections to such venue and forum with respect to actions brought in such courts, including, but not limited to, the doctrine of forum non conveniens or lack of personal jurisdiction, unless relief is available under the Prime Contract, in which case the dispute shall be resolved as set forth in Section 1.6(b) below. Notwithstanding the dispute or disagreement, and pending final resolution, Subcontractor agrees to proceed with the performance of the Subcontract to the extent directed by Delfasco. Nothing contained in this clause shall prevent either Party from obtaining prompt, injunctive relief when necessary to prevent irreparable injury.
- (b) This Section 1.6(b) shall govern any disputes that are based on any action or inaction of the Government for which relief is available from the Government under the Disputes clause of Delfasco's Prime Contract. Any action or decision by a contracting officer that relates to Subcontractor's work or Articles delivered hereunder shall be binding upon Subcontractor. Delfasco shall notify Subcontractor promptly of any such action or decision, and agrees to sponsor any claim or appeal submitted by Subcontractor with respect to the same, provided that Subcontractor provides all certifications required by the Dispute clause and Delfasco reasonably believes that Subcontractor's claim or appeal is asserted in good faith and is not false or fraudulent.

Any decision upon such claim or appeal, if binding upon Delfasco, shall be binding upon Subcontractor as it relates to this Subcontract. If any appeal is taken by Delfasco on Subcontractor's behalf, whether at its election or at Subcontractor's request, Subcontractor shall assist Delfasco in its prosecution thereof in every reasonable manner and Subcontractor shall be afforded reasonable opportunity to participate in the prosecution thereof to the extent Subcontractor's interest may be affected. To the extent requested by Delfasco, Subcontractor shall prosecute for Delfasco any appeal brought at Subcontractor's request and, in such event, Delfasco shall assist Subcontractor in every reasonable manner. All costs and expenses, including attorney's fees, incurred by Delfasco and Subcontractor in prosecution of any appeal brought at Subcontractor's request shall be paid by Subcontractor. The rights and obligations herein shall survive termination, expiration and completion of and final payment under this Subcontract. Pending the resolution of any dispute, the Subcontractor shall proceed diligently with the performance of this Subcontract. Except for the payment of Subcontractor claims for which Delfasco is paid by the Prime Contract customer, Delfasco shall have no liability to Subcontractor for any action or inaction of the Prime Contract customer or any information, misinformation, data or property provided by the Prime Contract customer, even if passed on through Delfasco, for use in connection with this Subcontract, or any requirement imposed by the Prime Contract customer on work that is performed by Subcontractor. Delfasco's sole liability for the items set forth in the preceding sentence shall be to pay Subcontractor any amounts received for claims asserted by Subcontractor through Delfasco under this clause.

1.7 COUNTERFEIT WORK

- (a) For purposes of this clause, Work consists of those parts delivered under this Subcontract that are the lowest level of separately identifiable items (e.g., Articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. "Counterfeit Work" also includes an unlawful or unauthorized reproduction, substitution, or alteration that has been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified electronic part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. "Counterfeit Work" includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
- (b) Subcontractor shall not deliver Counterfeit Work to Delfasco under this Subcontract.
- (c) Subcontractor shall only purchase products to be delivered or incorporated as Work to Delfasco directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers without Delfasco's prior, written approval.
- (d) Subcontractor shall immediately notify Delfasco in writing with the pertinent facts if Subcontractor becomes aware or suspects that it has delivered Counterfeit Work. When requested by Delfasco, Subcontractor shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
- (e) This clause applies in addition to any quality provision, specification, statement of work or other provision included in this Subcontract addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.
- (f) In the event that Work delivered under this Subcontract constitutes or includes Counterfeit Work, Subcontractor shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this Subcontract. Notwithstanding any other provision in this Subcontract, Subcontractor shall be liable for all costs relating to the removal and replacement of Counterfeit Work, and any claims by Delfasco's customer relating to the Counterfeit Work, including, without limitation, Delfasco's costs of removing Counterfeit Work, of installing replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies Delfasco may have at law, equity or under other provisions of this Subcontract.
- (g) Subcontractor shall include paragraphs (a) through (e) and this paragraph (g) of this clause or equivalent provisions in Lower Tier Subcontracts for the delivery of items that will be included in or furnished as Work to Delfasco.

1.8 ON-SITE REPRESENTATION

In the event Delfasco assigns a Delfasco on-site representative for the Subcontract, the Subcontractor shall provide the use of office space, office supplies, furnishings, telephones, etc., for the contract period of performance or as mutually agreed to by Delfasco and Subcontractor. Delfasco's on-site representative shall interface with the Subcontractor and monitor all aspects of Subcontractor's progress and performance to ensure compliance with specific technical, quality, and schedule requirements contained within the Subcontract.

1.9 TECHNICAL ASSISTANCE

Delfasco's engineering and technical personnel may, from time to time, render assistance or give technical advice to, or affect an exchange of information with Subcontractor's personnel in a liaison effort concerning the Articles to be provided under the Subcontract. Such an exchange of information or advice given shall not authorize Subcontractor to change the Articles or the provisions of the Subcontract. No change shall be made without the prior written consent of Delfasco's Procurement Representative.

1.10 WAIVERS/APPROVALS

- (a) No waiver, alteration, or modification of any of the provisions of the Subcontract shall be binding on Delfasco unless evidenced by a written change or modification to the Subcontract signed by Delfasco's Procurement Representative or other authorized individual.
- (b) Delfasco's approval of Subcontractor's design, drawings, or specifications shall not relieve Subcontractor of the warranties or any other requirements of the Subcontract. Waivers by Delfasco of any drawings or specification requirements for one or more Articles shall not constitute a waiver of such requirements for the remaining Articles unless so stated in writing by Delfasco. The provisions of the clause shall not limit or affect the rights of Delfasco under the **ACCEPTANCE** clause at Section 1.20.

1.11 SUSPENSION OF WORK

- (a) Delfasco's Procurement Representative may, by written order, suspend all or part of the work to be performed under the Subcontract for a period of up to six (6) months. Within such period of any suspension of work, Delfasco's Procurement Representative shall, in writing:
 - (1) Cancel the order suspending work;
 - (2) Terminate the Contract in accordance with the **TERMINATION FOR CONVENIENCE** clause at Section 1.12, or the **TERMINATION FOR DEFAULT** clause at Section 1.13; or
 - (3) Extend the stop work period.
- (b) Upon receipt of such an order, Subcontractor shall immediately comply with its terms and take all reasonable steps to minimize incurring costs (including stand-by costs) allocable to the work covered by the order during the work stoppage.
- (c) Subcontractor shall immediately resume work whenever a suspension is canceled or the stop work period or its extensions expires.
- (d) Delfasco and the Subcontractor shall negotiate an equitable adjustment in Subcontract price or schedule or both, if:
 - (1) The Subcontract is not terminated;
 - (2) The suspension results in a change in Subcontractor's cost of performance or ability to meet the Subcontract delivery schedule; and,
 - (3) in the case of Subcontractor equitable adjustment requests, Subcontractor submits a request for equitable adjustment within thirty (30) calendar days after the suspension is canceled.

1.12 TERMINATION FOR CONVENIENCE

- (a) Delfasco may terminate performance of work under the Subcontract in whole or, from time to time, in part when it is in Delfasco's interest to do so. Delfasco shall terminate by issuing to the Subcontractor a Notice of Termination specifying the extent of termination and the effective date.
- (b) After receipt of a Notice of Termination, and except as directed by Delfasco, the Subcontractor shall immediately proceed with the following obligations:
 - (1) Stop work as specified in the Notice of Termination.
 - (2) Place no further Lower Tier Subcontracts or orders except as necessary to complete the continued portion of the Subcontract.
 - (3) Terminate all Lower Tier Subcontracts to the extent they relate to the work terminated.
 - (4) Complete performance of the work not terminated.
 - (5) As directed by Delfasco, transfer title and deliver to Delfasco:
 - (i) The fabricated or unfabricated parts, work in process, completed work, Articles, supplies, and other material produced or acquired for the work terminated, and
 - (ii) The completed or partially completed plans, drawings, information, and property that, if the Subcontract had been completed, would be required to be furnished to Delfasco.
 - (6) Comply with the instructions by Delfasco in the Notice of Termination and any subsequent written instructions.

- (c) After termination, Subcontractor shall submit a final termination settlement proposal for equitable adjustment to Delfasco in the form and with the certifications prescribed by Delfasco. Subcontractor shall submit the proposal promptly, but no later than ninety (90) calendar days of the Notice of Termination, unless extended in writing by the Delfasco Procurement Representative upon written request of the Subcontractor within the 90-day period. If Delfasco determines that the circumstances justify it, a termination settlement proposal may be received and acted on after the 90 days or any extension. If the Subcontractor fails to submit the proposal within the time allowed, Delfasco may determine, on the basis of information available, the amount, if any, due the Subcontractor because of the termination and shall pay the amount determined. Such determination shall be conclusive.
- (d) Subject to paragraph (c) of this Section, the Subcontractor and Delfasco may agree upon the whole or any part of the amount to be paid or remaining to be paid because of the termination. The amount may include a reasonable allowance for profit on work completed; however, the agreed amount may not exceed the total Subcontract price as reduced by:
 - (1) The amount of payments previously made; or
 - (2) The Subcontract price of work not terminated.

The Subcontract may be modified and the Subcontractor paid the agreed amount subject to (1) and (2) above.

- (e) If the Subcontractor and Delfasco fail to agree on the entire amount to be paid because of the termination of work, Delfasco shall pay the Subcontractor the amounts determined by Delfasco to be due the Subcontractor. Failure of the Parties to reach agreement shall be a dispute under **DISPUTES** clause at Section 1.6. A dispute shall not excuse continued performance on the non-terminated portion of the Subcontract.

1.13 TERMINATION FOR DEFAULT

- (a) Delfasco may, subject to paragraphs (d) and (e) of the clause, by written notice of default to the Subcontractor, terminate the Subcontract in whole or in part based upon any of the following default conditions:
 - (1) Subcontractor fails to deliver the Articles within the time specified in the Subcontract or any extension granted by Delfasco in writing,
 - (2) Subcontractor fails to make progress, so as to endanger performance of the Subcontract,
 - (3) Subcontractor fails to provide written assurances of performance after such assurances are requested by Delfasco,
 - (4) Subcontractor or its employees or agents engage in conduct in violation of laws applicable to fraud or public contracting in performance of this Subcontract,
 - (5) The cessation of Subcontractor's operations in the normal course of business,
 - (6) Insolvency of Subcontractor or the entering into or filing by or against Subcontractor of a petition, arrangement, or proceeding seeking an order for relief under the bankruptcy laws of the United States, a receivership for any of the assets of the Subcontractor, a composition with or assignment for the benefit of creditors, a readjustment of debt, or the dissolution or liquidation of Subcontractor, or
 - (7) Subcontractor fails to perform any of the other provisions of the Subcontract.
- (b) Delfasco shall notify Subcontractor in writing of the default condition and, to the extent such condition is curable, shall allow Subcontractor ten (10) calendar days (or less time to the extent dictated under the circumstances) within which to effect a cure. If the condition is cured within the allowed period, this Subcontract shall remain in full force and effect. If the default condition remains uncured beyond the allowed period or is otherwise deemed incurable, Delfasco may terminate this Subcontract, in whole or in part by written notice of termination to Subcontractor. The foregoing does not require Delfasco to provide a cure notice for any late delivery.
- (c) If Delfasco terminates the Subcontract in whole or in part, it may acquire from another source, under the terms and in the manner Delfasco considers appropriate, Articles or services similar to those terminated, and the Subcontractor will be liable to Delfasco for any excess costs of those Articles or services. The Subcontractor shall continue the work not terminated.
- (d) Except for defaults of Subcontractor's Lower Tier Subcontractors, the Subcontractor shall not be liable for any excess costs if the failure to perform the Subcontract arises from causes beyond the control and without the fault or negligence of the Subcontractor. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the Federal Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Subcontractor.

- (e) If the failure to perform is caused by the default of Subcontractor's subcontractor at any tier, and if the cause of the default is beyond the control of both the Subcontractor and the Lower Tier Subcontractor, and without the fault or negligence of either, the Subcontractor shall not be liable for any excess costs for failure to perform, unless the subcontracted Articles were obtainable from other sources in sufficient time for the Subcontractor to meet the required delivery schedule.
- (f) If the Subcontract is terminated for default, Delfasco may require the Subcontractor to transfer title and deliver to Delfasco, as directed by Delfasco, any (1) completed Articles, (2) partially completed Articles and (3) any materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights, (collectively referred to as manufacturing materials in this clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of Delfasco, the Subcontractor shall also protect and preserve property in its possession in which Delfasco has an interest.
- (g) Delfasco shall pay the Subcontract price for completed Articles delivered and accepted. Subcontractor and Delfasco shall agree on the amount of payment for the manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the **DISPUTES** clause at Section 1.6. Delfasco may withhold from these amounts any sum Delfasco determines to be necessary to protect Delfasco against loss because of claims arising as a result of Subcontractor's default, outstanding liens or claims of former lien holders.
- (h) If, after termination, it is determined that the Subcontractor was not in default, or that the default was excusable, the rights and obligations of the Parties shall be the same as if the termination had been issued for the convenience of Delfasco.
- (i) Subcontractor agrees that any assistance given by Delfasco on the Subcontract or any acceptance of delinquent or nonconforming items will be solely for the purpose of mitigating damages. It is not the intention of Delfasco to condone any delinquency, waive any defect, or waive any rights Delfasco has under the Subcontract.
- (j) The rights and remedies of Delfasco in the clause are in addition to any other rights and remedies provided by law or under the Subcontract.

1.14 DELFASCO/PRIME CONTRACT CUSTOMER-FURNISHED PROPERTY

- (a) Delfasco shall furnish to Subcontractor, at the time(s) and location(s) stated in the Subcontract, any Delfasco/Prime Contract customer-furnished property described in the Subcontract. If that property, suitable for its intended use, is not delivered to the Subcontractor, Delfasco shall equitably adjust the affected provisions of the Subcontract in accordance with the **CHANGES** clause at Section 1.5, when:
 - (1) Subcontractor submits a timely written request for an equitable adjustment, or
 - (2) The facts warrant an equitable adjustment.
- (b) Title to Delfasco/Prime Contract customer-furnished property shall remain in Delfasco/or such entity as Delfasco shall designate. Subcontractor shall use the Delfasco/Prime Contract/customer-furnished property only in connection with the Subcontract. Subcontractor shall maintain adequate property control records in accordance with sound industrial practice and shall make such records available for Delfasco inspections at all reasonable times.
- (c) Upon delivery of Delfasco/Prime Contract customer-furnished property to Subcontractor, Subcontractor assumes the risk and responsibility for its loss or damage, except:
 - (1) For reasonable wear and tear; (or)
 - (2) To the extent property is consumed in performing the Subcontract; (or)
 - (3) As otherwise provided for by the provisions of the Subcontract.
- (d) Subcontractor shall promptly notify the Delfasco Procurement Representative if Delfasco/Prime Contract customer- furnished property is lost, damaged, or destroyed.
- (e) Upon completing the Subcontract, Subcontractor shall follow the instructions of Delfasco regarding the disposition of Delfasco/Prime Contract customer-furnished property not consumed in performing the Subcontract or previously delivered to Delfasco.
- (f) Delfasco/Prime Contract customer and all its designees shall have access at all reasonable times to the premises in which any Delfasco/Prime Contractor customer property is located for the purpose of inspecting the Delfasco/Prime Contract customer property.

- (g) Subcontractor shall keep Delfasco informed of the status of Government approval of its Property Control System. In the event that Subcontractor's approved system becomes "unsatisfactory", or the Government judges more than five separate categories of the system as "unsatisfactory", Subcontractor shall notify Delfasco immediately and provide a copy of the findings and the proposed Corrective Action Plan. If/when new Government property items are added to the Subcontractor's records, the Subcontractor shall furnish Delfasco with copies of purchase orders, work orders, receiving reports, or other pertinent data needed to facilitate the process of adding items to the official Government property records.

1.15 COMPLIANCE WITH OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA)

Articles delivered under the Subcontract shall be in compliance with OSHA standards. Subcontractor agrees, at its sole expense, to repair, modify, or replace any Articles not in compliance with OSHA standards, and to hold harmless and indemnify Delfasco and its customers from any liability and expense (including attorney's fees) by reason of property damage or personal injury (including death) occasioned in whole or part from a violation of OSHA standards.

1.16 ELIMINATION OF OZONE-DEPLETING SUBSTANCES

Lower Tier Subcontracts shall not contain any specification or requirement that can only be met by, or require the use of, a Class I ozone-depleting substance unless such use is specifically authorized in writing by Delfasco.

1.17 PACKING, MARKING, AND SHIPPING

Unless otherwise specified in the Subcontract:

- (a) All articles shall be packed, marked, and shipped in accordance with good commercial practices to ensure protection in shipment and storage. Subcontractor shall be liable for any expense incurred by Delfasco as a result of improper preservation, packaging, packing, marking, or method of shipment and shall reimburse Delfasco for any such expenses.
- (b) Subcontractor shall strictly comply with the delivery requirements of the Subcontract. In the event of Subcontractor's failure to so comply with the delivery requirements, Delfasco may, in addition to all other remedies, require Subcontractor, at Subcontractor's expense, to ship articles via air freight or expedited routing to avoid or minimize delay.

1.18 HAZARDOUS MATERIALS PACKING CERTIFICATION OF EQUIVALENCY

Prior to bringing any hazardous material or chemical (as determined by OSHA regulation at 29 CFR Section 1910.1200(d)) onto Delfasco's property or work sites, Subcontractor shall provide to Delfasco, under separate cover, a "Material Safety Data Sheet" for each such material or chemical. The Material Safety Data Sheet shall be OSHA Form 20 or equivalent, containing all of the information required by 29 CFR Section 1910.1200 (g).

1.19 INSPECTION

- (a) Subcontractor shall provide and maintain an inspection system in accordance with sound business practices and as otherwise provided in the Subcontract. Records of all inspection work by Subcontractor shall be kept complete and available to Delfasco and its customer during the performance of the Subcontract and for six (6) years after final payment, and in such manner as may be specified elsewhere in the Subcontract.
- (b) At no additional cost to Delfasco, Articles shall be subject to inspection, surveillance and test at reasonable times and places, including Subcontractor's and its subcontractors' locations. Delfasco and its customer shall perform inspections, surveillance and tests so as not to unduly delay the work.
- (c) If Delfasco or its customer performs an inspection or test on the premises of Subcontractor or its Lower Tier Subcontractors, Subcontractor shall furnish, and require its Lower Tier Subcontractors to furnish, without additional charge, reasonable data, facilities, access and assistance for the safe and convenient performance of these duties. Subcontractor shall inform Delfasco when the work is ready for inspection.

1.20 ACCEPTANCE

- (a) Delfasco shall accept Articles or give Subcontractor notice of rejection within a reasonable time, notwithstanding any payment or prior test or inspection. No inspection, test, delay or failure to inspect or test, or failure to discover any defect or other nonconformance shall relieve Subcontractor of any obligations under the Subcontract or impair any rights or remedies of Delfasco or its customer.
- (b) In case any Article or lot of Articles is defective in material or workmanship, or otherwise not in strict conformance with the requirements of the Subcontract, Delfasco shall have the right either to reject it, require its correction, or accept it with an equitable adjustment in price or other consideration. Delfasco's acceptance of a nonconforming Article does not release Subcontractor from its warranty or from its obligation to correct defects that are latent, or that result from fraud, gross mistakes amounting to fraud or as otherwise provided in the Subcontracts. Any Article that has been rejected or requires correction shall be replaced or corrected by, and at the expense of the Subcontractor, including transportation charges. If, after notice by Delfasco, Subcontractor fails to promptly replace or correct any defective Article within the contractual delivery schedule, Delfasco may:
 - (1) By contract or otherwise, replace or correct such Article and charge to Subcontractor the cost incurred by Delfasco;
 - (2) Without further notice terminate the Subcontract in accordance with the **TERMINATION FOR DEFAULT** clause at Section 1.13; or
 - (3) Require a reduction in price that is equitable under the circumstances.

1.21 WARRANTY

- (a) Subcontractor warrants that all Articles furnished under the Subcontract shall be free from defects in materials and workmanship. To the extent Articles are not manufactured pursuant to detailed designs furnished by Delfasco, the Articles shall be free from defects in design and fit for their intended purpose. The foregoing warranties are in addition to all other warranties, either express or implied, and shall survive inspection, test, acceptance of, and payment for the Articles. The warranty shall run to Delfasco and its successors, assigns, and customers. Unless a different period is set forth elsewhere in the Subcontract, the warranty shall extend for a period of one (1) year after final acceptance by Delfasco.
- (b) If the Articles delivered under the Subcontract will be incorporated into an end item to be delivered to Delfasco's customer, Subcontractor's obligation under the clause shall extend to one (1) year after delivery of the end item to Delfasco's customer. All warranties shall extend to Delfasco and its customers. The expiration of the warranty period shall not affect the Subcontractor's liability to correct defects that are latent, or that result from fraud, gross mistakes amounting to fraud or as otherwise provided in the Subcontract.
- (c) If any Article delivered under the Subcontract does not meet the warranties or requirements specified herein, Delfasco may, at its election:
 - (1) Require Subcontractor to correct, at no cost to Delfasco, any defective or nonconforming Article by repair or replacement;
 - (2) Return the defective or nonconforming Article to Subcontractor and recover from Subcontractor the Subcontract price of the Article, plus transportation charges; or
 - (3) Submit a claim to Subcontractor for damages (including incidental, special, or consequential damages) caused by the defective or nonconforming Article. The foregoing remedies are in addition to all other remedies and shall not be deemed to be exclusive.

1.22 INVOICES AND PAYMENT

- (a) Subcontractor shall normally submit a separate invoice for each delivery/completion of Articles. When there are several items to be invoiced during a given month, Subcontractor shall limit the number of submitted invoices on the Subcontract to no more than four per month, with multiple items on a given invoice. Each Subcontractor invoice shall be for delivery/completion of Articles on only one Subcontract.
- (b) Subcontractor shall not submit any invoice for Articles prior to the Subcontract schedule delivery date, or actual delivery date, whichever is later.
- (c) Each Subcontractor invoice shall contain at a minimum the Subcontract number, Subcontract line item for each Article, Article description (including serial numbers, if required), and quantity delivered of each Article, invoiced amount for each Article, and the total amount of the submitted invoice. Unless otherwise stated in the Subcontract, invoiced amounts for each Article must exactly match what is in the Subcontract.
- (d) Payment shall be made within thirty (30) calendar days after Delfasco's receipt of Subcontractor's proper invoice or acceptance of the delivered Articles, whichever is later.

- (e) Delfasco shall be entitled at all times to set-off any amounts owed by Subcontractor to Delfasco against any amount payable by Delfasco to Subcontractor.

1.23 EXTRAS

Except as otherwise provided for in the Subcontract, no payment for extras shall be made unless such extras and the price therefore have been authorized in writing by Delfasco.

1.24 RECORDS

Unless a different period is set forth elsewhere in the Subcontract, Subcontractor shall retain all pertinent books, documents, papers, and records involving transactions related to the Subcontract for a period of six (6) years after final payment on the Subcontract. Upon written request by Delfasco, Subcontractor shall make them available for examination by Delfasco or any of its authorized representatives including customer. Records relating to any claims that are pending at the end of the four year retention period shall be retained until the final conclusion of all proceedings or administrative actions regarding such claims.

1.25 RELEASE OF INFORMATION

- (a) No release of information, or confirmation or denial of same, with respect to the Subcontract or other Delfasco projects, obtained in the performance of the Subcontract, shall be made without the prior coordination and express written approval of Delfasco. This includes but is not limited to advertisements, brochures, news releases (including photographs, films, public announcements, or denial or confirmation of the same, or interviews with news media representatives) and the like. The provision shall apply equally to Lower Tier Subcontracts and Subcontractor shall include the substance of the provision in all of its subcontracts. The provision does not apply to information that is reportable to the U.S. Government pursuant to Public Laws or Regulations.
- (b) Subcontractor shall not, at any time during or subsequent to performance of the Subcontract, disclose to others the terms of the Subcontract or any other information, knowledge, or data, including business, technical, financial, or information that are of a proprietary or trade secret nature, that Subcontractor may receive from Delfasco during the course of the Subcontract. All of Delfasco's proprietary information and all copies thereof (including, without limitation, all materials containing or embodying any of Delfasco's proprietary information) are and shall remain the sole property of Delfasco and shall be returned promptly to Delfasco upon completion or termination of the activity for which Subcontractor has obtained such proprietary information. Subcontractor shall only use Delfasco proprietary information to perform this Subcontract. Delfasco proprietary information shall not include information (i) that as of the time of receipt by the Subcontractor is in the public domain or subsequently enters the public domain without breach of this Subcontract by the Subcontractor; (ii) that as of the time of receipt by the Subcontractor, is already known to or in the possession of the Subcontractor and Subcontractor is no obligated to preserve the confidentiality of such information; (iii) is independently developed by or for the Subcontractor as evidenced by the Subcontractor's own files and records; (iv) is received in good faith by the Subcontractor from a third party that was lawfully in possession of the information; or (v) that the parties mutually agree in writing to release from the terms of this Subcontract.
- (c) Any unpatented knowledge, information or documents concerning Subcontractor's products, methods or manufacturing processes, including, without limitation, specifications or samples, which Subcontractor may disclose to Delfasco shall, unless otherwise specifically agreed in writing signed by Subcontractor and Delfasco, be deemed to have been disclosed as a part of the purchase price set forth on the Purchase Order and Subcontractor shall not assert any claim against Delfasco as the result of Delfasco's use thereof.

1.26 INSURANCE

- (a) If, in the performance of the Subcontract, Subcontractor or any of its subcontractors perform any work on premises owned, leased, occupied, or controlled by Delfasco, Subcontractor shall procure and maintain, and shall require its subcontractors to procure and maintain for the entire period of performance of the Subcontract, workers compensation, commercial general liability and automobile liability (third party bodily injury and property damage liability) insurance with a minimum of \$1,000,000 per occurrence limit and such other insurance as Delfasco or customer may require. Prior to commencement of any work, Subcontractor shall furnish to Delfasco a "Certificate of Insurance" covering such insurance. Policies evidencing required insurance shall contain an endorsement to the effect that cancellation or any material change in the policies adversely affecting the interests of Delfasco or its customers shall not become effective for such period as may be prescribed by the laws of the state in which the Subcontract calls for performance, and in no event less than thirty (30) calendar days after written notice to Delfasco.

- (b) Failure on the part of Subcontractor to furnish such certifications prior to the commencement of work or to continue to maintain such insurance during the performance of the Subcontract shall be cause for Subcontractor to be declared in default under the Subcontract.

1.27 SUBCONTRACTOR EMPLOYEES

Subcontractor and Subcontractor's employees are not employees of Delfasco and are not entitled to any Delfasco employee benefits or privileges; however, all Subcontractor employees shall be subject to the applicable rules and regulations governing Delfasco employees while on premises owned, leased, occupied or controlled by Delfasco. Subcontractor shall require that each of its employee(s) engaged in work on premises owned, leased, occupied, or under the control of Delfasco display such identification as may be approved and directed by Delfasco. The parties are independent contractors. Nothing contained in this Subcontract shall be construed to create the relationship of principal and agent between the parties. Neither party shall act as an agent of the other.

1.28 INDEMNIFICATION

Subcontractor agrees to indemnify and hold Delfasco, its officers, employees, agents, and representatives, harmless from and against any and all claims, liabilities, losses, damages, costs, or expenses (including reasonable attorney's fees) arising out of, relating to or resulting from:

- (a) Property damage or personal injury including death, of whatever kind or nature arising out of, as a result of, or in connection with Subcontractor, or its agents or Lower-Tier Subcontractors' performance pursuant to the Subcontract;
- (b) Nonconformance to applicable Cost Accounting Standards or cost principles, if flowed down, or the proposal or submission of unallowable costs, expenses, or other charges incurred or anticipated to be incurred on the Subcontract;
- (c) Any liability that arises as the result of failure of Subcontractor, its agents or its Lower-Tier Subcontractors to comply with any law, regulation, or term of the Subcontract;
- (d) Any action by a third party that is based upon a claim that the Articles provided or delivered under this Subcontract infringe or otherwise violate the intellectual property rights of any person or entity; and/or
- (e) Any inaccuracy in any, breach of any, or false or fraudulent, representation or warranty made by Subcontractor herein.

EXCEPT FOR LIABILITIES ARISING UNDER THE INDEMNIFICATION PROVISIONS OF THIS SUBCONTRACT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PURSUANT TO THIS SUBCONTRACT FOR ANY AMOUNTS REPRESENTING LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF REVENUES OR INDIRECT, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES OF THE OTHER PARTY.

1.29 INTELLECTUAL PROPERTY

- (a) All technical work product, including, but not limited to, ideas, information, data, documents, drawings, software, software documentation, designs, specifications, and processes produced by or for Subcontractor, either alone or with others, in the course of or as a result of any work performed by or for Subcontractor which is covered by the Subcontract using funds paid for by Delfasco under the Subcontract shall be the exclusive property of Delfasco and be delivered to Delfasco promptly upon request.
- (b) All inventions conceived, developed, or first produced by or for Subcontractor, either alone or with others, in the course of or as a result of any work performed by or for Subcontractor which is covered by the Subcontract using funds paid for by Delfasco under the Subcontract, and any patents based on any such inventions (both domestic and foreign), shall be the exclusive property of Delfasco. Subcontractor shall promptly disclose all such inventions to Delfasco in written detail, and execute all papers, cooperate with Delfasco, and perform all acts necessary or appropriate in connection with the filing, prosecution, maintenance, or assignment of related patents or patent applications to Delfasco.
- (c) All works of authorship, including, but not limited to, documents, drawings, software, software documentation, photographs, video tapes, sound recordings, and images, in electronic or other media, created by or for Subcontractor, either alone or with others, in the course of or as a result of any work performed by or for Subcontractor which is covered by the Subcontract using funds paid for by Delfasco under the Subcontract, together with all copyrights subsisting therein, shall be the sole property of Delfasco. To the extent permitted under United States copyright law, all such works shall be works made for hire, with the copyrights therein vesting in Delfasco. The copyrights of all other such works, including all of the exclusive rights therein, shall be promptly transferred and formally assigned free of charge to Delfasco.
- (d) Prior to delivery, Subcontractor shall identify in writing any third party intellectual property that is incorporated in, or delivered with any Article acquired under this Subcontract, and shall provide to Delfasco, at no additional charge, such license rights consistent with the Prime Contract that Delfasco may request.

1.30 PARTS OBSOLESCENCE

Subcontractor shall notify Delfasco of any pending or contemplated future action to discontinue Articles purchased pursuant to the Subcontract and shall allow Delfasco to submit a forecast of expected annual usage prior to Subcontractor finalizing its decision to discontinue the Articles. Subcontractor shall provide Delfasco with a "Last Time Buy Notice" at least twelve (12) months prior to the actual discontinuance. Subcontractor shall extend opportunities to Delfasco to place last time buys of such Articles with deliveries not to exceed twelve (12) months after the last time buy date.

1.31 ASSIGNMENT AND SUBCONTRACTING

- (a) Neither the Subcontract nor the rights, duties, or interests therein may be delegated, assigned, or otherwise transferred in any manner without the prior written consent of Delfasco. None of the Articles to be delivered under the Subcontract shall be acquired by Subcontractor from a Lower Tier Subcontractor or third party in completed or substantially completed form without the prior written consent of Delfasco. The limitation shall not apply to Subcontractor's purchase of standard commercial supplies or raw materials.
- (b) Subcontractor shall not issue a Lower Tier Subcontract under the Subcontract that provides for payment on a cost plus-percentage-of-cost basis.
- (c) This Subcontract will be binding upon the Parties hereto and their respective successors, permitted assigns and legal representatives.

1.32 BANKRUPTCY

- (a) In the event of the appointment of a trustee, receiver, or liquidator for all or a portion of Subcontractor's property, or for any act or petition in bankruptcy, whether voluntary or involuntary, as defined in the Bankruptcy Reform Act of 1978, Title 11, United States Code, as amended, Delfasco may terminate the right of Subcontractor to proceed with the further performance of the Subcontract without further obligation, except that Delfasco shall be obliged to pay for any Article accepted prior to any of the foregoing occurrences at the prices specified in the Subcontract.
- (b) During the performance of the Subcontract, Subcontractor shall submit financial information at such times and in such content and form as Delfasco may reasonably require.

1.33 EXPORT CONTROL

Subcontractor shall comply with all applicable U.S. export control laws and economic sanctions laws and regulations, including but not limited to the International Traffic in Arms Regulations (ITAR), 22 C.F.R. 120 et seq.; the Export Administration Regulations, 15 C.F.R. 730-774; and the Foreign Assets Control Regulations, 31 C.F.R. 500-598 (collectively, "Trade Control Laws"). Without limiting the foregoing, Subcontractor shall not transfer any export controlled item, technical data, technology, or service, including transfers to foreign persons employed by or associated with, or under contract to Subcontractor or Subcontractor's Lower Tier Subcontractors, unless authorized in advance by an export license (such as Technical Assistance Agreement (TAA) or Manufacturing License Agreement (MLA), license exception or license exemption, collectively, "Export Authorization"), as required.

1.34 RIGHTS AND REMEDIES

Any failures, delays, or forbearances of either Party in insisting upon or enforcing any provisions of the Subcontract, or in exercising any rights or remedies under the Subcontract, shall not be construed as a waiver or relinquishment of any such provisions, rights, or remedies; rather, the same shall remain in full force and effect. The rights and remedies set forth in the Subcontract are cumulative and in addition to any other rights or remedies that the parties may have at law or in equity. If any provision of the contract becomes void or unenforceable by law, the remaining shall be valid and enforceable.

1.35 ADDITIONAL FLOWDOWN CLAUSES

In the event that any clause which is not already incorporated herein is required to be included in the Subcontract by law, regulation, the Prime Contract, or higher-tier Subcontract, or in the event that Delfasco's Prime Contract is modified subsequent to the effective date of the Subcontract so as to modify or add any additional such clause or requirement, Subcontractor agrees to enter into a modification of the Subcontract to insert the clause or any such clause or requirement. If any such additional clause or requirement causes an increase or decrease in the cost of, or the time required, for the performance of any part of the work under the Subcontract, an equitable adjustment shall be made in the Subcontract price or delivery schedule, or both, pursuant to the CHANGES clause at Section 1.5.

1.36 APPLICABLE LAWS

Irrespective of the place of performance, the Subcontract shall be governed by and construed according to the laws of the State of Delaware (without giving effect to Delaware's conflicts of law provisions), except that when Federal common law of Government contracts exist on substantive matters requiring construction under the Subcontract, such Federal common law, as enunciated and applied by federal courts, boards of contracts appeals, and quasi-judicial agencies of the Federal Government, shall apply in lieu of state law. Subcontractor shall comply with all applicable local, state, and federal laws, orders, rules regulations and ordinances in the performance of the Subcontract. No course of prior dealings between Subcontractor and Delfasco and no usage of the trade shall be relevant to supplement or explain this Subcontract.

1.37 RATED ORDERS

If so identified on the Purchase Order, this Subcontract is a "rated order" certified for national defense, emergency preparedness, and energy program use, and Subcontractor shall follow all the requirements of the Defense Priorities and Allocation System Regulations at 15 C.F.R. Part 700 and FAR 52.211-15.

1.38 SURVIVAL

Survival of Terms: Termination of this Agreement for any reason will not release either Party from any liabilities or obligations set forth in this Agreement which (a) the Parties have expressly agreed shall survive any such termination or (b) by their nature would be intended to be applicable following any such termination. In addition to the foregoing, the following sections shall survive termination of this Subcontract: 1.6, 1.21, 1.25, 1.28, 1.29, 1.30, and 1.36.

1.39 NOTICES

All notices required or permitted hereunder shall be in writing and shall be: (a) sent by e-mail or facsimile transmission (effective when receipt is acknowledged unless sent on a non-business day or after 5:00 p.m. on any business day, in which event notice shall be deemed received on the next business day); (b) personally delivered (effective upon personal delivery); (c) sent by certified mail, return receipt requested, postage prepaid (effective upon receipt by addressee); or (d) sent by a nationally recognized, commercial overnight delivery service with provisions for a receipt, delivery charges prepaid (effective upon receipt by addressee), and shall be addressed to each Party's authorized representative, at the physical and email address and facsimile number set forth in the Purchase Order.

1.40 ENTIRE AGREEMENT/COVENANTS AGAINST INTERFERENCE WITH CONTRACTUAL RELATIONS

The Subcontract contains the entire agreement of the Parties, and supersedes any and all prior agreements, understandings, and communications between Delfasco and Subcontractor related to, the subject matter of the Subcontract.

Subcontractor covenants that for the term of this Subcontract, it shall not intentionally interfere with Delfasco's contractual relationships with the Prime Contract customer. Subcontractor further covenants that it will notify Delfasco of any requests for proposals, technical questions, and cost and/or pricing requests directed to the Subcontractor by the Prime Contract customer for the Articles sold under this Subcontract during the term of this Subcontract. Subcontractor covenants that for the term of this Subcontract, it will not knowingly initiate any action of any kind or nature to influence the Prime Contract customer not to renew the Prime Contract during any option year, or to influence the Prime Contractor customer to terminate, in whole or in part, the Prime Contract for any reason.

SECTION 2– GENERAL PROVISIONS

2.1 GENERAL

The following contract clauses are incorporated by reference from the Federal Acquisition Regulation (FAR) or the Department of Defense FAR Supplement (DFARS), and apply to the extent indicated. Unless otherwise noted, wherever the term "Government" is used, "Delfasco" shall be substituted. Wherever the word "Contract" is used, the word "Subcontract" shall be substituted. Wherever the word "Contractor" is used, the word "Subcontractor" shall be substituted. Such substitutions shall not be made in clauses addressing intellectual property, such as 52.227-14, or where it is clear, by the context of the provision itself or the conditions under which it is being applied, that the reference is intended to refer to the Government, its officers or agents, or the Prime Contractor specifically thus retaining the meanings as set forth in the FAR or DFAR.

FAR REFERENCE NUMBER	REFERENCE TITLE
52.202-1	Definitions (NOV 2013)
52.203-3	Gratuities (APR 1984)
52.203-5	Covenant Against Contingent Fees (MAY 2014)
52.203-6	Restrictions On Subcontractor Sales To The Government (SEP 2006) NOTE: Applicable if the Subcontract exceeds the simplified acquisition threshold.
52.203-7	Anti-Kickback Procedures (MAY 2014) NOTE: The substance of this clause, except subparagraph (c)(1), is applicable to any Subcontract which exceeds \$150,000. Subcontractor shall immediately notify Delfasco of any alleged violations involving any of Delfasco's or Subcontractor's employees.
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (MAY 2014) NOTE: Applicable if the Subcontract exceeds the simplified acquisition threshold.
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity (MAY 2014) NOTE: Applicable if the Subcontract exceeds the simplified acquisition threshold.
52.203-12	Limitation On Payments To Influence Certain Federal Transactions (OCT 2010) NOTE: Applicable to any Subcontract greater than \$150,000.
52.203-13	Contractor Code of Business Ethics and Conduct (OCT 2015) NOTE: Applicable to any Subcontract greater than \$5,500,000 and the period of performance is more than 120 days except when performance is entirely outside the United States. The United States, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.
52.203-14	Display of Hotline Posters (OCT 2015) NOTE: Applicable to any Subcontract greater than \$5,500,000 except when the Subcontract is for the acquisition of commercial items or performance is entirely outside the United States. The United States, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.
52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (APR 2014) NOTE: Applicable to any Subcontract greater than \$150,000.
52.204-2	Security Requirements (AUG 1996) Alternate II (APR 1984) NOTE: The clause applies to the extent that the Subcontract involves access to information classified as "Confidential", "Secret", or "Top Secret". Subcontractor shall comply with the Security Agreement (DD Form 441).
52.204-7	System for Award Management (JUL 2013)
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards (OCT 2015) NOTE: Applies to all subcontracts of \$25,000 or more.
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment (OCT 2015) NOTE: Applicable to any Subcontract greater than \$35,000 that is not for COTS items.
52.211-5	Material Requirements (AUG 2000) NOTE: Does not apply to any Subcontract for commercial items.
52.211-15	Defense Priority and Allocation Requirements (APR 2008) NOTE: Applies if this is a rated order as noted on the Purchase Order.
52.214-26	Audit and Records— Sealed Bidding (OCT 2010) NOTE: Applicable to any Subcontract in excess of \$750,000.
52.214-27	Price Reduction for Defective Cost or Pricing Data-Modifications – Sealed Bidding (AUG 2011) NOTE: Applicable to any Subcontract in excess of \$750,000.
52.214-28	Subcontractor Cost or Pricing Data – Modifications – Sealed Bidding (OCT 2010) NOTE: Applicable to any Subcontract in excess of \$750,000.
52.215-2	Audit and Records – Negotiation (OCT 2010)
52.215-10	Price Reduction for Defective Certified Cost or Pricing Data (AUG 2011) NOTE: This clause applies if cost or pricing data is required from the Subcontractor or any Lower Tier Subcontractor.

52.215-11	Price Reduction for Defective Cost or Pricing Data – Modifications (AUG 2011)
52.215-12	Subcontractor Cost or Pricing Data (OCT 2010) NOTE: This clause applies if cost or pricing data is required from the Subcontractor or any Lower Tier Subcontractor.
52.215-13	Subcontractor Cost or Pricing Data – Modifications (OCT 2010)
52.215-14	Integrity of Unit Prices (OCT 2010) NOTE: This clause does not apply to acquisition at or below the simplified acquisition threshold or to acquisitions of commercial items.
52.215-15	Pension Adjustments and Asset Reversions (OCT 2010)
52.215-17	Waiver of Facilities Capital Cost of Money (OCT 1997)
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (JUL 2005)
52.215-19	Notification of Ownership Changes (OCT 1997)
52.216-7	Allowable Cost and Payment (JUN 2013) NOTE: The clause applies when a cost- reimbursement contract is contemplated. In paragraph (d)(2)(i) the term "Contracting Officer" means Government Contracting Officer.
52.216-8	Fixed Fee (JUN 2011) NOTE: This clause applies when a cost-plus-fixed-fee contract is contemplated.
52.219-8	Utilization of Small Business Concerns (OCT 2014)
52.219-9	Small Business Subcontracting Plan (OCT 2015) NOTE: The clause applies if the Subcontract exceeds \$700,000, offers subcontracting possibilities, and includes FAR 52.219-8. Does not apply to small businesses.
52.219-16	Liquidated Damages – Subcontracting Plan (JAN 1999)
52.219-28	Post-Award Small Business Program Representation (JUL 2013)
52.222-1	Notice To The Government Of Labor Disputes (FEB 1997)
52.222-3	Convict Labor (JUN 2003)
52.222-19	Child Labor – Cooperation with Authorities and Remedies (JAN 2014)
52.222-21	Prohibition Of Segregated Facilities (APR 2015)
52.222-26	Equal Opportunity (APR 2015)
52.222-35	Equal Opportunity For Veterans (OCT 2015) NOTE: Applicable to any Subcontract of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor.
52.222-36	Equal Opportunity For Workers With Disabilities (JUL 2014) NOTE: Applicable to any Subcontract greater than \$15,000.
52.222-37	Employment Reports On Veterans (OCT 2015) NOTE: Applicable to any Subcontract greater than \$150,000.
52.222-38	Compliance with Veterans' Employment Reporting Requirements (SEP 2010). The FEB 2016 version applies to all Subcontracts executed on or after February 26, 2016.
52.222-40	Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) NOTE: Applicable to any Subcontract greater than \$10,000.
52.222-50	Combating Trafficking in Persons (MAR 2015)
52.222-54	Employment Eligibility Verification (OCT 2015)
52.223-6	Drug-Free Workplace (MAY 2001)
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011)
52.225-8	Duty-Free Entry (OCT 2010) NOTE: The clause applies if supplies that are identified to be accorded duty-free entry will be imported into the customs territory of the United States, OR other foreign supplies in excess of \$15,000 may be imported into the customs territory of the United States.
52.225-13	Restriction on Certain Foreign Purchases (JUN 2008)
52.227-1	Authorization and Consent (DEC 2007) NOTE: Applicable to any Subcontract in excess of the simplified acquisition threshold.
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement (DEC 2007) NOTE: Applicable to any Subcontract in excess of the simplified acquisition threshold.
52.227-14	Rights in Data – General (MAY 2014)
52.227-17	Rights in Data –Special Works (DEC 2007)
52.227-18	Rights in Data –Existing Works (DEC 2007)
52.229-3	Federal, State, And Local Taxes (FEB 2013)

52.230-2	Cost Accounting Standards (OCT 2015) NOTE: The clause, except paragraph (b), applies to all negotiated contracts in excess of \$750,000 UNLESS otherwise exempt as specified in 48 CFR 9903.201-1.
52.230-3	Disclosure and Consistence of Cost Accounting Practices (OCT 2015) NOTE: The clause, except paragraph (b), applies to all negotiated contracts in excess of \$750,000 UNLESS otherwise exempt as specified in 48 CFR 9903.201-1.
52.230-6	Administration of Costs Accounting Standards (JUN 2010)
52.232-11	Extras (APR 1984) NOTE: Applicable to fixed-price supply Subcontracts.
52.242-13	Bankruptcy (JUL 1995)
52.242-15	Stop-Work Order (AUG 1989) - Alternate I APR 1984
52.244-5	Competition in Subcontracting (DEC 1996)
52.244-6	Subcontracts for Commercial Items (DEC 2015). The FEB 2016 version applies to all Subcontracts executed on or after February 26, 2016.
52.245-1	Government Property (APR 2012)
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006)
52.248-1	Value Engineering (OCT 2010)

**DFAR
REFERENCE
NUMBER**

REFERENCE TITLE

252.203-7000	Requirements Relating to Compensation of Former DoD Officials (SEP 2011)
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC 2008) NOTE: Applicable to any Subcontract Exceeding the Simplified Acquisition Threshold.
252.203-7002	Requirement to Inform Employees of Whistleblower Rights (SEP 2013)
252.203-7004	Display of Hotline Posters (OCT 2015) NOTE: Applies to all subcontracts that exceed \$5,500,000 except subcontracts for commercial items.
252.204-7000	Disclosure Of Information (AUG 2013)
252.204-7004	Alternate A, System for Award Management (FEB 2014)
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Country That is a State Sponsor of Terrorism (OCT 2015)
252.219-7003	Small Business Subcontracting Plan (DoD contracts)(OCT 2014) – Supplements FAR 52.219-9
252.223-7004	Drug Free Work Force (SEP 1988)
252.225-7001	Buy American and Balance of Payments Program (NOV 2014)
252.225-7004	Report of Intended Performance Outside the United States and Canada – Submission After Award (OCT 2015) NOTE: Applicable to any Subcontract in excess of \$700,000 that could be performed inside the United States or Canada.
252.225-7012	Preference for Certain Domestic Commodities (FEB 2013)
252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, And Native Hawaiian Small Business Concerns (SEP 2004) (Applicable only if this Subcontract exceeds \$500,000).
252.227-7013	Rights in Technical Data – Noncommercial Items (FEB 2014)
252.227-7014	Rights In Noncommercial Computer Software and Noncommercial Computer Software Documentation (FEB 2014)
252.227-7015	Technical Data – Commercial Items (FEB 2014)
252.227-7016	Rights in Bid or Proposal Information (JAN 2011)
252.227-7019	Validation of Asserted Restrictions—Computer Software (SEP 2011)
252.227-7037	Validation of Restrictive Markings on Technical Data (JUN 2013)
252.231-7000	Supplemental Cost Principles (DEC 1991)
252.243-7001	Pricing of Contract Modifications (DEC 1991)
252.243-7002	Requests for Equitable Adjustment (DEC 2012)
252.244-7000	Subcontracts for Commercial Items (JUN 2013) NOTE: Applicable only to Subcontracts for commercial items.
252.246-7003	Notification of Potential Safety Issues (JUN 2013) NOTE: Applicable to Subcontract for (i) Parts identified as critical safety items; (ii) Systems and subsystems, assemblies, and subassemblies integral to a system; or (iii) Repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system.
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System (MAY 2014)
252.247-7023	Transportation of Supplies by Sea (APR 2014) NOTE: Applicable in any Subcontract and all lower-tier subcontracts for ocean transportation of supplies.