

GENERAL DYNAMICS GENERAL PROVISIONS - FIXED PRICE PURCHASE ORDER
issued in support of the United States Department of State Contract Number SAQMMA-12-C-0130

1. Definitions As used throughout this Contract, including provisions incorporated by reference, the following terms shall have the meaning set forth below:

- (a) "Buyer" means General Dynamics Mission Systems, Inc., General Dynamics Information Technology, Inc., General Dynamics SATCOM Technologies, Inc., or General Dynamics Global Imaging Technologies, Inc., the legal entity issuing this order.
- (b) "Buyer's Authorized Procurement Representative" means the authorized Purchasing Agent, Subcontract Manager, or Contract Manager representing Buyer.
- (c) "Contractor" means "Seller".
- (d) "Goods" means supplies or services provided by Seller.
- (e) "Government" means the Government of the United States of America.
- (f) "Order" means the contractual instrument (e.g. Agreement, Purchase Order or Subcontract) into which these General Provisions are incorporated.
- (g) "Seller" means the person, firm or corporation executing this Order with Buyer and which will furnish the Goods provided for herein.
- (h) "Work" means the subject of this Order, and therefore may include, without limitation, goods (e.g., materials, equipment, products, hardware, software, or information) or services (whether or not ancillary to the sale of goods) or both furnished by Seller to Buyer in performance of and pursuant to this Order.

2. Formation of Order This is Buyer's offer to purchase the Goods described in this Order. Acceptance is strictly limited to the terms and conditions included in this document. Buyer objects to, and is not bound by, any term or condition that differs from or adds to this offer, unless specifically agreed to in writing by Buyer's Authorized Procurement Representative. Seller's acceptance of this offer shall be evidenced by commencement of performance or by acceptance of this offer in writing.

3. Changes

3.1 Buyer's Authorized Procurement Representative may, in writing, direct changes in: (i) drawings, designs and specifications, to include technical requirements and descriptions included in the Statement of Work, (ii) reasonable adjustments in quantities and/or delivery schedules, (iii) place of delivery, inspection or acceptance, (iv) shipment or packing methods, (v) amount of Buyer-furnished property; and, if this Order includes services, (vi) description of services, place, and / or time of performance of the services, within the general scope of this Order. If the Buyer's Authorized Procurement Representative directed change causes an increase or decrease in the cost of, or the time required for, performance of any part of the Work under this Order, whether or not changed by the directed change, Seller must assert any claim in writing within twenty-five (25) days and deliver a fully supported proposal to Buyer's Authorized Procurement Representative within sixty (60) days after Seller's receipt of such a directed change. Buyer and Seller shall negotiate an equitable adjustment in the price and / or schedule to reflect the increase or decrease. Failure of the parties to agree upon any adjustment shall not excuse Seller from performing in accordance with Buyer's direction. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the article of this Order entitled "Dispute Resolution." Buyer may, at its sole discretion, consider any claim regardless of when asserted. If Seller's proposal includes the cost of property made obsolete or excess by the change, Buyer may direct the disposition of the property. Seller shall use its best efforts to mitigate damages by attempting to sell obsolete or excess supplies to other customers.

3.2 Buyer's engineering and technical personnel may from time to time render assistance or give technical advice to, or discuss or affect an exchange of information with the Seller's personnel concerning the Work hereunder. Such actions shall not be deemed to be a change under this Article 3.0 and shall not vest Seller with authority to change the Work hereunder. In the event Seller receives an instruction, order, or advice that Seller deems to be a change from anyone other than Buyer's Authorized Procurement Representative, Seller shall immediately advise Buyer's Authorized Procurement Representative of that instruction, order, or advice. Seller shall not be entitled to any adjustment of the Order price, delivery schedule or other Order provisions because of actions taken by the Seller pursuant to said instruction, order or advice without a written Purchase Order Revision, Change Order, or Supplemental Agreement to this Order issued by Buyer's Authorized Procurement Representative.

3.3 The Seller shall not make any changes in the Work or end items (including assemblies, subassemblies, parts and components thereof) that do not conform to the requirements of this Order without the prior written consent of Buyer. Seller may prescribe a procedure for the reporting and approval of changes initiated by the Seller.

4. Rights and Use of Proprietary Information and Materials

4.1 All (a) proprietary and/or trade secret information; (b) tangible items containing, conveying or embodying such information; and (c) tooling identified as being subject to this clause and obtained, directly or indirectly, from Buyer in connection with this Order that are clearly marked as "Proprietary" (collectively referred to as "Proprietary Information and Materials") shall remain Buyer's property and shall be protected from unauthorized use and disclosure.

4.2 Seller shall use Proprietary Information and Materials only in the performance of and for the purpose of this Order. The restrictions on disclosure or use of Proprietary Information and Materials by Seller shall apply to all materials derived by Seller or others from Buyer's Proprietary Information and Materials.

4.3 Upon the completion, termination, or cancellation of this Order, or upon Buyer's request at any time, Seller shall return to Buyer all of Buyer's Proprietary Information and Materials and all materials derived therefrom, unless specifically directed otherwise in writing by Buyer. Seller shall not, without the prior written authorization of Buyer, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying or made in accordance with or by reference to any Proprietary Information and Materials of Buyer. Prior to disposing of such parts or other materials as scrap, Seller shall render them unusable. Buyer shall have the right to audit Seller's compliance with this Article 4.0.

4.4 Seller may disclose Proprietary Information and Materials of Buyer to its subcontractors as required for the performance of this Order, provided that each such subcontractor first agrees in writing to the same obligations imposed upon Seller under this Article 4.0 relating to Proprietary Information and Materials. Seller shall be liable to Buyer for any breach of such obligation by such subcontractor.

4.5 The provisions of this Article 4.0 are effective in lieu of any restrictive legends or notices applied to Proprietary Information and Materials. The provisions of this Article 4.0 shall survive the performance, completion, termination, or cancellation of this Order for a period of two (2) years.

5. Work Performed on Buyer Premises or on Premises of Buyer's Customer(s) or Access to Buyer's Information Systems

5.1 If this Agreement involves Work by Seller on the premises of Buyer or Buyer's Customer(s), Seller shall comply with and take all precautions required by any safety and security regulations and Buyer internal policies or procedures to prevent the occurrence of any injury to person or property during the performance and progress of such Work. Seller shall promptly notify Buyer of any such injury or damage. In addition to any other indemnification obligations in this Agreement, Seller hereby assumes entire responsibility and liability for any and all damage or injury of any kind or nature whatsoever to all persons, whether employees of Seller, or otherwise, and to all property, caused by, resulting from, or arising out of Seller's negligence or that of its agents or employees when performing Work on the premises of Buyer or Buyer's Customer(s).

5.2 Seller shall at all times enforce strict discipline and good conduct among its employees, and shall not employ in connection with the services covered by this Agreement any unqualified or unfit person or anyone not skilled in the Work assigned to him or her. Seller also agrees that any employee, subcontractor, or agent provided under this Agreement to Buyer will abide by and perform in accordance with the employment policies of Buyer, which address mandatory internal dispute resolution of all covered claims, sexual and other unlawful harassment, drug and alcohol abuse, and equal employment opportunity. Seller shall indemnify and hold Buyer harmless against any liability arising from a violation of such policies by Seller's employee, subcontractor, or agent. In addition to any other remedies available to Buyer, Buyer may, without notice and an opportunity to cure, expel from its property/Worksite, or the property or Worksite of Buyer's Customer(s), any employee, subcontractor or agent of Seller found violating any Buyer policy.

5.3 Seller must receive written permission from Buyer or Buyer's Customer(s) before storing any materials upon the premises or constructing any temporary Workshop or other apparatus on the premises. Seller agrees to keep the premises free from accumulations of waste material or rubbish caused by its employees, subcontractors, or agents during performance, and at the completion of performance, Seller shall remove from the premises all rubbish, implements, and surplus materials and leave the premises broom clean, unless otherwise instructed by Buyer or Buyer's Customer(s). Seller shall properly store all loose tools and materials.

5.4 Prior to Buyer issuing any "No-Escort" badges to Seller's employees performing Work in the operating areas of Buyer's premises or facilities for a period of 45 days or more within a 365 day period, or having any access to Buyer computer information systems for any period of time, Seller, shall, at its own expense, obtain a Background Investigation (BI) on the Seller's employee in accordance with standards established by Buyer's Security Organization.

6. Warranty Seller warrants that all Goods furnished under this Order shall conform at time of delivery to all specifications and requirements of this Order and shall be free from defects in materials and workmanship. To the extent Goods are not manufactured pursuant to detailed designs and specifications furnished by Buyer, the Goods shall be free from design and specification defects. This warranty shall survive inspection, test, acceptance of, and payment for the Goods. This warranty extends to Buyer and its successors, assigns and customers. Such warranty shall begin with Buyer's final acceptance and run for a period of one year. Unless otherwise provided in this Order, at Buyer's option, Buyer may (i) return the defective goods for credit or refund or (ii) direct Seller to promptly repair or replace defective goods, or (iii) repair or replace the defective goods using Buyer's employees or third parties and recover the cost of such repair or replacement from Seller. Return to Seller of defective Goods and redelivery to Buyer of corrected or replaced Goods shall be at Seller's expense. Goods required to be corrected or replaced shall be subject to this Article 6.0 in the same manner and to the same extent as Goods originally delivered under this Order, but only as to the corrected or replaced part or parts thereof. Even if the parties disagree about the existence of a breach of this warranty, Seller shall promptly comply with Buyer's direction to: (i) repair, rework or replace the Goods, or (ii) furnish any materials or parts and installation instructions required to successfully correct the defect or nonconformance. If the parties later determine that Seller did not breach this warranty, the parties shall equitably adjust the Order price.

7. Schedule Seller shall strictly adhere to the shipment or delivery schedules specified in this Order. Failure of the Seller to meet shipment or delivery schedules may be grounds for default termination. In the event of any anticipated or actual delay, Seller shall: (i) promptly notify Buyer in writing of the reasons for the delay and the actions being taken to overcome or minimize the delay; (ii) provide Buyer with a written recovery schedule; and (iii), if requested by Buyer, ship via air or expedited routing to avoid or minimize delay to the maximum extent possible, unless Seller is excused from prompt performance as provided in the "Force Majeure" clause. The added premium transportation costs are to be borne by Seller.

Seller shall not deliver Goods prior to the scheduled delivery dates unless authorized by Buyer.

8. Inspection/Quality Control Seller shall establish and maintain a Quality assurance system that is acceptable to Buyer and complies with the Order's requirements, including Purchase Order notes and the Statement of Work.

9. Seller Notice of Discrepancies Seller shall immediately notify Buyer in writing when discrepancies in Seller's process, materials, or approved inspection/quality control system are discovered or suspected which may materially affect the Goods delivered or to be delivered under this Order.

10. Plant Visits During performance of this Order, authorized representatives of Buyer, Buyer's customer, or the Government shall have the right to visit Contractor's facilities involved in the performance hereunder at any time during normal business hours to review, monitor,

coordinate or expedite performance and to secure necessary information for such purposes. Such visits will be coordinated with Contractor's cognizant personnel to minimize any effect on Contractor's normal operations.

11. Packing and Shipping

11.1 All delivered supplies shall be preserved, packaged, packed and marked in accordance with instructions or specifications referred to or incorporated by reference in this Order. In the absence of such instructions or specifications, for domestic shipments, the shipment shall be made FOB (Buyer's Facility) utilizing best commercial practice adequate (i) to assure safe arrival at destination; (ii) for storage and for protection against the elements and transportation; (iii) to comply with carrier regulations appropriate to the method of shipment used, and (iv) to secure lowest transportation cost.

11.2 All shipments against this Order to be forwarded on one day via the same route must be consolidated. A packing list, showing Buyer's purchase order/subcontract number, Order item number and description of contents must be included in each package. Buyer's purchase order /subcontract number must appear on all packages, boxes, bills of lading, invoices, correspondence and other documents pertaining to this Order. The Government Contract number shown in the Schedule must appear on all of the Contractor's purchase orders and subcontracts hereunder.

11.3 If Contractor's deliveries fail to meet schedule, Contractor at its expense will use an expedited method of shipment requested and specified by Buyer until all deficiencies are corrected and deliveries are on schedule. See FAR 52.246-2 "Inspection of Supplies – Fixed Price" and FAR 52.246-4 "Inspection of Services – Fixed Price" for additional requirements.

12. Acceptance and/or Rejection

12.1 Buyer shall accept the Goods or give Seller notice of rejection within thirty (30) days after delivery, notwithstanding any payment or prior test or inspection. No inspection, test, delay, or failure to inspect/test or failure to discover any defect or other nonconformance shall relieve Seller of any of its obligations under this Order or impair any rights or remedies of Buyer or Buyer's customers. Buyer may revoke acceptance of Goods if the Goods are not conforming and if Buyer's acceptance was reasonably induced either by the difficulty of discovery before acceptance or by the Seller's assurances.

12.2 If Seller delivers nonconforming Goods, Buyer may require Seller to promptly correct or re-perform the nonconforming Goods. Redelivery to Buyer of any corrected or re-perform Goods shall be at Seller's expense. In addition, Buyer may at its sole option (i) correct the nonconforming Goods, or (ii) obtain replacement Goods from another source at Seller's expense, and reduce the Order price by the costs to correct or obtain replacement. Seller shall disclose any corrective action taken. All repair, replacement and other correction and redelivery shall be completed within the original delivery schedule or such later time as Buyer's Authorized Procurement Representative may reasonably direct.

12.3 All costs and expenses and loss of value incurred as a result of or in connection with nonconformance and repair, replacement or other correction may be recovered from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under this Order or otherwise.

13. Suspension of Work

13.1 Buyer's Authorized Procurement Representative may, by written order only, suspend part or all of the Work to be performed under this Order for a period not to exceed ninety (90) calendar days unless the parties mutually agree to an extension. Within this ninety (90) day period of Work suspension, the Buyer shall (i) cancel the suspension of work order; (ii) terminate this Order in accordance with Section 14.1 "Termination for Convenience" of this Order; (iii) terminate this Order in accordance with Section 14.2 "Termination for Default" of this Order; or (iv) extend the stop work period.

13.2 If the Buyer cancels the suspension of Work order by written notification, Seller shall resume Work. The Buyer and Seller shall negotiate an equitable adjustment in the price or schedule or both if (i) the suspension results in a change in Seller's cost of performance or ability to meet the Order delivery schedule; and (ii) Seller submits a claim for adjustment within twenty (20) days after the suspension is canceled.

13.3 If this Order is terminated, then either Section 14.1 "Termination for Convenience" or Section 14.2 "Termination for Default" of this Order, whichever is applicable, shall be followed.

14.0 Termination

14.1 Termination for Convenience Buyer may terminate all or any part of this Order by written notice to Seller. In the event of such termination, Seller shall immediately cease all Work terminated hereunder and cause any and all of its suppliers and subcontractors to cease Work. Seller must submit all claims within sixty (60) days after the effective date of termination. Buyer shall determine the amount due Seller on the Termination in accordance with FAR 52.249-2. In no event shall Buyer be obligated to pay Seller any amount in excess of the Order price. Seller shall continue Work not terminated.

14.2 Termination for Default Buyer may terminate all or any part of this Order by written notice to Seller if: (i) Seller fails to deliver the Goods within the time specified by this Order or any written extension; (ii) Seller fails to perform any other provision of this Order or fails to make progress, so as to endanger performance of this Order, and, in either of these two circumstances, does not cure the failure within ten (10) days after receipt of notice from Buyer specifying the failure; or (iii) in the event Seller declares bankruptcy, suspension its business operation, or initiates any reorganization and/or arrangement for the benefit of its creditors. Seller shall continue Work not terminated. Responsibilities of the Parties following such termination shall be in accordance with FAR clause 52.249-8.

15. Invoice and Payment Payment of the Order price or any portion thereof for Goods delivered shall not constitute acceptance. Buyer shall pay for all Goods within forty-five (45) days from (1) the date Goods are received if Seller is on the "Pay From Receipt Program" or (2) the date of a receipt of an acceptable invoice if later unless the Parties agree to a cash discount. In the event of early-unauthorized delivery of Goods by Seller, payment shall be computed from the scheduled delivery date, including discount periods. Buyer may pay Seller by electronic funds transfer (EFT) or by check unless otherwise stated in the Order. Seller shall provide Buyer with its EFT information. Payment is made on the

day Buyer gives instructions to execute payment, or the date Buyer's check is deposited into the U. S. mail, or payment is otherwise tendered. Seller shall promptly repay to Buyer any amounts paid in excess of amounts due Seller.

16. Taxes The prices invoiced under this Order include, and Seller is liable for and shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Order except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption.

17. Discontinuance of Manufacture Should Seller decide to discontinue manufacture of the supplies purchased by Buyer under this Order, Seller: (1) shall provide written notice to Buyer of the intended supply discontinuance; and (2) shall provide Buyer a minimum of twelve (12) months from the written notification date to allow Buyer to place final "lifetime buy" purchase orders for the supplies at a unit price to be negotiated, but in no event higher than the unit price provided in this Order. In the event one or more "lifetime buy" purchase orders are made during such twelve (12) month period, Seller shall deliver the purchased supplies to Buyer no later than six (6) months after the end of the "lifetime buy" period. Seller's obligations under this clause shall extend for two (2) years beyond the effective date of this Order, irrespective of whether the Order is completed/terminated within the two (2) year period.

18. Governing Law and Venue Buyer and Seller agree that this Purchase Order shall be deemed to have been executed and delivered within the State of New York and the rights and obligations of the Parties shall be construed and enforced in accordance with, and governed by the laws of the State of New York without regard to conflict of laws rules. The United Nations Convention on the International Sale of Goods shall not apply. All claims or disputes arising under or in any way related to this Purchase Order, including those relating to the validity of this Purchase Order, which cannot be resolved by the Parties through negotiations within thirty (30) calendar days or such longer period of time as may be mutual agreed in a written document that is signed by a duly authorized representative of each Party shall be resolved by the state or federal courts. Venue for any action brought under or relating to this Purchase Order shall exclusively be in a state or federal court of competent jurisdiction in the State of New York. The parties hereby irrevocably waive any right to challenge such venue on the basis of forum non conveniens or otherwise. The Parties further agree and consent to accept service of process by certified or registered United States mail, return receipt requested, addressed as provided herein. In the event that an action is commenced by either Party with respect to this Purchase Order, the substantially prevailing Party shall be entitled to recover its costs and attorneys' fees from the other Party. **THE PARTIES HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATING TO THIS PURCHASE ORDER.** Buyer and Seller also agree that the provisions of the New York Uniform Commercial Code shall apply to this Purchase Order and all Disputes, regardless of whether the subject matter of this Purchase Order relates to the provision of services, the lease of rental equipment or material, or the license of software.

19. Compliance with Applicable Laws

19.1 Federal, State, and Local Seller agrees to comply with all applicable laws, orders, rules, regulations, and ordinances. Seller shall procure all licenses/permits, pay all fees, and other required charges and shall comply with all applicable guidelines and directives of any local, state, and/or federal governmental authority.

19.2 Export and National Security Laws

19.2.1 Seller shall not export, directly or indirectly, any hardware, software, technology, information or technical data disclosed under this Order to any individual or country for which the U.S. Government requires an export license or other government approval, without first obtaining such license or approval.

19.2.2 Seller further understands that Buyer is a defense contractor providing Work for the United States Government, and as such, is under certain mandatory security obligations with regard to access to its facilities and technology. Due to the fact that disclosure of certain information to any individual may be deemed an export, Seller agrees that it will not assign any Worker to perform services under this Agreement (including the Seller him or herself) unless that person qualifies as a "U.S. person," defined as:

- i. U.S citizen;
- ii. U.S. nationals, including an alien lawfully admitted for permanent resident (those possessing a valid Form I-550 or "green card");
- iii. Alien admitted following a 1986 amnesty statute;
- iv. Asylee or refugee as defined in 8 U.S.C. 1324(b)(a)(3); or
- v. Alien lawfully admitted for temporary agricultural employment.

19.2.3 Seller further agrees that, should Buyer determine that the Work performed under this Agreement will enable persons Working for the Seller (including the Seller) to have access to unclassified information that relates to a U.S. Government classified program, or other information regulated by the National Industrial Security Program Operating Manual ("NISPO"), Seller will not assign any Worker to perform services under this Agreement (including the Seller) unless such persons are citizens of the United States.

19.2.4 In addition to the foregoing requirements, Seller will comply with the Immigration Reform and Control Act of 1986 ("IRCA") and in particular, have all of its Workers fill out an I-9 form, verifying their authorization to Work in the United States.

19.3 Foreign Corrupt Practices Act and Anti-Bribery Laws Seller agrees that in connection with activities under this Agreement it shall not make or promise to make any improper payments, or provide or offer to provide anything of value, directly or indirectly, to government officials or other parties in violation of the Foreign Corrupt Practices Act or other applicable anti-bribery laws.

19.4 Compliance with Office of Federal Contract Compliance Programs ("OFCCP") Rules. To the extent applicable: **This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.**

19.5 Indemnification Seller shall indemnify and hold Buyer harmless for all claims, demands, damages, costs, fines, penalties, attorneys' fees, and other expenses arising from Seller's failure to comply with this clause.

20. Rights and Remedies Any failures, delays or forbearances of either party in insisting upon or enforcing any provisions of this Order, or in exercising any rights or remedies under this Order, 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. Except as otherwise limited in this Order, the rights and remedies set forth herein 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 this Order is or becomes void or unenforceable by law, the remainder shall be valid and enforceable.

21. Dispute Resolution

21.1 Disputes Under This Agreement

21.1.1 "Dispute" as used herein shall mean (i) any and all claims or disputes that in any way arise out of or relate to this Order, the negotiation or execution thereof, its performance, or the breach or enforcement thereof; (ii) any claims or disputes that in any way concern the conduct of any party in connection with this Order or the relationship or duties of the parties contemplated under this Order; or (iii) claims or disputes concerning the validity or scope of the terms and conditions of this Order (including, but not limited to, this Section). Buyer and Seller intend that the definition of "Dispute" shall have the broadest scope permitted by law and that, without limiting the generality of the foregoing, shall be deemed to include all claims between the parties, including, but not limited to, any claims for fraud, misrepresentation, negligence, libel and slander, misuse or theft of trade secrets or other confidential information, unfair competition, unfair trade practices, or other tort law claims.

21.1.2 The parties agree that any Dispute between them or against any agent, employee, successor, or assign of the other shall be settled, to the extent possible by good faith negotiations. Any Dispute which the parties cannot resolve by good faith negotiations within thirty (30) days or such longer period as the parties may mutually agree to shall be submitted and finally resolved by a court of competent jurisdiction.

21.1.3 Until final resolution of any Dispute hereunder, Seller shall proceed diligently with the performance of this Order unless otherwise directed by Buyer in writing.

21.1.4 Buyer's rights under the terms and conditions of this Order are cumulative and in addition to any other rights available at law or equity.

21.2 Disputes Under Prime Contract Provision

21.2.1 Notwithstanding Section 21.1, any Dispute arising under or related to this Order, which Buyer could include in a claim or other demand under the disputes provisions of the prime contract shall be resolved, at Buyer's option, as follows: (i) Seller shall provide Buyer with a fully supported written claim, properly certified, within twenty (20) days after the claim accrues; (ii) Seller shall cooperate with Buyer in prosecuting Seller's timely made claim or demand and will be bound by the resulting decision; and (iii) Seller shall pay its proportional costs in pursuing the claim. If Seller fails to provide Buyer with a written claim for any Dispute that could fall within this Section within twenty (20) days after the claim arises, Seller is deemed to have waived the claim and may not bring the claim under Sections 21.1 or 21.2.

21.2.2 Buyer's entire liability to Seller with respect to any matter prosecuted under the prime contract disputes clause shall be limited to the recovery obtained against the Government (or prime contractor) for Seller's claims, less markups specifically allowed Buyer. If Seller is affected by the resulting decision and Buyer elects to appeal, Seller shall pay to Buyer Seller's proportion of the appeal costs. If Buyer elects not to appeal the decision, Buyer shall notify Seller of such decision within thirty (30) days. If Seller submits a timely request to Buyer to appeal such decision, Buyer shall file an appeal, at Seller's sole cost, if Buyer may do so in good faith. Buyer has the right to review, prior to submission, any pleading or other papers Seller wants to file in such appeal. Seller agrees to delete any admissions or statements in the pleadings or papers to which Buyer reasonably objects. If Buyer appeals such decision, whether or not at Seller's request, any decision regarding such appeal shall be binding on Buyer and Seller as it relates to this Order. Section 21.1 does not apply to disputes and appeals prosecuted under the prime contract.

21.3 Until final resolution of any Dispute hereunder, Seller shall proceed diligently with the performance of this Order unless otherwise directed by Buyer in writing.

21.4 Seller is expressly precluded from filing a direct claim or direct course of action against the U. S. Government as a result of this Order.

21.5 Buyer's rights under the terms and conditions of this Order are cumulative and in addition to any other rights available at law or equity.

22. Transfer/Assignment, and Subcontracting No right or interest of Seller or Buyer hereunder or arising out of this Order may be assigned or transferred, whether by operation of law or otherwise, and/or all or substantially all of its performance of this Order without the prior written consent of Buyer or Seller, respectively, which shall not be unreasonably withheld. Notwithstanding the foregoing, Buyer may assign this Order without Seller's consent to a successor company resulting from a restructuring, consolidation, merger or other combination within General Dynamics. Seller shall not delegate any of its duties or obligations under this Order. Seller may assign its right to monies due or to become due. No assignment, transfer, delegation or subcontracting by Seller, with or without Buyer's consent, shall relieve Seller of any of its obligations under this Subcontract or prejudice any of Buyer's rights against Seller whether arising before or after the date of any assignment or transfer. This Article 22.0 does not limit Seller's ability to purchase standard commercial supplies or raw materials. Any unauthorized transfer or assignment is void.

23. Gratuities Seller warrants that neither it nor any of its employees, agents or representatives have offered or given, or will offer or give, any gratuities to Buyer's employees, agents or representatives for the purpose of securing this Order or securing favorable treatment under this Order.

24. Publicity Except as required by law, Seller shall not issue any press release or make any other public statement relating to this Agreement, any Work done under this Agreement or any of the transactions contemplated by this Agreement without obtaining the prior written approval of Buyer as to the contents and the manner of presentation and publication of such press release or public statement.

25. Order of Precedence In the event that two or more provisions in this Order conflict and there is no reasonable interpretation that resolves the conflict in a manner that is consistent with the entire Order, then the parties shall resolve the conflict using the following descending order of precedence: 1) The Purchase Order, including the notes thereto; 2) the special Order provisions, if any; 3) the drawings, specifications, and statement of Work; 4) these general provisions; and the Seller's proposal, if incorporated into this Order.

26. Organizational Conflict of Interest Seller certifies that to the best of its knowledge performance of this Order does not constitute an organizational conflict of interest as defined in FAR Part 9.5. If during the course of performance Seller becomes aware of any possible organizational conflict of interest due to its performance or the SOW under this Order, Seller shall promptly notify Buyer.

27. Intellectual Property Indemnity

27.1 Seller agrees to not incorporate Seller or third party intellectual property into the Work product of this Order without the express prior written permission of Buyer.

27.2 Seller will indemnify, defend and hold harmless Buyer and its customer from all claims, suits, actions, awards, liabilities, damages, costs and attorneys' fees related to the actual or alleged infringement of any United States or foreign intellectual property right and arising out of the Goods provided by Seller. Buyer and/or its customer will duly notify Seller of any such claim, suit or action; and Seller will, at its own expense, fully defend such claim, suit or action on behalf of indemnitees.

27.3 Seller will have no obligation under this Article 27.0 with regard to any infringement arising from (a) Seller's compliance with formal specifications issued by Buyer where infringement could not be avoided in complying with such specifications or (b) use or sale of Goods in combination with other items when such infringement would not have occurred from the use or sale of those Goods solely for the purpose for which they were designed or sold by Seller.

27.4 For purposes of this Article 27.0 only, the term Buyer will include the General Dynamics Corporation, all of its subsidiaries, all officers, agents, and employees of Buyer.

28. Insurance and Indemnification

28.1 Minimum Insurance Requirements Unless higher amounts or additional coverage are stated elsewhere in this agreement, during the performance of this Order, Seller shall maintain the following types of insurance coverage in the minimum amounts stated:

Workman's Compensation, Jones Act or similar - Statutory limits

Employer Liability - \$1,000,000 per occurrence

Comprehensive General Liability - \$1,000,000 for personal injury and property damage – Combined single limit per occurrence.

Comprehensive Automobile Liability (If motor vehicles are used during performance of this Order) - \$1,000,000 for personal injury and property damage – Combined single limit per occurrence

28.2 Additional Requirements

- i. Seller shall provide a certificate of insurance on request by Buyer from a carrier reasonably acceptable to Buyer (Minimum A.M. Best rating of A- or better).
- ii. Upon request of Buyer, Seller shall add the General Dynamics Corporation and General Dynamics C4 Systems, Inc. as additional insured and cancellation notice recipients.
- iii. Seller shall immediately notify Buyer in writing of any cancellation of coverage required under Section 24 above, any reduction in Seller's coverage below the minimum requirements set forth in Section 24, or any material change in the terms and conditions of Seller's coverage.
- iv. Seller shall cause its Workers Compensation carrier to waive in writing its right of subrogation against Buyer.
- v. Buyer may, in its discretion, accept Seller's self-insurance program in lieu of coverage required under this clause.
- vi. Seller agrees that Seller, Seller's insurer(s) and anyone claiming by, through, under or in Seller's behalf shall have no claim, right of action or right of subrogation against Buyer and its customers.

28.3 Indemnification Seller agrees to indemnify, defend and hold harmless Buyer, its affiliates, subsidiaries, directors, officers, employees and agents from and against any and all actions, causes of action, liabilities, claims, expenses (including reasonable attorney-'s' fees and court costs), losses, damages, penalties, fines, forfeitures, suits, judgments, liens, awards and damages of any kind and nature whatsoever for (a) property damage, (b) personal injury, including death, and (c) all violations of applicable laws which arise out of, or are in any way related to Seller's or any of its suppliers' breach of obligations or responsibilities arising from this Order, or 2) failure to comply with all applicable Federal, state and local laws and regulations in the performance of this Order. Seller's obligation hereunder is not limited to insurance available to or provided by Seller or any of its suppliers. Seller expressly waives any immunity under industrial insurance, whether arising out of statute or common law, to the extent of the indemnity set forth in this Section. This duty to defend, indemnify, and hold harmless extends to any suit, liability, claim, judgment, or demand that may arise out of or in connection with the performance or nonperformance of this Order by Seller or its agents, breach of warranty by Seller or its agents, any defective Work performed or delivered by Seller or its agents, any patent infringement or misappropriation of trade secrets by Seller or its agents, any failure of Seller or its agents to pay royalties, any assertion under workers' compensation or similar acts by persons furnished by Seller or its agents, or any other breach of Seller's obligations hereunder, whether such suit, liability, claim, judgment, or demand is based upon contract, warranty, strict liability in tort, negligence, or other legal theory, and extends not only to "third party claims" but also to any direct loss suffered by Buyer. Buyer will inform Seller of any claim, demand, judgment, or suit asserted or instituted against it to which this provision may apply. "Agents" as used herein includes, but is not limited to, Seller's employees, subcontractors, and suppliers.

29. Protection of Property At all times Seller shall, and ensure that any of Seller's suppliers shall, use suitable precautions to prevent damage to Buyer's property. If any such property is damaged by the fault or negligence of Seller or any Seller thereof, Seller shall, at no cost to Buyer, promptly and equitably reimburse Buyer for such damage or repair or otherwise make good such property to Buyer's satisfaction. If Seller fails to do so, Buyer may perform the repairs and recover from Seller the cost thereof.

30. Limitation of Liability IN ADDITION TO ANY OTHER LIMITATIONS ON BUYER'S LIABILITY SET FORTH HEREIN, IN NO EVENT SHALL BUYER, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES BE LIABLE BY REASON OF BUYER'S BREACH OR TERMINATION OF THIS ORDER OR FOR ANY BUYER ACTS OR OMISSIONS IN CONNECTION WITH THIS ORDER FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, HOWEVER CAUSED, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF DATA, WORK INTERRUPTION, OR ANY CLAIMS OR DEMANDS AGAINST SELLER BY ANY OTHER ENTITY, WHETHER SUCH REMEDY IS SOUGHT IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. IN NO EVENT SHALL BUYER'S LIABILITY FOR DAMAGES IN ANY CIRCUMSTANCES SET FORTH IN THIS CLAUSE EXCEED THE PRICE PAYABLE FOR THE Work TO BE PERFORMED BY SELLER UNDER THE ORDER. THIS ORDER SHALL NEITHER CREATE FOR NOR GIVE TO ANY THIRD PARTY ANY CLAIM OR RIGHT OF ACTION AGAINST SELLER OR BUYER WHICH WOULD NOT OTHERWISE ARISE WITHOUT THIS ORDER.

31. Force Majeure Buyer shall not be liable for delay or failure of performance occasioned by causes beyond its control, including, but not limited to, acts of God or the public enemy, actions or decrees of governmental entities, civil unrest, riots, acts of terrorism, organized labor strikes, declared or undeclared war, fire, floods, unusually severe weather, earthquakes, or volcanoes ("Force Majeure Event"). If Buyer is affected by a Force Majeure Event, Buyer shall give written notice to Seller, which shall cause, without penalty to Buyer, all obligations under this Order to be immediately suspended for a period of sixty (60) days. If the period of suspension caused by the Force Majeure Event exceeds that first sixty-day period, Buyer either may terminate the Order for convenience in accord with Article 14.0 or suspend the Order for an additional period under Article 13.0. Any termination settlement or equitable adjustment sought by Seller following the termination for convenience or suspension may not include any costs incurred during the first sixty-day suspension.

32. Certification of Authenticity and Traceability Seller certifies to Buyer that all material furnished under this purchase order is genuine, new and unused. Seller certifies that all material is traceable to the point of manufacture and that complete material pedigree is known and can be furnished to Buyer upon request. Seller will have a documented procedure that defines the method for controlling records that are created by and /or retained by Seller. The Seller shall notify Buyer thirty (30) calendar days prior to the destruction or disposal of records associated with this order.

33. Counterfeit Parts Prevention

33.1. Definitions

- (1) Authentic shall mean (A) genuine; (B) purchased from the Original Equipment Manufacturer ("OEM"), Original Component Manufacturer ("OCM") or through the OEM's/OCM's authorized dealers; and (C) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.
- (2) Authorized Dealer — A dealer or distributor that purchases directly from the OEM or OCM and is authorized or franchised by the OEM or OCM to sell or distribute the OEM's/OCM's products.
- (3) Counterfeit Part — A part that is an unauthorized copy or substitute that has been identified, marked, and/or altered by a source other than the item's legally authorized source and has been misrepresented to be an authorized part of the legally authorized source. This definition includes used parts represented as new parts.
- (4) Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM) — An organization that designs and/or engineers a part or equipment and is pursuing or has obtained the intellectual property rights to that part or equipment.
- (5) Non-Franchised Source — Any source that is not authorized by the OEM or OCM to sell its product lines. Non-franchised sources may also be referred to as brokers or independent distributors.
- (6) Suspect Counterfeit Part — A part that Buyer becomes aware, or has reason to suspect, meets the definition of "counterfeit part", as defined above. For purposes of this document, the terms "counterfeit part" and "suspect counterfeit part" will be used interchangeably. If any individual part from a lot is determined to be counterfeit or suspect counterfeit, the entire lot of parts will be considered to be suspect counterfeit.

33.2 Terms and Conditions

- (1) Seller represents and warrants that only new and authentic materials (including embedded software and firmware) are used in products required to be delivered to Buyer and that the Work delivered contains no Counterfeit Parts. No material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Buyer. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase authentic parts/components directly from the Original Equipment Manufacturers ("OEMs"), Original Component Manufacturers ("OCMs") or through the OEM's/OCM's authorized dealers. Seller represents and warrants to Buyer that all parts/components delivered under this Order are traceable back to the OEM/OCM. SELLER must maintain and make available to Buyer at Buyer's request, OEM/OCM documentation that authenticates traceability of the parts/components to the applicable OEM/OCM. Purchase of parts/components from Non-Franchised Sources is not authorized unless first approved in writing by Buyer. Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller request(s) does not relieve Seller's responsibility to comply with all Order requirements, including the representations and warranties in this Section.
- (2) Seller shall maintain a documented system (policy, procedure, or other documented approach) that provides for prior notification and Buyer's approval before parts/components are procured from sources other than OEMs/OCMs or the OEM's/OCM's authorized dealers. Seller shall provide copies of such documentation for its system for Buyer's inspection upon Buyer's request.
- (3) Seller must maintain a counterfeit detection process that complies with SAE standard AS5553, Counterfeit Electronic Parts, Avoidance, Detection, Mitigation, and Disposition.
- (4) If it is determined that counterfeit parts or suspect counterfeit parts were delivered to Buyer by Seller, the suspect counterfeit parts will not be returned to the supplier. Buyer reserves the right to quarantine any and all suspect counterfeit parts it receives and to notify the Government Industry Data Exchange Program (GIDEP) and other relevant government agencies. Seller shall promptly reimburse

Buyer for the full cost of the suspect counterfeit parts and Seller assumes responsibility and liability for all costs associated with the delivery of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies in this section shall apply regardless of whether the warranty period or guarantee period has ended, and are in addition to any remedies available at law or in equity.

- (5) If the procurement of materials under this Order is pursuant to, or in support of, an Order, subcontract, or task order for delivery of goods or services to the Government, the making of a materially false, fictitious, or fraudulent statement, representation or claim or the falsification or concealment of a material fact in connection with this Order may be punishable, as a Federal felony, by up to five years' imprisonment and/or substantial monetary fines. In addition, trafficking in counterfeit goods or services, to include military goods or services, constitutes a Federal felony offense, punishable by up to life imprisonment and a fine of fifteen million dollars.
- (6) Seller shall flow the requirements of this section ("Counterfeit' Parts Prevention") to its subcontractors and suppliers at any tier for the performance of this Order.

34. Conflict Minerals

34.1 Seller represents that, regardless of whether Seller is publicly traded or not, Seller does not procure Conflict Minerals from Covered Countries, as those terms are defined by and consistent with the Securities and Exchange Commission's final rule on Conflict Minerals, 17 CFR Parts 240 and 249(b), promulgated pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. (the "Rule").

34.2 Seller represents and warrants that all products that will be delivered to General Dynamics by Seller under this Order are Democratic Republic of the Congo (DRC) Conflict Free, as defined by and consistent with the Rule.

34.3 Seller agrees that, if required by the Rule, it has made, and will continue to make, good faith inquiries reasonably designed to determine whether any Conflict Mineral that is included in any product delivered to General Dynamics pursuant to this Order originated in the DRC or an Adjoining Country, or is from Recycled or Scrap Sources, as defined in the Rule. Seller further agrees that, if required by the Rule, it has performed, and will continue to perform, due diligence on the source and chain of custody of any Conflict Mineral that is included in any product delivered to General Dynamics pursuant to this Order, and that such due diligence conforms to a nationally or internationally recognized due diligence framework, if such a framework is available for the Conflict Mineral. Seller agrees that all inquiries and diligence performed shall be consistent with the requirements of the Rule.

34.4 Seller agrees that it shall require its own subcontractors and suppliers (at any tier in the supply chain for a product delivered to General Dynamics under this Order) to furnish information to Seller necessary to support Seller's obligations under this Section 34.

34.5 Seller will maintain records reviewable by General Dynamics to support its certifications above.

34.6 Seller acknowledges that General Dynamics may utilize and disclose Conflict Minerals information provided by Seller in order to satisfy its disclosure obligations under the Rule.

34.7 If General Dynamics determines that any certification made by Seller under this Section 34 is inaccurate or incomplete in any respect, then General Dynamics may terminate this Order pursuant to the provision per Section 14.2 "Termination For Default" above.

35. Reporting of Cyber Incidents When Seller discovers a cyber incident that affects the Seller's information system or the Seller's ability to perform the requirements of this purchase order, the Seller shall report the first instance to the Buyer within 4 hours of discovery of such incident.

36. Prohibition on Contracting with the Enemy

36.1 Seller shall exercise due diligence to ensure that none of the funds received under this Order are provided directly or indirectly to a person or entity who is actively opposing United States or Coalition forces involved in a contingency operation in which members of the armed forces are actively engaged in hostilities.

36.2 Seller shall exercise due diligence to ensure that none of its subcontracts are associated with a person or entities listed in NDAA FY2012 Section 841/FY2014 Section 831 Identified Entities list posted at <http://www.acq.osd.mil/dpap/pacc/cc/policy.html>.

36.3 Buyer has the authority to (1) Terminate this Order for default, in whole or in part, if the Seller failed to exercise due diligence as required by Sections 36.1 and 36.2 of this clause; or (2) Void this Order, in whole or in part, if the Seller or its customer, the U.S. Government determines in writing that any funds received under this Order have been provided directly or indirectly to a person or entity who is actively opposing or Coalition forces involved in a contingency operation in which members of the armed forces are actively engaged in hostilities.

37. Headings The headings used in this Purchase Order are inserted for the convenience of the parties and shall not define, limit, or describe the scope or the intent of the provisions of this Purchase Order.

38. Required U. S. Government Clauses. The following Federal Acquisition Regulation (FAR) and Department of State Acquisition Regulation (DOSAR) clauses are incorporated herein by reference. The date of the FAR/DOSAR clause in effect as of the date of the Prime Contract execution shall apply unless otherwise specified. In all FAR/DOSAR clauses below, the term "Contractor" shall mean "Seller", the term "Order" shall mean this Agreement and the terms "Government", "Contracting Officer" and equivalent phrases as used in the FAR/DOSAR clauses below mean Buyer and Buyer's Authorized Procurement Representative, respectively. It is intended that the referenced clauses shall apply to Seller in such manner as is necessary to reflect the position of Seller as a subcontractor to Buyer, to ensure Seller's obligations to Buyer and to the United States Government, and to enable Buyer to meet its obligations under its Prime Contract or Subcontract. The extent and scope of applicability to this Order shall be in accordance with the terms, requirements, guidelines, and limitations stated in each clause.

SELLER SHALL INCLUDE IN EACH LOWER-TIER SUBCONTRACT THE APPROPRIATE FLOW DOWN CLAUSES AS REQUIRED BY THE FAR AND DOSAR.

These addresses are subject to change. If the Federal Acquisition Regulation (FAR) is not available at the locations indicated above, use the DOS Acquisition Website at <http://www.statebuy.state.gov/> to see the links to the FAR. You may also use an Internet "search engine" (such as Yahoo, Google and Bing) to obtain the latest location of the most current FAR.

Clause	Title	Date
FAR		
52.202-01	Definitions	July 2004
52.203-03	Gratuities	Apr 1984
52.203-05	Covenant Against Contingent Fees	Apr 1984
52.203-06	Restrictions on Subcontractor Sales to the Government	Sep 2006
52.203-07	Anti-Kickback Procedures	Oct 2010
52.203-08	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	Jan 1997
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	Jan 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	Oct 2010
52.203-13	Contractor Code of Business Ethics and Conduct	Apr 2010
52.203-14	Display of Hotline Poster(s)	Dec 2007
52.204-02	Security Requirements	Aug 1996
52.204-04	Printed or Copied Double-Sided on Recycled Paper	Aug 2000
52.204-07	Central Contractor Registration	Apr 2008
52.204-09	Personal Identity Verification of Contractor Personnel	Jan 2011
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	July 2010
52.208-09	Contractor Use of Mandatory Sources of Supply or Services	Oct 2008
52.209-06	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	Dec 2010
52.215-02	Audit and Records—Negotiation	Oct 2010
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data—Modifications	Oct 2010
52.215-13	Subcontractor Certified Cost or Pricing Data—Modifications	Oct 2010
52.215-14	Integrity of Unit Prices	Oct 2010
52.215-19	Notification of Ownership Changes	Oct 1997
52.215-21	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost Or Pricing Data—Modifications	Oct 2010
52.215-23	Limitations on Pass-Through Charges	Oct 2009
52.215-23	Limitations on Pass-Through Charges Alternate I	Oct 2009
52.216-07	Allowable Cost and Payment	Dec 2002
52.217-08	Option to Extend Services	Nov 1999
52.219-08	Utilization of Small Business Concerns	Jan 2011
52.219-09	Small Business Subcontracting Plan (Alternate II)	Jan 2011
52.219-14	Limitations on Subcontracting	Dec 1996
52.219-16	Liquidated Damages-Subcontracting Plan	Jan 1999
52.219-28	Post-Award Small Business Program Representation	Apr 2009
52.222-03	Convict Labor	June 2003
52.222-04	Contract Work Hours and Safety Standards Act—Overtime Compensation	July 2005
52.222-21	Prohibition of Segregated Facilities	Feb 1999
52.222-26	Equal Opportunity	Mar 2007
52.222-29	Notification of Visa Denial	June 2003
52.222-35	Equal Opportunity for Veterans	Sep 2010
52.222-36	Affirmative Action for Workers with Disabilities	Oct 2010
52.222-37	Employment Reports Veterans	Sep 2010
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	Dec 2010
52.222-41	Service Contract Act of 1965	Nov 2007
52.222-43	Fair Labor Standards Act and Service Contract Act—Price Adjustment (Multiple Year and Option Contracts)	Sep 2009
52.222-46	Evaluation of Compensation for Professional Employees	Feb 1993
52.222-50	Combating Trafficking in Persons	Feb 2009
52.222-54	Employment Eligibility Verification	Jan 2009
52.223-06	Drug-Free Workplace	May 2001
52.223-10	Waste Reduction Program	Aug 2000
52.223-14	Toxic Chemical Release Reporting	Aug 2003
52.223-18	Contractor Policy to Ban Text Messaging While Driving	Sep 2010
52.224-01	Privacy Act Notification	Apr 1984
52.224-02	Privacy Act	Apr 1984
52.225-01	Buy American Act—Supplies	Feb 2009
52.225-02	Buy American Act Certificate	Feb 2009
52.225-13	Restrictions on Certain Foreign Purchases	June 2008

52.225-25	Prohibition on Engaging in Sanctioned Activities Relating to Iran—Certification	Sep 2010
52.227-01	Authorization and Consent	Dec 2007
52.228-03	Workers' Compensation Insurance (Defense Base Act)	Apr 1984
52.228-04	Workers' Compensation and War-Hazard Insurance Overseas	Apr 1984
52.229-03	Federal, State and Local Taxes	Apr 2003
52.229-06	Taxes—Foreign Fixed-Price Contracts	June 2003
52.230-02	Cost Accounting Standards	Oct 2010
52.230-06	Administration of Cost Accounting Standards	July 2010
52.232-01	Payments	Apr 1984
52.232-07	Payments under Time-and-Materials and Labor-Hour Contracts	Feb 2007
52.232-08	Discounts for Prompt Payment	Feb 2002
52.232-09	Limitation on Withdrawing Of Payment	Apr 1984
52.232-11	Extras	Apr 1984
52.232-17	Interest	Oct 2010
52.232-20	Limitation of Cost	Apr 1984
52.232-22	Limitation of Funds	Apr 1984
52.232-23	Assignment of Claims	Jan 1986
52.232-25	Prompt Payment	Oct 2008
52.232-33	Payment by Electronic Funds Transfer-Central Contractor Registration	Oct 2003
52.233-01	Disputes	July 2002
52.233-02	Service of Protest Alternate I	Sep 2006
52.233-03	Protest After Award	Aug 1996
52.233-04	Applicable Law for Breach of Contract Claim	Oct 2004
52.237-03	Continuity of Services	Jan 1991
52.242-01	Notice of Intent to Disallow Costs	Apr 1984
52.242-13	Bankruptcy	July 1995
52.242-15	Stop-Work Order	Aug 1989
52.242-17	Government Delay of Work	Apr 1984
52.243-01	Changes-Fixed Price	Aug 1987
52.243-02	Changes-Cost Reimbursement	Aug 1987
52.243-03	Changes-Time-and-Materials or Labor-Hours	Sep 2000
52.244-02	Subcontracts	Oct 2010
52.244-05	Competition in Subcontracting	Dec 1996
52.244-06	Subcontracts for Commercial Items	Dec 2010
52.245-01	Government Property	Aug 2010
52.245-09	Use and Charges	Aug 2010
52.246-03	Inspection of Supplies—Cost-Reimbursement	May 2001
52.246-05	Inspection of Services—Cost-Reimbursement	Apr 1984
52.246-06	Inspection—Time-and-Material and Labor-Hour	May 2001
52.246-14	Inspection of Transportation	Apr 1984
52.246-16	Responsibility for Supplies	Apr 1984
52.246-25	Limitation of Liability-Services	Feb 1997
52.247-01	Commercial Bill of Lading Notations	Feb 2006
52.247-63	Preference for U.S. Flag Air Carriers	June 2003
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	Feb 2006
52.247-68	Report of Shipment (REPSHIP)	Feb 2006
52.248-01	Value Engineering	Oct 2010
52.249-02	Termination for Convenience of the Government (Fixed-Price)	May 2004
52.249-08	Default (Fixed-Price Supply and Service)	Apr 1984
52.251-01	Government Supply Sources	Aug 2010
52.253-01	Computer Generated Forms	Jan 1991
	DOSAR	
652.216-71	Price Adjustment	
652.225-71	Section 8(a) of the Export Admin Act of 1979, As Amended	
652.228-71	Worker's Compensation Insurance (Defense Base Act) Services	Aug 1999
652.229-70	Excise Tax Exemption Statement for Contractors Within the United States	
652.229-71	Personal Property Disposition at Posts Abroad	Aug 1999
652.232-70	Payment Schedule and Invoice Submission (Fixed-Price)	
652.232-71	Voucher Submission (Cost-Reimbursement)	
652.232-72	Limitation of Funds	
652.237-71	Identification/Building Pass	
652.237-72	Observance of Legal Holidays and Administrative Leave	Apr 2004
652.242-70	Contracting Officer's Representative	
652.242-71	Notice of Shipments	Dec 1994
652.242-73	Authorization and Performance	

652.243-70	Notices	Aug 1999
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39. **Full Text Clause(s)** The following DOSAR clause is incorporated and provided in full text:

I.3.3 AUTHORIZATION AND PERFORMANCE DOSAR 652.242-73 (AUG 1999) ALTERNATE I (AUG 1999)

(a) The Contractor warrants the following:

- (1) That it has obtained authorization to operate and do business in the country or countries in which this contract will be performed, or will obtain such authorization before performance of this contract begins;
- (2) That it has obtained all necessary licenses and permits required to perform this contract, or will obtain such licenses and permits before performance of this contract begins;
- (3) That it shall comply fully with all laws, decrees, labor standards, and regulations of said country or countries during the performance of this contract.

(b) If the party actually performing the work will be a Subcontractor or joint venture partner, then such Subcontractor or joint venture partner agrees to the requirements of paragraph (a) of this clause.

I.3.4 WORKER'S COMPENSATION INSURANCE (DEFENSE BASE ACT) DOSAR 652.228-71 (JUN 2006)

(a) This clause supplements FAR 52.228-3. For the purposes of this clause, covered contractor employees includes the following individuals:

- (1) United States citizens or residents;
- (2) Individuals hired in the United States or its possessions, regardless of citizenship; and
- (3) Local nationals and third country nationals where contract performance takes place in a country where there are no local workers compensation laws.

(b) The Contractor shall procure Defense Base Act (DBA) insurance pursuant to the terms of the contract between the Department of State and the Department's DBA insurance carrier for covered contractor employees, unless the Contractor has a DBA self-insurance program approved by the Department of Labor. The Contractor shall submit a copy of the Department of Labor's approval to the contracting officer upon contract award, if applicable.

(c) The current rate under the Department of State contract is \$4.00 per \$100 of compensation for services.

(d) The Contractor shall insert a clause substantially the same as this in all subcontracts. The Contractor shall require that subcontractors insert a similar clause in any of their subcontracts.

(e) Should the rates for DBA insurance coverage increase or decrease during the performance of this contract, the contracting officer shall modify this contract accordingly.

(f) The Contractor shall demonstrate to the satisfaction of the contracting officer that the equitable adjustment as a result of the insurance increase or decrease does not include any reserve for such insurance. Adjustment shall not include any overhead, profit, general and administrative expenses, etc.

(g)

(1) Section 16 of the State Basic Authorities Act (22 U.S.C. 2680a), as amended, provides that the Defense Base Act shall not apply with respect to such contracts as the Secretary of State determines are contracts with persons employed to perform work for the Department of State on an intermittent basis for not more than 90 days in a calendar year. Persons includes individuals hired by companies under contract with the Department. The Procurement Executive has the authority to issue the waivers for Contractor employees who work on an intermittent or short-term basis.

(2) The Contractor shall submit waiver requests to the contracting officer. The request shall contain the following information:

- (i) Contract number;
- (ii) Name of Contractor;
- (iii) Brief description of the services to be provided under the contract and country of performance;
- (iv) Name and position title of individual(s);
- (v) Nationality of individual(s) (must be U.S. citizen or U.S. resident);
- (vi) Dates (or timeframe) of performance at the overseas location; and,
- (vii) Evidence of alternative workers' compensation coverage for these employees (e.g., evidence that the State workers' compensation program covers workers on short-term foreign assignments).

(3) The contracting officer shall provide to the Contractor the original of the approved or disapproved document and maintain a copy in the contract file.