

Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) Flow-Down Clauses

PO Terms - U.S. FAR/DFARS Clause Flow-Downs for U.S. Government Contracts
Last Revised August, 2016

The FAR and DFARS clauses cited below, where applicable by their terms, are incorporated herein by reference as if set forth in full text. The full text of all clauses incorporated by reference is available at: <http://www.acquisition.gov/>.

General information:

1. When goods or services furnished by the Seller to MTK Electronics, Inc. for use in connection with a U.S. Government contract or subcontract, in addition to MTK Electronics, Inc.'s General Terms and Conditions, the following provisions shall apply, as required by the terms of the prime contract, or by operation of law or regulation. Otherwise, MTK Electronics, Inc.'s General Terms and Conditions shall govern the contractual relationship of the Parties.
2. The following clauses set forth in the FAR and DFARS in effect as of the date of the prime contract are incorporated herein by reference with the same force and effect as if they were in full text. In all clauses listed herein, the terms "Government", "Contracting Officer" and "Contractor" shall be applied and revised to suitably identify the contracting parties herein and affect the proper intent of the provision except where further clarified or modified below. "Subcontractor," however, shall mean "Seller's Subcontractor" under this purchase order.
3. Clauses listed below may not be applicable to specific orders due to the type of subcontract/purchase order to be issued, dollar thresholds under requirements of the FAR, DFARS or Public Law or Mandatory Flow Down requirements of a particular prime contract. Clauses that are not applicable due to monetary threshold, place, performance, type of effort or contract are deemed self-deleting, shall not be removed from this document, and will be considered by all parties to be without force and effect. It is the Seller's obligation to contact MTK Electronics, Inc. regarding any confusion, ambiguity, or questions the Seller may have regarding applicability of the following clauses.
4. In certain circumstances, applicable law, statute, or regulation may require submission of a signed certification of compliance from the Seller to MTK Electronics, Inc.. By accepting the order from MTK Electronics, Inc., Seller expressly agrees to provide the required signed certification within 14 days of the original request.
5. In the event that Seller is offering for sale commercial items or services, as defined in FAR § 2.101 and when deemed necessary by MTK Electronics, Inc., Seller agrees to provide a written commercial item assertion that fully documents and supports the contention that the items or services are sold or offered for sale in the commercial market place, or is similar in form, fit and function to an item sold or offered for sale in the commercial market place at a fair and reasonable price.
6. MTK Electronics, Inc. reserves the right to include additional FAR and/or DFARS clauses, as required by the express terms of a U.S. Government or prime contract.
7. In addition to the foregoing FAR and/DFARS clauses, the Seller agrees to comply with the following applicable laws:

A. Defense Priority Allocation System:

If so identified by MTK Electronics, Inc., as required by the US Government, an order is a “rated order” certified for national defense use and Seller shall follow all the requirements of the Defense Priorities and Allocation System (DPAS) Regulation (15 C.F.R. Part 700).

B. Anti-corruption:

- (1) Seller shall comply with applicable laws and regulations relating to anticorruption, including, without limitation,
 - a. the United States Foreign Corrupt Practices Act (FCPA) (15 U.S.C. §§78dd-1, et. seq.) irrespective of the place of performance, and
 - b. laws and regulations implementing the Organization for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.N. Convention Against Corruption, and the Inter-American Convention Against Corruption in Seller's country or any country where performance of this Contract will occur
- (2) In carrying out its responsibilities under this Contract –
 - a. Seller represents that it has not paid, offered, promised to pay or authorized and will not pay, offer, promise to pay, or authorize the payment directly or indirectly of any monies or anything of value to
 - i. any person or firm employed by or acting for on behalf of any customer, whether private or governmental, or
 - ii. any government official or employee or any political party or candidate for political office for the purpose of influencing any act or decision or inducing or rewarding any action by the customer in any commercial transaction or in any governmental matter or securing any improper advantage to assist BAE Systems or Seller in obtaining or retaining business or directing business to any person.
 - b. No owner, partner, officer, director or employee of Seller or of any parent or subsidiary company of Seller is or will become an official or employee of the government or of an agency or instrumentality of a government or a candidate for political office or a political party official during the term of this Contract, unless such person obtains the prior written approval of MTK Electronics, Inc..
 - c. Seller has not made and will not make, either directly or indirectly, any improper payments.
 - d. Seller has not made and will not make any facilitating payment (as that term is defined in the FCPA) without the prior written approval of MTK Electronics, Inc..

C. Cost Accounting Standards (Applicable unless otherwise exempt):

Seller shall communicate and otherwise deal directly with the Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Buyer with copies of all communications between Seller and the Contracting Officer respecting Cost Accounting Standards, FAR 52.230-2; Disclosure and Consistency of Cost Accounting Practices, FAR 52.230-3; and Administration of Cost Accounting Standards, FAR 52.230-6, provided Seller shall not be required to disclose to Buyer such communications containing information which is privileged and confidential to Seller. In addition to any other remedies provided by law or under this Order, Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subject to any liability as the result of a failure of the Seller or its lower-tier subcontractors to comply with the requirements of FAR 52.230-2, 52.230-3, 52.230-4 (if applicable), 52.230-5 or 52.230-6. Paragraph (b) is deleted in each of the foregoing clauses.

D. Truth In Negotiations:

Certified Cost or Pricing Data (applicable only if certified cost or pricing data has been provided). The clause entitled “Subcontractor Certified Cost or Pricing Data” is a part of this Order if the Seller was required to furnish cost and pricing data and a Certification of Current Cost or Pricing Data for this Order. If it was not required to furnish such data and Certificate, the clause entitled “Subcontractor Cost or Pricing Data-Modification” is a part of this Order. Seller shall update its proposal and re-certify its cost or pricing data whenever costs, factors, or prices change such that cost or pricing data previously furnished is no longer, accurate, current, or complete.

(1) **Indemnification:**

- a. If any price (including profit or fee) negotiated in connection with the prime contract between the Government and the Buyer or any cost that is reimbursable under said contract is reduced because cost or pricing data furnished by the Seller in connection with any proposal submitted by the Buyer relating to said contract or in connection with this Order was not accurate, complete, or current, the Seller shall indemnify the Buyer in the amount of said reduction.
- b. The phrase “certified cost or pricing data” as used herein shall be deemed to include any such data, which related to a lower-tier prospective or actual subcontract, at any level, which was submitted by the Seller or which it procured by submission of, in connection with the aforesaid proposal or this Order in support of its cost estimate. If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Seller shall be liable and shall pay the Buyer at the time such overpayment is repaid:
 - i. Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Seller to the date the Buyer is repaid by the Seller at that applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C 6621(a)(2); and
 - ii. For Department of Defense contracts only, a penalty equal to the amount of the overpayment, if the Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current.

(2) **Certified Cost or Pricing Data for Changes:**

- a. Prior to the pricing of any change or other modification to this Order which involves, increases and/or decreases in costs plus applicable profit in excess of the contractually required threshold (e.g. \$100,000, \$500,000, \$550,000, \$700,000, or \$750,000) and resulting from a change in the prime contract, subcontractors shall submit cost or pricing data and shall certify that the data, as defined in FAR §15.406- 2, submitted either actually or by specific identification in writing are accurate, complete, and current as of the date of completion of negotiations.
- b. When required to obtain certified cost or pricing data or “Other Cost and Pricing Data” from its subcontractors, pursuant to the provisions of this Order, Seller shall provide such data.

E. DISPUTES – GOVERNMENT CONTRACTS:

Any reference to the “Disputes clause” in any applicable FAR Clause shall mean this paragraph, Disputes – Government Contracts. Any dispute arising under the agreement between the parties relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance the following paragraphs. Notwithstanding any other provisions the agreement between the parties, any decision of the Contracting Officer

under the prime contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to this purchase order –provided that:

- a. The Buyer notifies with reasonable promptness the Seller of such decision
- b. The Buyer, at its sole discretion, authorizes in writing the Seller to appeal in the name of the Buyer such decision at its own expense, or
- c. If Buyer should appeal such decision, Buyer at its sole discretion offers to the Seller the opportunity at its own expense to join Buyer in such appeal.
- d. Any decision upon such appeal, when final, shall be binding upon the Seller.
- e. The Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5, “Fraudulent Claims,” of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misinterpretation of fact on the part of Seller.
- f. Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this purchase order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this purchase order.
- g. Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgement by Buyer of the validity of Seller’s claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, included available remedies, it deems appropriate to protect its own interests.
- h. As used in this clause, the word “appeal” means an appeal taken under the contract Disputes Act of 1978, as amended.

8. **APPLICABLE TO ALL ORDERS:**

- A. The following FAR clauses are deemed “mandatory” by the express language of the clause and, therefore, are not negotiable and apply to all contracts, purchase orders, delivery orders, or any agreement between MTK Electronics, Inc. and the Seller where the end customer is the United States Government:

Clause	Title of Provision	Application
52.202-1	Definitions	When a contract provision or clause uses a word or term that is defined in the Federal Acquisition Regulation (FAR), the word or term has the same meaning as the definition in FAR 2.101.
52.203-3	Gratuities	The Contractor agrees to incorporate the substance of this clause, including subparagraph (c) (5) but excepting subparagraph (c) (1), in all subcontracts under this contract which exceed \$150,000.
52.303-5	Covenant Against Contingent Fees	The Contractor agrees to incorporate the substance of this clause, in all subcontracts under this contract which exceed \$150,000 and which are not for Commercial Items.
52.203-6	Restrictions on Subcontractor Sales to the Government.	(c) The Contractor agrees to incorporate the substance of this clause, including this paragraph (c), in all subcontracts under this contract which exceed the simplified acquisition threshold.

52.203-7	Anti-Kickback Procedures	(c)(5)The Contractor agrees to incorporate the substance of this clause, including subparagraph (c) (5) but excepting subparagraph (c) (1), in all subcontracts under this contract which exceed \$150,000.
52.203-12	Limitation on Payments to Influence Certain Federal Transactions.	(g)(1) The Contractor shall obtain a declaration, including the certification and disclosure in paragraphs (c) and (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, from each person requesting or receiving a subcontract exceeding \$150,000 under this contract. The Contractor or subcontractor that awards the subcontract shall retain the declaration. (g)(3) The Contractor shall include the substance of this clause, including this paragraph (g), in any subcontract exceeding \$150,000.
52.203-13	Contractor Code of Business Ethics and Conduct.	(d) <i>Subcontracts.</i> The Contractor shall include the substance of this clause, including this paragraph (d), in subcontracts that have a value in excess of \$5.5 million and a performance period of more than 120 days.
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.	(b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts that are funded in whole or in part with Recovery Act funds.
52.203-16	Preventing Personal Conflicts of Interest.	(d) <i>Subcontract flowdown:</i> The Contractor shall include the substance of this clause, including this paragraph (d), in subcontracts— (1) That exceed \$150,000; and (2) In which subcontractor employees will perform acquisition functions closely associated with inherently governmental functions (i.e., instead of performance only by a self-employed individual).
52.203-17	Contractor Employee Whistleblower Rights and Requirement To Inform Employees of Whistleblower Rights.	(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.
52.204-2	Security Requirements.	(d) The contractor agrees to insert terms that conform substantially to the language of this clause, including this paragraph (d) but excluding any reference to the Changes clause of this contract, in all subcontracts under this contract that involve access to classified information.
52.204-9	Personal Identity Verification of Contractor Personnel.	(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts when the subcontractor's employees are required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system. It shall be the responsibility of the prime Contractor to return such identification to the issuing agency in accordance with the terms set forth in paragraph (b) of this section, unless otherwise approved in writing by the Contracting Officer.
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment.	(e) <i>Subcontracts.</i> Unless this is a contract for the acquisition of commercial items, the Contractor shall include the requirements of this clause, including this paragraph (e) (appropriately modified for the identification of the parties), in each subcontract that-- (1) Exceeds \$35,000 in value; and (2) Is not a subcontract for commercially available off-the-shelf items.
52.211-15	Defense Priority and Allocation	Applies to all contacts and Contractor agrees to flowdown and include this clause in all subcontracts.

52.212-5	Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items.	<p>(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated in the list of clauses below, the extent of the flow down shall be as required by the clause.</p> <p>(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Oct 2015) (41 U.S.C. 3509).</p> <p>(ii) 52.219-8, Utilization of Small Business Concerns (OCT 2014) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$ 700,000 (\$ 1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.</p> <p>(iii) 52.222-17, Nondisplacement of Qualified Workers (MAY 2014) (E.O. 13495). Flow down required in accordance with paragraph (l) of FAR clause 52.222-17.</p> <p>(iv) 52.222-21, Prohibition of Segregated Facilities (Apr 2015).</p> <p>(v) 52.222-26, Equal Opportunity (APR 2015) (E.O. 11246).</p> <p>(vi) 52.222-35, Equal Opportunity for Veterans (Oct 2015) (38 U.S.C. 4212).</p> <p>(vii) 52.222-36, Equal Opportunity for Workers with Disabilities (July 2014) (29 U.S.C. 793).</p> <p>(viii) 52.222-37, Employment Reports on Veterans (Oct 2015) (38 U.S.C. 4212).</p> <p>(ix) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.</p> <p>(x) 52.222-41, Service Contract Labor Standards (MAY 2014) (41 U.S.C. chapter 67).</p> <p>(xi)(A) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627).</p> <p>-- (B) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).</p>
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		<p>(xii) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment--Requirements (MAY 2014) (41 U.S.C. chapter 67).</p> <p>(xiii) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services--Requirements (MAY 2014) (41 U.S.C. chapter 67).</p> <p>(xiv) 52.222-54, Employment Eligibility Verification (Oct 2015) (E. O. 12989).</p> <p>(xv) 52.222-55, Minimum Wages Under Executive Order 13658 (Dec 2014) (E.O. 13658).</p> <p>(xvi) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Jul 2013) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).</p> <p>(xvii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (MAY 2014) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.</p> <p>(xviii) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.24764.</p>
52.212-5 Alternate II	Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items.	<p>As prescribed in 12.301(b)(4)(ii), substitute the following paragraphs (d)(1) and (e)(1) for paragraphs (d)(1) and (e)(1) of the basic clause as follows:</p> <p>2 (e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), and (c), of this clause, the Contractor is not required to flow down any FAR clause in a subcontract for commercial items, other than--</p> <p>(i) Paragraph (d) of this clause. This paragraph flows down to all subcontracts, except the authority of the Inspector General under paragraph (d)(1)(ii) does not flow down; and</p> <p>(ii) Those clauses listed in this paragraph (e)(1). Unless otherwise indicated below, the extent of the flow down shall be as required by the clause</p> <p>(A) 52.203-13, Contractor Code of Business Ethics and Conduct (Oct 2015) (41 U.S.C. 2509).</p> <p>(B) 52.203--15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (Section 1553 of Pub. L. 111-5).</p> <p>(C) 52.219-8, Utilization of Small Business Concerns (Oct 2015) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further</p>

subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$ 700,000 (\$ 1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(D) 52.222-21, Prohibition of Segregated Facilities (Apr 2015).

(E) 52.222-26, Equal Opportunity (Apr 2015) (E.O. 11246).

(F) 52.222-35, Equal Opportunity for Veterans (Oct 2015) (38 U.S.C. 4212).

(G) 52.222-36, Equal Opportunity for Workers with Disabilities (Jul 2014) (29 U.S.C. 793).

(H) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(I) 52.222-41, Service Contract Labor Standards (May 2014) (41 U.S.C. chapter 67).

(J) (1) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627).

(2) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 E.O. 13627).

(K) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (May 2014) (41 U.S.C. chapter 67).

(L) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services--Requirements (May 2014) (41 U.S.C. chapter 67).

(M) 52.222-54, Employment Eligibility Verification (Oct 2015)(Executive Order 12989).

(N) 52.222-55, Minimum Wages Under Executive Order 13658 (Dec 2014) (E. O. 13658).

(O) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (May 2014) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

52.214-28	Subcontractor Cost or Pricing Data- Modifications--Sealed Bidding.	(d) The contractor shall insert the substance of this clause, including this paragraph (d), in each subcontract that, when entered into exceeds the \$ 750,000 threshold for submission of certified cost or pricing data at FAR 15.403-4 (a)(1).
52.215-2	Audit and Records Negotiation	Applies if this Contract exceeds \$150,000 and if: (1) SELLER is required to furnish cost or pricing data, or (2) the Contract requires SELLER to furnish cost, funding, or performance reports, or (3) this is an incentive or re-determinable type contract. Alternate II applies if SELLER is an educational or non-profit institution.
52.215-10	Price Reduction for Defective Cost or Pricing Data	Applies if submission of certified cost or pricing data is required.. “Government” means “MTK Electronics, Inc.” in paragraph (d)(1). Rights and obligations under this clause shall survive completion of the Work and final payment under this Contract.
52.215-11	Price Reduction for Defective Cost or Pricing Data – Modifications	Applies if submission of certified cost or pricing data is required for modifications. “Government” means “MTK Electronics, Inc.” in paragraph (e)(1). Rights and obligations under this clause shall survive completion of the Work and final payment under this Contract.
52.215-12	Subcontractor Cost or Pricing Data.	(c) In each subcontract that exceeds the \$750,000 threshold* for submission of cost or pricing data at FAR 15.403-4, when entered into, the Contractor shall insert either – (1) The substance of this clause, including this paragraph (c), if paragraph (a) of this clause requires submission of cost or pricing data for the subcontract; or (2) The substance of the clause at FAR 52.215-13, subcontractor Cost or Pricing Data -- Modifications. [The threshold for subcontracts is determined at the time of subcontract award as that applicable at that time under FAR 15.403-4].
52.215-13	Subcontractor Cost or Pricing Data— Modifications.	Applies if this Contract exceeds \$750,000 and is not otherwise exempt under FAR 15.403.
52.215-14	Integrity of Unit Prices.	Applies if this Contract exceeds \$150,000. Delete paragraph (b) of the clause.
52.215-15	Pension Adjustments and Asset Reversions.	Applies and shall be included in all subcontracts under this contract that meet the applicability requirement of FAR 15.408 (g).
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions.	(c) The Contractor shall insert the substance of this clause in all subcontracts that meet the applicability requirements of FAR 15.408(j).
52.215-19	Notification of Ownership Changes.	(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).
52.215-23	Limitations on Pass-Through Charges.	(f) The Contractor shall insert the substance of this clause, including this paragraph (f), in all cost-reimbursement subcontracts under this contract that exceed the simplified acquisition threshold, except if the contract is with DoD, then insert in all cost-reimbursement subcontracts and fixedprice subcontracts, except those identified in FAR 408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4.

52.219-8	Utilization of Small Business Concerns	If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.219-9	Small Business Subcontracting Plan	Applies if this Contract exceeds \$750,000 except the clause does not apply if SELLER is a small business concern. SELLER's subcontracting plan is incorporated herein by reference. If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.219-16	Liquidated Damages – Subcontracting Plan	Applies only if the Contract includes FAR 52.219-8 and 52.219-9.
52.222-4	Contract Work Hours and Safety Standards	(e) Subcontracts. The Contractor shall insert the provisions set forth in paragraphs (a) through (d) of this clause in subcontracts that may require or involve the employment of laborers and mechanics and require subcontractors to include these provisions in any such lower tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the provisions set forth in paragraphs (a) through (d) of this clause. If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.

52.222-11	Subcontracts (Labor Standards).	<p>(b) The Contractor or subcontractor shall insert in any subcontracts for construction, alterations and repairs within the United States the clauses entitled—</p> <ol style="list-style-type: none"> (1) Construction Wage Rate Requirements; (2) Contract Work Hours and Safety Standards -Overtime Compensation (if the clause is included in this contract); (3) Apprentices and Trainees; (4) Payrolls and Basic Records; (5) Compliance with Copeland Act Requirements; (6) Withholding of Funds; (7) Subcontracts (Labor Standards); (8) Contract Termination – Debarment; (9) Disputes Concerning Labor Standards; (10) Compliance with Construction Wage Rate Requirements and Related Regulations; and (11) Certification of Eligibility. <p>The Contractor shall insert the substance of this clause, including this paragraph (e) in all subcontracts for construction within the United States.</p>
52.222-17	Non-Displacement of Qualified Workers.	<p>(i) <i>Subcontracts</i>: In every subcontract over the simplified acquisition threshold entered into in order to perform services under this contract, the Contractor shall include a provision that ensures—</p> <ol style="list-style-type: none"> (1) That each subcontractor will honor the requirements of paragraphs (b) through (c) of this clause with respect to the service employees of a predecessor subcontractor or subcontractors working under this contract, as well as of a predecessor Contractor and its subcontractors; (2) That the subcontractor will provide the Contractor with the information about the service employees of the sub- contractor needed by the Contractor to comply with paragraphs (d) and (e) of this clause; and (3) The recordkeeping requirements of paragraph (f) of this clause.
52.222-20	Walsh-Healey Public Contracts Act	<p>If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.</p>

52.222-26	Equal Opportunity	If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-34	Project Labor Agreement.	(c) <i>Subcontracts</i> . The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts with subcontractors engaged in construction on the construction project.
52.222-35	Equal Opportunity for Veterans.	(c) <i>Subcontracts</i> . The Contractor shall insert the terms of this clause in subcontracts of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.
52.222-36	Equal Opportunity for Workers with Disabilities.	(b) <i>Subcontracts</i> . The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$15,000 unless exempted by rules, regulations, or orders of the Secretary, so that such provisions will be binding upon each subcontractor or vendor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs of the U.S. Department of Labor, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.
52.222-37	Employment Reports on Veterans.	(g) The Contractor shall insert the terms of this clause in subcontracts of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor.
52.222-40	Notification of Employee Rights Under the National Labor Relations Act.	(f) <i>Subcontracts</i> The Contractor shall include the substance of this clause, including this paragraph (f), in every subcontract that exceeds \$10,000 and will be performed wholly or partially in the United States, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 3 of Executive Order 13496 of January 30, 2009, so that such provisions will be binding upon each subcontractor.
52.222-41	Service Contract Act of 1965, as Amended	(l) The Contractor agrees to insert this clause in all subcontracts subject to the Service Contract Labor Standards statute.

52.222-50	Combating Trafficking in Persons	<p>(i) Subcontracts (1) The Contractor shall include the substance of this clause, including this paragraph (i), in all subcontracts and in all contracts with agents. The requirements in paragraph (h) of this clause apply only to any portion of the subcontract that--</p> <p>(A) Is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and</p> <p>(B) Has an estimated value that exceeds \$500,000.</p> <p>(2) If any subcontractor is required by this clause to submit a certification, the Contractor shall require submission prior to the award of the subcontract and annually thereafter. The certification shall cover the items in paragraph (h)(5) of this clause.</p> <p>(2) If any subcontractor is required by this clause to submit a certification, the Contractor shall require submission prior to the award of the subcontract and annually thereafter. The certification shall cover the items in paragraph (h)(5) of this clause.</p>
52.222-51	Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements.	(f) The Contractor shall include the substance of this clause, including this paragraph (f), in subcontracts for exempt services under this contract.
52.222-53	Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements.	(h) The Contractor shall include the substance of this clause, including this paragraph (h), in subcontracts for exempt services under this contract.
52.222-54	Employment Eligibility Verification	<p>(e) Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph (e) (appropriately modified for identification of the parties), in each subcontract that --</p> <p>(1) Is for -- (i) Commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or (ii) Construction; (2) Has a value of more than \$ 3,500; and (3) Includes work performed in the United States.</p>
52.222-55	Minimum Wages Under Executive Order 13658	(k) <i>Subcontracts</i> . The Contractor shall include the substance of this clause, including this paragraph (k) in all subcontracts, regardless of dollar value, that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States.
52.223-18	Contractor Policy to Ban Text Messaging While Driving	(d) Subcontracts The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts that exceed the micropurchase threshold.
52.225-1	Buy American Act – Supplies	Applies if the Work contains other than domestic components
52.225-2	Buy American Act Certificate	Applies if the Work contains other than domestic components
52.225-5	Trade Agreement	Applies if the Work contains other than U.S. made or designated country end products as specified in the clause.

52.225-6	Trade Agreements – Certificate	Applies if the Work contains other than U.S. made or designated country end products as specified in the clause.
52.225-8	Duty-Free Entry	(j) The Contractor shall include the substance of this clause in any subcontract if— (1) Supplies identified in the Schedule to be accorded duty-free entry will be imported into the customs territory of the United States; or (2) Other foreign supplies in excess of \$15,000 may be imported into the customs territory of the United States.
52.225-13	Restrictions on Certain Foreign Purchases	(c) The Contractor shall insert this clause, including this paragraph in all subcontracts.
52.225-19	Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular Mission Outside the United States.	(q) <i>Subcontracts.</i> The Contractor shall incorporate the substance of this clause, including this paragraph (q), in all subcontracts that require subcontractor personnel to perform outside the United States--(1) In a designated operational area during— (i) Contingency operations; (ii) Humanitarian or peacekeeping operations; or (iii) Other military operations; or military exercises, when designated by the Combatant Commander; or (2) When supporting a diplomatic or consular mission— (i) That has been designated by the Department of State as a danger pay post (see http://aoprals.state.gov/Web920/danger_pay_all.asp); or (ii) That the Contracting Officer has indicated is subject to this clause.
52.225-26	Contractors Performing Private Security Functions Outside the United States	(f) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (f), in all subcontracts that will be performed in areas of— (1) DoD contracts only: Contingency operations, combat operations, as designated by the Secretary of Defense, or other significant military operations, as designated by the Secretary of Defense upon agreement of the Secretary of State; or (2) Non-DoD contracts: Combat operations, as designated by the Secretary of Defense, or other significant military operations, upon agreement of the Secretaries of Defense and State that the clause applies in that area.
52.226-6	Promoting Excess Food Donation to Nonprofit Organizations.	(e) Flowdown. The Contractor shall insert this clause in all contracts, task orders, delivery orders, purchase orders, and other similar instruments greater than \$25,000 with its subcontractors or suppliers, at any tier, who will perform, under this contract, the provision, service, or sale of food in the United States.

52.227-1	Authorization and Consent	(b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts that are expected to exceed the simplified acquisition threshold. However, omission of this clause from any subcontract, including those at or below the simplified acquisition threshold, does not affect this authorization and consent.
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement.	(c) The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts that are expected to exceed the simplified acquisition threshold.
52.227-9	Refund of Royalties.	(f) The substance of this clause, including this paragraph (f), shall be included in any subcontract in which the amount of royalties reported during negotiation of the subcontract exceeds \$250.
52.227-10	Filing of Patent Applications-Classified Subject Matter.	(e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts that cover or are likely to cover classified subject matter.
52.227-11	Patent Rights--Retention by the Contractor (Short Form).	(k) Subcontracts. (1) The Contractor shall include the substance of this clause, including this paragraph (k), in all subcontracts for experimental, developmental, or research work to be performed by a small business concern or nonprofit organization. (2) The Contractor shall include in all other subcontracts for experimental, developmental, or research work the substance of the patent rights clause required by FAR Subpart 27.3. (3) At all tiers, the patent rights clause must be modified to identify the parties as follows: references to the Government are not changed, and the subcontractor has all rights and obligations of the Contractor in the clause. The Contractor shall not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions. (4) In subcontracts, at any tier, the agency, the subcontractor, and the Contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the agency with respect to the matters covered by the clause; provided, however, that nothing in this paragraph is intended to confer any jurisdiction under the Contract Disputes Act in connection with proceedings under paragraph (h) of this clause.
52.227-13	Patent Rights--Acquisition by the Government.	(i) Subcontracts. (1) The Contractor shall include the substance of the patent rights clause required by FAR 27.3 in all subcontracts for experimental, developmental, or research work. The prescribed patent rights clause must be modified to identify the parties as follows: references to the Government are not changed, and the subcontractor has all rights and obligations of the Contractor in the clause. The Contractor shall not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.
52.227-14	Rights in Data – General	Does not apply if DFARS 252.227-7013 applies.

52.230-2	Cost Accounting Standards.	(d) The Contractor shall include in all negotiated subcontracts which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts, of any tier, including the obligation to comply with all CAS in effect on the subcontractor's award date or if the subcontractor has submitted certified cost or pricing data, on the date of final agreement on price as shown on the subcontractor's signed Certificate of Current Cost or Pricing Data. If the subcontract is awarded to a business unit which pursuant to 48 CFR 9903.201-2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in subsection 30.201-4 of the Federal Acquisition Regulation shall be inserted. This requirement shall apply only to negotiated subcontracts in excess of \$750,000, except that the requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1.
52.230-3	Disclosure and Consistency of Cost Accounting Practice	(d) The Contractor shall include in all negotiated subcontracts, which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts of any tier, except that— (1) If the subcontract is awarded to a business unit which pursuant to 48 CFR 9903.201-2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in subsection 30.201-4 of the Federal Acquisition Regulation shall be inserted. (2) This requirement shall apply only to negotiated subcontracts in excess of \$750,000. (3) The requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1.
52.230-4	Disclosure and Consistency of Cost Accounting Practices--Foreign Concerns.	(d) The Contractor shall include in all negotiated subcontracts, which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts of any tier, except that— (1) If the subcontract is awarded to a business unit which pursuant to 48 CFR 9903.201-2 is subject to other types of CAS coverage, the substance of the applicable clause prescribed in FAR 30.201-4 shall be inserted. (2) This requirement shall apply only to negotiated subcontracts in excess of \$750,000. (3) The requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1.
52.230-6	Administration of Cost Accounting Standards.	(1) For all subcontracts subject to the clauses at FAR 52.230-2, 52.230-3, or 52.230-5-- (1) So state in the body of the subcontract, in the letter of award, or in both (do not use self-deleting clauses);

		<p>(2) Include the substance of this clause in all negotiated subcontracts; and</p> <p>(3) Within 30 days after award of the subcontract, submit the following information to the Contractor's CFAO:</p> <p>(i) Subcontractor's name and subcontract number.</p> <p>(ii) Dollar amount and date of award.</p> <p>(iii) Name of Contractor making the award.</p> <p>(n) For subcontracts containing the clause or substance of the clause at FAR 52.230-2, FAR 52.230-3, FAR 52.230-4, or FAR 52.230-5, require the subcontractor to comply with all Standards in effect on the date of award or of final agreement on price, as shown on the subcontractor's signed Certificate of Current Cost or Pricing Data, whichever is earlier.</p>
52.232-40	Providing Accelerated Payments to Small Business Subcontractors.	(c) Include the substance of this clause, including this paragraph (c), in all subcontracts with small business concerns, including subcontracts with small business concerns for the acquisition of commercial items.
52.234-1	Industrial Resources Developed Under Defense Production Act Title III.	(e) The Contractor agrees to insert the substance of this clause, including paragraph (e), in every subcontract issued in performance of this contract.
52.234-4	Earned Value Management System.	(g) The Contractor shall require the subcontractors specified in the clause to comply with the requirements of this clause.
52.237-7	Indemnification and Medical Liability Insurance.	(f) The Contractor shall insert the substance of this clause, including this paragraph (f), in all subcontracts under this contract for health care services and shall require such subcontractors to provide evidence of and maintain insurance in accordance with paragraph (a) of this clause. At least 5 days before the commencement of work by any subcontractor, the Contractor shall furnish to the Contracting Officer evidence of such insurance.
52.239-1	Privacy or Security Safeguards	Applies if the contract is for information technology.
52.242-15	Stop Work Order	Applies.
52.242-17	Government Delay of Work	Applies.
52.243-1	Changes – Fixed Price Contracts	Applies.
52.244-5	Competition in Subcontracting	Applies.
52.244-6	Subcontracts for Commercial Items	Applies.
52.245-1	Government Property (or Alt I or Alt II, the Buyer shall so specify. If the Buyer does not Specify the requirement will default to the basic clause)	<p>(b)(3)The Contractor shall include the requirements of this clause in all subcontracts under which Government property is acquired or furnished for subcontract performance.</p> <p>(f)(1)(v) Subcontractor control.</p> <p>(A) The Contractor shall award subcontracts that clearly identify items to be provided and the extent of any restrictions or limitations on their use. The Contractor shall ensure appropriate flow down of contract terms and conditions (<i>e.g.</i>, extent of liability for loss of Government property.)</p> <p>(B) The Contractor shall assure its subcontracts are properly administered and reviews are periodically performed to determine the adequacy of the subcontractor's property management system.</p>

52.246-11	Higher-Level Contract Quality Requirement	(b) The Contractor shall include applicable requirements of the higherlevel quality standard(s) listed in paragraph (a) of this clause and the requirement to flow down such standards, as applicable, to lower-tier subcontracts, in--
		(1) Any subcontract for critical and complex items (see 46.203(b) and (c)); or (2) When the technical requirements of a subcontract require-- (i) Control of such things as design, work operations, in-process control, testing, and inspection; or (ii) Attention to such factors as organization, planning, work instructions, documentation control, and advanced metrology.
52.247-64	Preference for Privately Owned U.S. – Flag Commercial Vessels	(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts or purchase orders under this contract, except those described in paragraph (e)(4).
52.248-1	Value Engineering.	(l) <i>Subcontracts.</i> The Contractor shall include an appropriate value engineering clause in any subcontract of \$150,000 or more and may include one in subcontracts of lesser value.
52.248-3	Value Engineering-Construction.	(h) <i>Subcontracts</i> The Contractor shall include an appropriate value engineering clause in any subcontract of \$70,000 or more and may include one in subcontracts of lesser value.
52.249-1	Termination for Convenience of the Government (Fixed-Price) (Short Form)	Applies.

- B.** The following DFARS clauses apply to all contracts, purchase orders, delivery orders, or any agreement between MTK Electronics, Inc. and the Seller where the end customer is any agency within the United States Department of Defense:

Clause	Title of Provision	Application
252.203-7001	Prohibition on Persons Convicted of Fraud or Other DefenseContract-Related Felonies.	(g) The Contractor agrees to include the substance of this clause, appropriately modified to reflect the identity and relationship of the parties, in all first-tier subcontracts exceeding the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation, except those for commercial items or components.
252.203-7002	Requirement to Inform Employees of Whistleblower Rights.	(b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts.
252.203-7004	Display of Fraud Hotline Posters	(e)The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts that exceed \$5.5 million except when the subcontract is for the acquisition of a commercial item.
252.204-7000	Disclosure of Information	The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.
252.204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information	(c) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts for services that includes support for the Government’s activities related to safeguarding

		covered defense information and cyber incident reporting, including subcontracts for commercial items.
252.204-7010	Requirement for Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S.-International Atomic Energy Agency Additional Protocol.	(h) The Contractor shall incorporate the substance of this clause, including this paragraph (h), in all subcontracts that are subject to the provisions of the U.S.-IAEA AP.
252.204-7012	Safeguarding Unclassified Uncontrolled Technical Information	(m) <i>Subcontracts.</i> The Contractor shall- (1) Include the substance of this clause, including this paragraph (m), in all subcontracts, including subcontracts for commercial items; and (2) Require subcontractors to rapidly report cyber incidents directly to DoD at http://dibnet.dod.mil and the prime Contractor. This includes providing the incident report number, automatically assigned by DoD, to the prime Contractor (or next higher-tier subcontractor) as soon as practicable.
252.204-7012 (Deviation 2016O0001)	Safeguarding of Unclassified Controlled Technical Information.	(m) <i>Subcontracts.</i> The Contractor shall- (1) Include the substance of this clause, including this paragraph (m), in all subcontracts, including subcontracts for commercial items; and (2) Require subcontractors to rapidly report cyber incidents directly to DoD at http://dibnet.dod.mil and the prime Contractor. This includes providing the incident report number, automatically assigned by DoD, to the prime Contractor (or next higher-tier subcontractor) as soon as practicable.
252.204-7014	Limitations on the Use or Disclosure of Information by Litigation Support Contractors.	(e) <i>Flowdown.</i> Include the substance of this clause, including this paragraph (e), in all subcontracts, including subcontracts for commercial items.
252.204-7015	Disclosure of Information to Litigation Support Contractors.	(c) <i>Flowdown.</i> Include the substance of this clause, including this paragraph (c), in all subcontracts, including subcontracts for commercial items.
252.209-7002	Disclosure of ownership of control by a foreign government	
252.217-7012	Liability and Insurance.	(d)(2) The Contractor shall ensure that all subcontractors engaged on the work obtain and maintain the insurance required in paragraph (d)(1) of this clause.
252.219-7003	Small Business Subcontracting Plan (DoD Contracts).	
252.222-7000	Restrictions on Employment of Personnel	(b) The Contractor shall insert the substance of this clause, including this paragraph (b), in each subcontract awarded under this contract.
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	(f) The Contractor shall ensure that the requirements of this clause are included in all subcontracts, at every tier: (1) For the development, production, manufacture, or purchase of AA&E; or (2) When AA&E will be provided to the subcontractor as Governmentfurnished property.

252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	(c)The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts for items covered by the United States Munitions List.
252.225-7008	Restriction on Acquisition of Specialty Metals (prime contracts at \$150K or more requiring delivery of specialty metals as end items)	(b) <i>Any specialty metal delivered under this contract</i> shall be melted or produced in the United States or its outlying areas. (Emphasis added.)
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals.	<p>(e) <i>Subcontracts.</i> (1) The Contractor shall exclude and reserve paragraph (d) and this paragraph (e)(1) when flowing down this clause to subcontracts.</p> <p>(2) The Contractor shall insert paragraphs (a) through (c) and this paragraph (e)(2) of this clause in subcontracts, including subcontracts for commercial items, that are for items containing specialty metals to ensure compliance of the end products that the Contractor will deliver to the Government. When inserting this clause in subcontracts, the Contractor shall—</p> <p>(i) Modify paragraph (c)(6) of this clause only as necessary to facilitate management of the minimal content exception at the prime contract level. The minimal content exception does not apply to specialty metals contained in high-performance magnets; and</p> <p>(ii) Not further alter the clause other than to identify the appropriate parties.</p>
252.225-7013	Duty Free Entry	<p>(j) The Contractor shall—</p> <p>(1) Insert the substance of this clause, including this paragraph (j), in all subcontracts for—</p> <p>(i) Qualifying country components; or</p> <p>(ii) Nonqualifying country components for which the Contractor estimates that duty will exceed \$200 per unit;</p> <p>(2) Require subcontractors to include the number of this contract on all shipping documents submitted to Customs for supplies for which dutyfree entry is claimed pursuant to this clause; and</p> <p>(3) Include in applicable subcontracts—</p> <p>(i) The name and address of the ACO for this contract;</p> <p>(ii) The name, address, and activity address number of the contract administration office specified in this contract; and</p> <p>(iii) The information required by paragraphs (h)(1), (2), and (3) of this clause.</p>

252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	(f) The Contractor shall insert the substance of this clause, including this paragraph (f), in all subcontracts, except those for (1) Commercial items; or (2) Items that do not contain ball or roller bearings.
252.225-7019	Restriction on Acquisition of Foreign Anchor and Mooring Chain	(d) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts for items containing welded shipboard anchor and mooring chain, four inches or less in diameter.
252.225-7020	Trade Agreements Certificate	The Contractor agrees to submit a certification of compliance, as necessary.
252.225-7021	Trade Agreements	(c) The Contractor shall deliver under this contract only U.S.-made, qualifying country, or designated country end products unless— (1) In its offer, the Contractor specified delivery of other nondesignated country end products in the Trade Agreements Certificate provision of the solicitation; and (2)(i) Offers of U.S.-made, qualifying country, or designated country end products from responsive, responsible offerors are either not received or are insufficient to fill the Government’s requirements; or (ii) A national interest waiver has been granted.
252.225-7022	Trade Agreements Certificate – Inclusion of Iraqi End Products	The Contractor agrees to submit a certification of compliance, as necessary.
252.225-7025	Restriction on the Acquisition of Forgings	(e) The Contractor shall insert the substance of this clause, including this paragraph (e), in subcontracts for forging items or for other items that contain forging items.
252.225-7033	Waiver of United Kingdom Levies.	(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in any subcontract for supplies where a lower-tier subcontract exceeding \$1 million with a U.K. firm is anticipated.
252.225-7039	Defense Contractors Performing Private Security Functions Outside the United States	(b) <i>Subcontracts.</i> The Contractor shall include the substance of this clause, including this paragraph (b), in subcontracts, including subcontracts for commercial items, when private security functions will be performed outside the United States in areas of-- (1) Contingency operations; (2) Combat operations, as designated by the Secretary of Defense; (3) Other significant military operations (as defined in 32 CFR part 159), designated by the Secretary of Defense upon agreement of the Secretary of State; (4) Peace operations, consistent with Joint Publication 3-07.3; or (5) Other military operations or military exercises, when designated by the Combatant Commander.

252.225-7040	Contractor personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States	<p>(q) <i>Subcontracts.</i> The Contractor shall incorporate the substance of this clause, including this paragraph (q), in all subcontracts when subcontractor personnel are supporting U.S. Armed Forces deployed outside the United States in—</p> <ol style="list-style-type: none"> (1) Contingency operations; (2) Peace operations consistent with Joint Publication 3-07.3; or (3) Other military operations or military exercises, when designated by the Combatant Commander or as directed by the Secretary of Defense.
252.225-7043	Antiterrorism / force Protection Policy for Defense Contractors Outside the United States	<p>(b) Except as provided in paragraph (c) of this clause, the Contractor and its subcontractors, if performing or traveling outside the United States under this contract, shall:</p> <ol style="list-style-type: none"> (1) Affiliate with the Overseas Security Advisory Council, if the Contractor or subcontractor is a U.S. entity; (2) Ensure that Contractor and subcontractor personnel who are U.S. nationals and are in-country on a non-transitory basis, register with the U.S. Embassy, and that Contractor and subcontractor personnel who are third country nationals comply with any security related requirements of the Embassy of their nationality; (3) Provide, to Contractor and subcontractor personnel, antiterrorism/force protection awareness information commensurate with that which the Department of Defense (DoD) provides to its military and civilian personnel and their families, to the extent such information can be made available prior to travel outside the United States; and (4) Obtain and comply with the most current antiterrorism/force protection guidance for Contractor and subcontractor personnel.
252.225-7046	Exports By Approved Community Members in Response to the Solicitation	<p>(h) <i>Subcontracts.</i> The offeror shall flow down the substance of this provision, including this paragraph (h), but excluding the representation at paragraph (g), to any subcontractor at any tier intending to use the DTC Treaties in responding to this solicitation.</p>
252.225-7047	Export by Approved Community Members in Performance of the Contract	<p>(f) The contractor shall include the substance of this clause, including this paragraph (f), in all subcontracts that may require exports or transfers of qualifying defense articles in connection with deliveries under the contract.</p>
252.225-7048	Export Controlled Items	<p>(e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts.</p>
252.225-7981 (Class Deviation 2015-00016)	Additional Access to Contractor and Subcontractor Records (Other than USCENCOM)	<p>(b) The substance of this clause, including this paragraph (b), is required to be included in subcontracts, including subcontracts for commercial items, under this contract that have an estimated value over \$50,000 and will be performed outside the United States and its outlying areas.</p>

252.225-7985 (Class Deviation 2015-O0003)	Contractor Personnel Performing in Support of Operation United Assistance (OUA) in the United States Africa Command (USAFRICOM) Theater of Operations	<p>(g) <i>Subcontracts.</i> The Contractor shall incorporate the substance of this clause, including this paragraph (g)</p> <p>(1) In all subcontracts that require subcontractor personnel that are United States citizens or third-country nationals to perform outside the United States in support of OUA in the USAFRICOM theater of operations; and</p> <p>(2) In subcontracts, to the maximum extent practicable, that require only subcontractor personnel that are local nationals to perform outside the United States in support of OUA in the USAFRICOM theater of operations.</p>
252.225-7989 (Class Deviation 2014-00005)	Requirements for Contractor Personnel Performing in Djibouti	(f) <i>Subcontracts.</i> The Contractor shall incorporate the substance of this clause, including this paragraph (f), in all subcontracts that require subcontractor personnel to perform in Djibouti.
252.225-7993 (Class Deviation 2015-O0016)	Prohibition on Contracting with the Enemy	(c) The Contractor shall include the substance of this clause, including this paragraph (c), in subcontracts, including subcontracts for commercial items, under this contract that have an estimated value over \$50,000 and will be performed outside the United States.
252.225-7994 (Class Deviation 2015-O0013)	Additional Access to Contractor and Subcontractor In the United States Central Command Theater of Operations.	(b) The substance of this clause, including this paragraph (b), is required to be included in subcontracts under this contract that have an estimated value over \$100,000 [to be used in solicitations and contracts awarded on or before December 17, 2017) with an estimated value in excess of \$100,000.00, that are to be performed in USCENTRCOM.
252.225-7995 (Class Deviation 2015-O0009)	Contractor Personnel Performing in the United States Central Command Area of Responsibility	(q) <i>Subcontracts.</i> The Contractor shall incorporate the substance of this clause, including this paragraph (q), in all subcontracts when subcontractor personnel are performing in the USCENTCOM AOR.
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises—DoD Contracts.	The Contractor shall insert the substance of this clause, including this paragraph (g), in all subcontracts exceeding \$500,000.
252.227-7013	Rights in Technical Data - Noncommercial Items	<p>(k) Applicability to subcontractors or suppliers.</p> <p>(1) The Contractor shall ensure that the rights afforded its subcontractors and suppliers under 10 U.S.C. 2320, 10 U.S.C. 2321, and the identification, assertion, and delivery processes of paragraph (e) of this clause are recognized and protected.</p> <p>(2) Whenever any technical data for noncommercial items, or for commercial items developed in any part at Government expense, is to be obtained from a subcontractor or supplier for delivery to the Government under this contract, the Contractor shall use this same clause in the subcontract or other contractual instrument, including subcontracts or other contractual instruments for commercial items, and require its subcontractors or suppliers to do so, without alteration, except to identify the parties. This clause will govern the technical data pertaining to noncommercial items or to any portion of a commercial item that was developed in any part at Government expense, and the clause at 252.227-7015 will govern the technical data pertaining to any portion of a commercial item that was developed exclusively at private expense. No other clause shall be used to enlarge or diminish the Government's, the Contractor's, or a higher-tier subcontractor's or supplier's rights in a subcontractor's or supplier's technical data.</p>

252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	(k)(1) Whenever any noncommercial computer software or computer software documentation is to be obtained from a subcontractor or supplier for delivery to the Government under this contract, the Contractor shall use this same clause in its subcontracts or other contractual instruments, and require its subcontractors or suppliers to do so, without alteration, except to identify the parties.
252.227-7015	Technical Data - Commercial Items	(e) <i>Applicability to subcontractors or suppliers</i> (2) Whenever any technical data related to commercial items developed in any part at private expense will be obtained from a subcontractor or supplier for delivery to the Government under this contract, the Contractor shall use this same clause in the subcontract or other contractual instrument, including subcontracts and other contractual instruments for commercial items, and require its subcontractors or suppliers to do so, without alteration, except to identify the parties. This clause will govern the technical data pertaining to any portion of a commercial item that was developed exclusively at private expense, and the clause at 252.227-7013 will govern the technical data pertaining to any portion of a commercial item that was developed in any part at Government expense.
252.227-7016	Rights in Bid or Proposal Information	(f) <i>Flowdown</i> . The Contractor shall include this clause in all subcontracts or similar contractual instruments and require its subcontractors or suppliers to do so without alteration, except to identify the parties.
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions	Applies.
252.227-7018	Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program	(k) <i>Applicability to subcontractors or suppliers</i> . (1) The Contractor shall assure that the rights afforded its subcontractors and suppliers under 10 U.S.C. 2320, 10 U.S.C. 2321, and the identification, assertion, and delivery processes required by paragraph (e) of this clause are recognized and protected. (2) Whenever any noncommercial technical data or computer software is to be obtained from a subcontractor or supplier for delivery to the Government under this contract, the Contractor shall use this same clause in the subcontract or other contractual instrument, and require its subcontractors or suppliers to do so, without alteration, except to identify the parties. The Contractor shall use the Technical Data--Commercial Items clause of this contract to obtain technical data pertaining to commercial items, components, or processes. No other clause shall be used to enlarge or diminish the Government's, the Contractor's, or a higher tier subcontractor's or supplier's rights in a subcontractor's or supplier's technical data or computer software.
252.227-7019	Validation of Asserted Restrictions - Computer Software	(j) <i>Flowdown</i> . The Contractor shall insert this clause in all contracts, purchase orders, and other similar instruments with its subcontractors or suppliers, at any tier, who will be furnishing computer software to the Government in the performance of this contract. The clause may not be altered other than to identify the appropriate parties.

252.227-7037	Validation of Restrictive Markings on Technical Data	(l) Flowdown. The Contractor or subcontractor agrees to insert this clause in contractual instruments, including subcontracts and other contractual instruments for commercial items, with its subcontractors or suppliers at any tier requiring the delivery of technical data.
252.227-7038	Patent Rights – Ownership by the Contractor	<p>(l) <i>Subcontracts.</i></p> <p>(1) The Contractor—</p> <p>(i) Shall include the substance of the Patent Rights—Ownership by the Contractor clause set forth at 52.227-11 of the Federal Acquisition Regulation (FAR), in all subcontracts for experimental, developmental, or research work to be performed by a small business concern or nonprofit organization; and</p> <p>(ii) Shall include the substance of this clause, including this paragraph (l), in all other subcontracts for experimental, developmental, or research work, unless a different patent rights clause is required by FAR 27.303.</p> <p>(2) For subcontracts at any tier—</p> <p>(i) The patents rights clause included in the subcontract shall retain all references to the Government and shall provide to the subcontractor all the rights and obligations provided to the Contractor in the clause. The Contractor shall not, as consideration for awarding the subcontract, obtain rights in the subcontractor’s subject inventions; and</p> <p>(ii) The Government, the Contractor, and the subcontractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the Government with respect to those matters covered by this clause. However, nothing in this paragraph is intended to confer any jurisdiction under the Contract Disputes Act in connection with proceedings under paragraph (h) of this clause.</p>
252.227-7039	Patents – Reporting of Subject Inventions	Applies if the Prime contract includes FAR § 52.227-11 and the contract is awarded by the Department of Defense.
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	(c) The Contractor will include a clause in subcontracts under this contract to require subcontractor cooperation and assistance in accident investigations.
252.235-7004	Protection of Human Subjects	(f) The Contractor shall include the substance of this clause, including this paragraph (f), in all subcontracts that may include research involving human subjects in accordance with 32 CFR Part 219, DoD Directive 3216.02, and 10 U.S.C. 980, including research that meets exemption criteria under 32 CFR 219.101(b). This clause does not apply to subcontracts that involve only the use of cadaver materials.
252.236-7013	Requirement for Competition Opportunity for American Steel Producers, Fabricators And Manufacturers (For Construction Subcontracts)	(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in any subcontract that involves the acquisition of steel as a construction material.

252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel.	(c) <i>Subcontracts.</i> The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts, including subcontracts for commercial items that may require subcontractor personnel to interact with detainees in the course of their duties.
252.237-7019	Training for Contract personnel Interacting with Detainees	(c) <i>Subcontracts.</i> The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts, including subcontracts for commercial items that may require subcontractor personnel to interact with detainees in the course of their duties.
252.237-7023	Continuation of Essential Contractor Services	(g) The Contractor shall include the substance of this clause, including this paragraph (g), in subcontracts for the essential services.
252.239-7010	Cloud Computing Services	(l) <i>Subcontracts.</i> The Contractor shall include the substance of this clause, including this paragraph (l), in all subcontracts that involve or may involve cloud services, including subcontracts for commercial items.
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services	(e) The Contractor agrees to include this clause, including this paragraph (e), in all subcontracts which require securing telecommunications.
252.239-7018	Supply Chain Risk	(e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts involving the development or delivery of any information technology, whether acquired as a service or as a supply.
252.239-7999 (DEVIATION 2015-O0011)	Cloud Computing Services	(h) <i>Subcontracts.</i> The Contractor shall include the substance of this clause, including this paragraph (h), in all subcontracts, including subcontracts for commercial items.
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD contracts)	(a) The Contractor is not required to flow down the terms of any Defense Federal Acquisition Regulation Supplement (DFARS) clause in subcontracts for commercial items at any tier under this contract, unless so specified in the particular clause. (b) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligation. (c) The Contractor shall include the terms of this clause, including this paragraph (c), in subcontracts awarded under this contract, including subcontracts for the acquisition of commercial items.
252.245-7001	Tagging, Labeling, and Marking Government Furnished Property	Applies if the Seller is provided with Government Furnished Property.
252-245-7002	Reporting Loss of Government Property	Applies if the Seller is provided with Government Furnished Property.

252.246-7003	Notification of Potential Safety Issues	<p>(f) (1)The Contractor shall include the substance of this clause, including this paragraph (f), in subcontracts for—</p> <ul style="list-style-type: none"> (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. <p>(2) For those subcontracts, including subcontracts for commercial items, described in paragraph (f)(1) of this clause, the Contractor shall require the subcontractor to provide the notification required by paragraph (c) of this clause to—</p> <ul style="list-style-type: none"> (i) The Contractor or higher-tier subcontractor; and (ii) The ACO and the PCO, if the subcontractor is aware of the ACO and the PCO for the contract.
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System	<p>(e) The Contractor shall include the substance of this clause, including paragraphs (a) through (e), in subcontracts, including subcontracts for commercial items, for electronic parts or assemblies containing electronic parts.</p>
252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer	<p>(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts, including subcontracts for commercial items, with motor carriers, brokers, or freight forwarders.</p>
252.247-7023 (Basic)	Transportation of Supplies by Sea.	<p>(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, the Contractor shall flow down the requirements of this clause as follows:</p> <ul style="list-style-type: none"> (1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation (\$150,000.00). (2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation (\$150,000.00).

252.247-7023 Alternate I	Transportation of Supplies by Sea.	<p>Alternate I (APR 2014)</p> <p>(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, including subcontracts for commercial items, the Contractor shall flow down the requirements of this clause as follows:</p> <p>(1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.</p> <p>(2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.</p>
252.247-7023 Alternate II	Transportation of Supplies by Sea.	<p>Alternate II (APR 2014). As prescribed in 247.574(b)(3), use the following clause, which uses a different paragraph (b) than the basic clause.</p> <p>(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, including subcontracts for commercial items, the Contractor shall flow down the requirements of this clause as follows:</p> <p>(1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.</p>
		<p>(2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.</p>

9. **Flow Down Requirements for Commercial Item Contracts:**

A. Incorporation of FAR Clauses for Commercial Item Contracts

The following FAR clauses are incorporated herein by reference, with the same force and effect as if they were stated in full text, and are applicable, including any notes following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contract Disputes Act, 41 U.S.C. §§ 7101, *et seq.*, shall have no application to this Subcontract. Any reference to “Disputes” or a “Disputes clause” shall mean the disputes provisions of this Subcontract.

B. Government Subcontract

This contract is entered into by the parties in support of a U.S. Government contract. As used in the FAR clauses and other clauses incorporated by reference below and otherwise in this Contract:

- (1) “Commercial Item” means a commercial item as defined in FAR § 2.101.
- (2) “Contract” means this contract.

- (3) Contracting Officer” shall mean the U.S. Government Contracting Officer for MTK Electronics, Inc.s government prime contract under which this Contract is entered.
- (4) “Contractor” and “OFFEROR” means the SELLER, as defined in this Contract, acting as the immediate (first tier) subcontractor to MTK Electronics, Inc..
- (5) “Prime Contract” means the contract between MTK Electronics, Inc. and the U.S. Government or between MTK Electronics, Inc. and its higher-tier contractor who has a contract with the U.S. Government.
- (6) “Subcontract” means any contract placed by the contractor or lower-tier subcontractors under this Contract.

C. Substitutions

Whenever necessary to make the context of the clauses set forth below applicable to this subcontract:

- (1) Substitute “MTK Electronics, Inc.” for “Government” or “United States.”
- (2) Substitute “MTK Electronics, Inc. Procurement Representative” for “Contracting Officer,” “Administrative Contracting Officer” and “ACO.”

D. Preservation of the Government’s Rights

If MTK Electronics, Inc. furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) which the U.S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that MTK Electronics, Inc., acting on its own behalf, may modify or limit any rights the Government may have to authorize the Contractor’s use of such Furnished Items in support of other U.S. Government prime contracts.

E. FAR Clauses Incorporated by Reference

The following FAR clauses are hereby incorporated in the Contract by reference and shall have the same force and effect as if set forth in full text. The SELLER hereby acknowledges that it has in its possession or is otherwise familiar with all of the referenced clauses incorporated herein by reference and agrees to perform this Contract in accordance with the provisions of such referenced clauses and the other provisions of this Contract. The full text of the referenced clauses may be accessed electronically at various Internet sites, including <http://farsite.hill.af.mil> and <http://www.acquisition.gov>.

Clause	Title of Provision	Application
52.203-12	Limitations on Payments to Influence Certain Federal Transactions	Applies if this Contract exceeds \$150,000.
52.203-13	Contractor Code of Business Ethics and Conduct	Applies if this Contract exceeds 5,000,000 and the period of performance is more than 120 days. Disclosures made under this clause shall be made directly to the Government entities identified in the clause.
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009	
52.204-2	Security Requirements	Applies if the Work requires access to classified information.

52.204-10	Reporting Executive Compensation and FirstTier Subcontract Awards	Subparagraph (d)(2) does not apply. If SELLER meets the thresholds specified in paragraphs (d)(3) and (g)(2) of the clause, SELLER shall report required executive compensation by posting the information to the Government's Central Contractor Registration (CCR) database. All information posted will be available to the general public.
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended or Proposed for Debarment	Applies if this Contract exceeds \$30,000 except does not apply if this Contract is for commercial off the shelf items. Copies of notices provided by SELLER to the Contracting Officer shall be provided to MTK Electronics, Inc..
52.219-8	Utilization of Small Business Concerns	If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-19	Child Labor – Cooperation with Authorities and Remedies	If Seller is an international contractor, this clause to this Contract only if Work under the Contract will be performed in a Country not listed in Subparagraph (a) (1) – (4) or will be performed in a listed Country, but is below the applicable dollar threshold for that Country.
52.222-21	Prohibition of Segregated Facilities	If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-26	Equal Opportunity	If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-35	Equal Opportunity for Veterans	Applies if this Contract exceed \$15,000 and if Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-36	Affirmative Action for Workers with Disabilities	Applies if this Contract is for \$15,000 or more and if Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-40	Notification of Employee Rights Under National Labor Relations Act	Applies if this Contract is for \$10,000 or more and if Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.

52.222-41	Service Contract Act of 1965	Applies if this Contract is for services subject to the Service Contract Act. The clause does not apply if this Contract has been administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR Part 4. If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Seller is recruiting employees in the United States to Work on the Contract.
52.222-50	Combating Trafficking in Persons	<p>(i) Subcontracts (1) The Contractor shall include the substance of this clause, including this paragraph (i), in all subcontracts and in all contracts with agents. The requirements in paragraph (h) of this clause apply only to any portion of the subcontract that--</p> <p>(A) Is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and</p> <p>(B) Has an estimated value that exceeds \$500,000.</p> <p>(2) If any subcontractor is required by this clause to submit a certification, the Contractor shall require submission prior to the award of the subcontract and annually thereafter. The certification shall cover the items in paragraph (h)(5) of this clause.</p> <p>(2) If any subcontractor is required by this clause to submit a certification, the Contractor shall require submission prior to the award of the subcontract and annually thereafter. The certification shall cover the items in paragraph (h)(5) of this clause.</p>
52.222-54	Employment Eligibility Verification	<p>(e) Subcontracts. The Contractor shall include the requirements of this clause, including this paragraph (e) (appropriately modified for identification of the parties), in each subcontract that --</p> <p>(1) Is for -- (i) Commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or (ii) Construction; (2) Has a value of more than \$ 3,500; and (3) Includes work performed in the United States.</p>
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving	Applies.
52.244-6	Subcontracts for Commercial Items	Applies to all contracts issued by the Seller to any supplier or vendor.
52.247-64	Preference for Privately Owned U.S. Flag Commercial Vessels	(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts or purchase orders under this contract, except those described in paragraph (e)(4).

F. DFARS Clauses Incorporated by Reference.

If the Prime Contract is a Department of Defense Contract, the following DFARS clauses are also incorporated by reference in the Contract and shall have the same force and effect as if set forth in full text. The SELLER hereby acknowledges that is has in its possession or is otherwise familiar with all of the referenced clauses incorporated herein and agrees to perform this Contract in accordance with the provisions of such referenced clauses and the other provisions of this Contract. The full text of the referenced clauses may be accessed electronically at various Internet sites, including <http://farsite.hill.af.mil>.

Clause	Title of Provision	Application
252.203-7002	Requirement to Inform Employees of Whistleblower Rights.	(b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts.
252.223-7008	Prohibition of Hexavalent Chromium	(d) Subcontracts: The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts for supplies, maintenance and repair services, or construction materials.
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	(e) Subcontracts. (1) The Contractor shall exclude and reserve paragraph (d) and this paragraph (e)(1) when flowing down this clause to subcontracts. (2) The Contractor shall insert paragraphs (a) through (c) and this paragraph (e)(2) of this clause in subcontracts, including subcontracts for commercial items, that are for items containing specialty metals to ensure compliance of the end products that the Contractor will deliver to the Government. When inserting this clause in subcontracts, the Contractor shall— (i) Modify paragraph (c)(6) of this clause only as necessary to facilitate management of the minimal content exception at the prime contract level. The minimal content exception does not apply to specialty metals contained in high-performance magnets; and (ii) Not further alter the clause other than to identify the appropriate parties.

252.225-7039	Contractors Performing Private Security Functions	<p>(b) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (b), in subcontracts, including subcontracts for commercial items, when private security functions will be performed outside the United States in areas of--</p> <p>(1) Contingency operations;</p> <p>(2) Combat operations, as designated by the Secretary of Defense;</p> <p>(3) Other significant military operations (as defined in 32 CFR part 159), designated by the Secretary of Defense upon agreement of the Secretary of State;</p> <p>(4) Peace operations, consistent with Joint Publication 3-07.3; or</p> <p>(5) Other military operations or military exercises, when designated by the Combatant Commander.</p>
252.227-7015	Technical Data— Commercial Items	<p>(e) Applicability to subcontractors or suppliers</p> <p>(2) Whenever any technical data related to commercial items developed in any part at private expense will be obtained from a subcontractor or supplier for delivery to the Government under this contract, the Contractor shall use this same clause in the subcontract or other contractual instrument, including subcontracts and other contractual instruments for commercial items, and require its subcontractors or suppliers to do so, without alteration, except to identify the parties. This clause will govern the technical data pertaining to any portion of a commercial item that was developed exclusively at private expense, and the clause at 252.227-7013 will govern the technical data pertaining to any portion of a commercial item that was developed in any part at Government expense.</p>
252.227-7037	Validation of Restrictive Markings on Technical Data	<p>(l) Flowdown. The Contractor or subcontractor agrees to insert this clause in contractual instruments, including subcontracts and other contractual instruments for commercial items, with its subcontractors or suppliers at any tier requiring the delivery of technical data.</p>
252.236-7013	Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers	<p>(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in any subcontract that involves the acquisition of steel as a construction material.</p>
252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel	<p>(c) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts, including subcontracts for commercial items, that may require subcontractor personnel to interact with detainees in the course of their duties.</p>

252.237-7019	Training for Contractor Personnel Interacting with Detainees	(c) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (c), in all subcontracts, including subcontracts for commercial items, that may require subcontractor personnel to interact with detainees in the course of their duties.
252.246-7003	Notification of Potential Safety Issues	(f) (1)The Contractor shall include the substance of this clause, including this paragraph (f), in subcontracts 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. (2) For those subcontracts, including subcontracts for commercial items, described in paragraph (f)(1) of this clause, the Contractor shall require the subcontractor to provide the notification required by paragraph (c) of this clause to— (i) The Contractor or higher-tier subcontractor; and (ii) The ACO and the PCO, if the subcontractor is aware of the ACO and the PCO for the contract.
252.247-7023	Transportation of Supplies by Sea	(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, the Contractor shall flow down the requirements of this clause as follows: (1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation (\$100,000.00). (2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation (\$100,000.00).
252.247-7024	Notification of Transportation of Supplies by Sea	(b) The Contractor shall include this clause, including this paragraph (b), revised as necessary to reflect the relationship of the contracting parties- (1) In all subcontracts under this contract, if this contract is a construction contract; or (2) If this contract is not a construction contract, in all subcontracts under this contract that are for- (i) Noncommercial items; or (ii) Commercial items that- (A) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it subcontracts for f.o.b. destination shipment); (B) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (C) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

G. CERTIFICATIONS AND REPRESENTATIONS: This Subsection contains certifications and representations by Seller that are material representations of fact upon which Buyer will rely. These certifications and representations shall apply whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by Buyer or Seller. Seller shall immediately notify Buyer of any change of status with regard to these certifications and representations.

1. Seller represents and warrants that the work provided under this Contract constitutes a “Commercial Item” as defined in FAR 2.101.
2. FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2007) (Applicable to solicitations and contracts exceeding \$150,000).
 - a. Definitions. As used in this provision--"Lobbying contact" has the meaning provided at 2 U.S.C. 1602(8). The terms “agency,” “influencing or attempting to influence,” “officer or employee of an agency,” “person,” “reasonable compensation,” and “regularly employed” are defined in the FAR clause entitled “Limitation on Payments to Influence Certain Federal Transactions” (52.203-12).
 - b. Prohibition. The prohibition and exceptions contained in the FAR clause entitled “Limitation on Payments to Influence Certain Federal Transactions” (52.203-12) are hereby incorporated by reference in this provision.
 - c. Certification. Seller hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this contract.
 - d. Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the Seller with respect to this contract, Seller shall complete and submit, with its offer, to Buyer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. Seller need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.
 - e. Penalty. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by 31 U.S.C. 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure required to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000 for each such failure.
3. FAR 52.209-5 -- Certification Regarding Responsibility Matters (APR 2010) (Applies to Contracts that exceed \$150,000)
 - a. The Seller certifies, to the best of its knowledge and belief, that --
 - (i) The Seller and/or any of its Principals --
 - (A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
 - (B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal

offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property; and

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity, with commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision; and

(D) Have not within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.

(1) Federal taxes are considered delinquent if both of the following criteria apply:

(i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(ii) The Seller has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

b. "Principals," for the purposes of this certification, means officers; directors; owners; partners; and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This certification concerns a matter within the jurisdiction of an Agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Section 1001, Title 18, United States Code.