

Government Subcontract Rider

FAR/DFARS FLOW DOWN CLAUSES

I. Scope:

These Federal Acquisition Regulation (“FAR”) and Department of Defense FAR Supplement (“DFARS”) Flow Down Clauses shall be applicable to all Purchase Orders (“PO(s)”) placed by a LISI Aerospace entity (hereinafter “Purchaser”), unless otherwise specified on the face of the PO.

II. Incorporation of FAR and DFARS Clauses:

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

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

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

III. Certifications and Representations:

Seller acknowledges that Purchaser will rely upon Seller’s certifications and representations, including representations as to business size and socio-economic status as applicable, contained in these clauses, any written offer, proposal or quote, or company profile submission, which results in award of a contract to the Purchaser. By entering into such contract, the Purchaser republishes the certifications and representations submitted with its written offer, including company profile information, and oral offers/quoting made at the request of the Purchaser, and the Purchaser makes those certifications and representations set forth below. The Seller shall immediately notify the Purchaser of any change of status regarding any certification or representation.

IV. Interpretation Notes:

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

V. Inapplicability of Clauses:

To the extent that any clause included in this Rider is inapplicable to the performance required under the PO, the parties shall consider such clauses to be self-deleting and shall not impose any obligations upon the Seller.

VI. FAR and DFARS Clauses:

A. CLAUSES APPLICABLE TO ALL PURCHASE ORDERS:

Clause	Description	Notes
FAR 52.203-17	Contractor Employee Whistleblower Rights and Requirements of Whistleblower Rights	
FAR 52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	
FAR 52.204-2	Security Requirements (Applies if the Work requires access to classified information)	
FAR 52.204-9	Personal Identity Verification of Contractor Personnel	
FAR 52.204-19	Incorporation By Reference of Representations and Certifications	
FAR 52.204-21	Basic Safeguarding of Covered Contractor Information Systems	
FAR 52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed by Kaspersky Lab and Other Covered Entities	
FAR 52.211-5	Material Requirements	
FAR 52.211-15	Defense Priority and Allocation Requirements	

Clause	Description	Notes
FAR 52.215-20	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data	
FAR 52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data-Modification	
FAR 52.222-41	Service Contract Act of 1965	
FAR 52.222-50 & Alt 1	Combating Trafficking in Persons and Alternate 1	
FAR 52.222-55	Minimum Wages Under Executive Order 13658	
FAR 52.222-62	Paid Sick Leave Under Executive Order 13706	
FAR 52.223-3	Hazardous Material Identification and Material Safety Data	
FAR 52.223-7	Notice of Radioactive Materials	
FAR 52.223-11	Ozone-Depleting Substances	
FAR 52.223-18	Contractor Policy to Ban Text Messaging While Driving	
FAR 52.224-3	Privacy Training	
FAR 52.225-1	Buy American Act-Supplies	
FAR 52.225-5	Trade Agreements	
FAR 52.225-8	Duty-Free Entry	
FAR 52.225-13	Restrictions on Certain Foreign Purchases	
FAR 52.227-9	Refund of Royalties	
FAR 52.227-10	Filing of Patent Applications-Classified Subject Matter	
FAR 52.227-11	Patent Rights-Ownership by the Contractor	
FAR 52.227-13	Patent Rights – Ownership by the Government	
FAR 52.227-14	Rights in Data- General	
FAR 52.227-19	Commercial Computer Software License	
FAR 52.232-16	Progress Payments	
FAR 52.232-17	Interest	

Clause	Description	Notes
FAR 52.232-32	Performance-Based Payments	
FAR 52.232-39	Unenforceability of Unauthorized Obligations	
FAR 52.232-40	Providing Accelerated Payments to Small Businesses	
FAR 52.233-3	Protest After Award	
FAR 52.234-1	Industrial Resources Develop Under Defense Production Act Title III	
FAR 52.237-2	Protection of Government Buildings, Equipment and Vegetation	
FAR 52.243-1	Changes-Fixed Price	
FAR 52.243-6	Change Order Accounting	
FAR 52.244-6	Subcontracts for Commercial Items	
FAR 52.245-1 & Alt 1	Government Property Includes Alt 1 when applicable.	
FAR 52.245-9	Use and Charges	
FAR 52.246-15	Responsibility for Supplies	
FAR 52.247-63	Preference for U.S.-Flag Air Carriers	
FAR 52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	
DFARS 252.203-7002	Requirement to Inform Employees of Whistleblower Rights	
DFARS 252.203-7003	Agency Office of the Inspector General	
DFARS 252.203-7004	Display of Fraud Hotline Poster(s)	
DFARS 252.204-7000	Disclosure of Information	
DFARS 252.204-7009	Limitations on the Use and Disclosure of Third Party Contractor Reported Cyber Incident Information	
DFARS 252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting	
DFARS	Notice of Unauthorized Disclosure of Information for Litigation	

Clause	Description	Notes
252.204-7015	Support	
DFARS 252.209-7010	Critical Safety Items	
DFARS 252.211-7003	Item Identification and Valuation	
DFARS 252.211-7005	Substitutions for Military or Federal Specifications and Standards	
DFARS 252.211-7006	Passive Radio Frequency Identification	
DFARS 252.211-7007	Item Unique Identification of Government Property	
DFARS 252.211-7008	Use of Government-Assigned Serial Numbers	
DFARS 252.215-7010	Requirements for Certified Cost or Pricing Data and Other Data Than Certified Cost or Pricing Data	
DFARS 252.223-7001	Hazard Warning Labels	
DFARS 252.223-7002	Safety Precautions for Ammunition and Explosives	
DFARS 252- 223-7003	Change in Place of Performance- Ammunition and Explosives	
DFARS 252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials	
DFARS 252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	
DFARS 252.223-7008	Prohibition of Hexavalent Chromium	
DFARS 252.225-7001	Buy American Act and Balance of Payments Program	
DFARS 252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	
DFARS	Duty-Free Entry	

Clause	Description	Notes
252.225-7013		
DFARS 252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	
DFARS 252.225-7021	Trade Agreements	
DFARS 252.225-7027	Restriction on Contingent Fees for Foreign Military Sales	
DFARS 252.225-7028	Exclusionary Policies and Practices of Foreign Governments	
DFARS 252.225-7032	Waiver of United Kingdom Levies – Evaluation of Offers	
DFARS 252.225-7043	Anti-Terrorism/Force Protection Policy for Defense Contractors Outside the United States	
DFARS 252.225-7048	Export-Controlled Items	
DFARS 252.227-7013	Rights in Technical Data-Noncommercial Items	
DFARS 252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	
DFARS 252.227-7015	Technical Data-Commercial Items	
DFARS 252.227-7016	Rights in Bid or Proposal Information	
DFARS 252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions	
DFARS 252.227-7019	Validation of Asserted Restrictions-Computer Software	
DFARS 252.227-7025	Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	
DFARS 252.227-7026	Deferred Delivery of Technical Data or Computer Software	

Clause	Description	Notes
DFARS 252.227-7027	Deferred Ordering of Technical Data or Computer Software	
DFARS 252.227-7028	Technical Data or Computer Software Previously Delivered to the Government	
DFARS 252.227-7030	Technical Data-Withholding of Payment	
DFARS 252.227-7037	Validation of Restrictive Markings on Technical Data	
DFARS 252.227-7038	Patent Rights- Ownership by the Contractor (Large Business)	
DFARS 252.228-7001	Ground and Flight Risk	
DFARS 252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	
DFARS 252.229-7006	Value Added Tax Exclusion (United Kingdom)	
DFARS 232- 7012	Performance –Based Payments – Whole-Contract Basis	
DFARS 252.235-7003	Frequency Authorization	
DFARS 252.239-7000	Protection Against Compromising Emanations	
DFARS 252.239-7016	Telecommunications Security, Equipment, Devices, Techniques, and Services	
DFARS 252.244-7000	Subcontracts for Commercial Items and Commercial Components	
DFARS 252.246-7000	Material Inspection and Receiving Report	
DFARS 252.246-7001	Warranty of Data	
DFARS 252.246-7003	Notification of Potential Safety Issues	

Clause	Description	Notes
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DFARS 252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System	
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DFARS 252.246-7008	Sources of Electronic Parts	
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DFARS 252.247-7023	Transportation of Supplies by Sea	
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B. ADDITIONAL CLAUSES APPLICABLE TO ALL PURCHASE ORDERS OVER \$10,000:

Clause	Description	Notes
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FAR 52.222-21	Prohibition of Segregated Facilities	
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FAR 52.222-22	Previous Contracts and Compliance Reports	
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FAR 52.222-25	Affirmative Action Compliance	
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FAR 52.222-26	Equal Opportunity	
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FAR 52.222-40	Notification of Employee Rights Under the National Labor Relations Action Applies to subcontracts exceeding \$10,000.	
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FAR 52.228-3	Workers' Compensation Insurance (Defense Base Act)	
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FAR 52.228-4	Workers' Compensation and War Hazard Insurance Overseas	
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C. ADDITIONAL CLAUSES APPLICABLE TO ALL PURCHASE ORDERS OVER \$15,000:

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

D. ADDITIONAL CLAUSES APPLICABLE TO ALL PURCHASE ORDERS OVER \$100,000:

Clause	Description	Notes
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FAR 52.222-35 Equal Opportunity for Veterans

FAR 52.222-37 Employment Reports on Veterans

E. ADDITIONAL CLAUSES FOR PURCHASE ORDERS OVER \$150,000:

Clause	Description	Notes
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FAR 52.203-6 Restrictions on Subcontractor Sales to the Government

FAR 52.203-7 Anti-Kickback Procedures Remove paragraph (c)(1).

FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions

FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transaction

FAR 52.209-5 Certification Regarding Responsibility Matters

FAR 52.215-2 Audit and Records Negotiation

FAR 52.219-8 Utilization of Small Business Concerns

FAR 52.222-4 Contract Work Hours and Safety Standards Act-Overtime Compensation

FAR 52.222-54 Employment Eligibility Verification

FAR 52.227- Authorization and Consent and Alternative 1 Applicable only if included

Clause	Description	Notes
1		in prime contract.
FAR 52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	
FAR 52.228-5	Insurance-Work on a Government Installation	
FAR 52.242-13	Bankruptcy	
FAR 52.244-5	Competition in Subcontracting	
FAR 52.246-2	Inspection of Supplies-Fixed Price	
FAR 52.246-4	Inspection of Services – Fixed Price	
FAR 52.248-1	Value Engineering	
FAR 52.249-2	Termination for Convenience of the Government (Fixed-Price).	
FAR 249-5	Termination for Convenience of the Government (Educational and Other Nonprofit Institutions)	
FAR 52.249-8	Default (Fixed-Price Supply and Service)	
DFARS 252.203-7001	Prohibition of Persons Convicted of Fraud or Other Defense Contract Related Felonies	
DFARS 252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	
DFARS 252.225-7012	Preference for Certain Domestic Commodities	
DFARS 252.247-7024	Notification of Transportation of Supplies by Sea	

Clause	Description	Notes
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DFARS 252.249- 7002	Notification of Anticipated Contract Terminations or Reductions	Remove paragraph (d)(1) and the first five words of paragraph (d)(2).
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DFARS 252.226- 7001	Utilization of Indian Organizations, India-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	Applicable to Purchase Orders over \$500,000.
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F. ADDITIONAL CLAUSES FOR PURCHASE ORDERS OVER \$650,000:

Clause	Description	Notes
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FAR 52.219-9	Small Business Subcontracting Plan	
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DFARS 252.219-7003	Small Business Subcontracting Plan (DoD Contracts)	
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G. ADDITIONAL CLAUSES APPLICABLE TO PURCHASE ORDERS OVER \$700,000:

Clause	Description	Notes
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FAR 52.215-10	Price Reduction for Defective Cost or Pricing Data	
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FAR 52.215-11	Price Reduction for Defective Cost or Pricing Data- Modifications	
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FAR 52.215-12	Subcontractor Cost or Pricing Data	
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FAR 52.215-13	Subcontractor Cost or Pricing Data Modifications	
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FAR 52.215-15	Pension Adjustments and Asset Reversions	
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FAR 52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	
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FAR 52.215-19	Notification of Ownership Changes	
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FAR 52.215-23	Limitation on Pass-Through Charges	
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FAR 52.230-2	Cost Accounting Standards	
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FAR 52.230-3	Disclosure and Consistency of Cost Accounting Practices	
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FAR 52.230-4	Disclosure and Consistency of Cost Accounting Practices for Contracts Awarded to Foreign Concerns	
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FAR 52.230-5	Cost Accounting Standards – Educational Institutions	
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FAR 52.230-6	Administration of Cost Accounting Standards	
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DFARS 252.231-7000	Supplemental Cost Principles	
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DFARS	Pricing of Contract Modifications	
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Clause	Description	Notes
252.243-7001		
DFARS 252.243-7002	Request for Equitable Adjustment	
DFARS 252.245-7001	Tagging, Labeling, and Marking of Government-Furnished Property	
DFARS 252.245-7004	Reporting, Reutilization, and Disposal	

H. ADDITIONAL CLAUSES APPLICABLE TO PURCHASE ORDERS OVER \$1,000,000:

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

H. ADDITIONAL CLAUSES APPLICABLE TO PURCHASE ORDER OVER \$5,000,000:

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