

SPECIAL TERMS AND CONDITIONS OF PURCHASE – SUPPLEMENT 4

FIXED-PRICE TYPE PROCUREMENTS FOR COMMERCIAL ITEMS

UNDER U.S. GOVERNMENT PRIME CONTRACTS

The Federal Acquisition Regulation (FAR) clauses referenced below in effect as of the date of the applicable prime contract or higher-tier subcontract are incorporated herein by reference, with the same force and effect as if they were given in full text, including any notes following the clause citation. Except as noted herein, in the event of a conflict between any terms and/or set forth herein and Buyer's General Terms and Conditions of Purchase, the terms and conditions of these Special Terms and Conditions shall take precedence.

In all clauses listed herein, terms shall be revised to suitably identify the party to establish Seller's obligations to Buyer and to the U.S. Government and to enable Buyer to meet its obligations under its prime contract or subcontract. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term "Government" and equivalent phrases shall mean "Buyer", the term "Contracting Officer" shall mean "Buyer's Purchasing Representative", the term "Contractor" or "Offeror" shall mean "Seller", the term "Subcontractor" shall mean "Seller's Subcontractor" under Buyer's Order, and the term "Contract" shall mean "Buyer's Order". The term "Commercial Item" has the meaning defined in FAR 2.101. The Contracts Disputes Act shall have no application to the Buyer's Order. Any reference to a "Disputes" clause shall mean the "Disputes and Arbitration" section of Buyer's General Terms and Conditions of Purchase. If any of the following FAR clauses do not apply pursuant to the associated FAR prescribing criteria, such clauses shall be considered to be self-deleting.

1. FAR Clauses

In accordance with 52.252-2, the following clauses and provisions are incorporated by reference and apply as defined by the respective FAR clause or provision:

- (a) The following FAR clauses apply as defined by the respective FAR clause regardless of dollar value:
 - 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (applicable if prime contract is funded with Recovery Act funds)
 - 52.222-21 Prohibition of Segregated Facilities
 - 52.222-26 Equal Opportunity
 - 52.222-50 Combating Trafficking in Persons
 - 52.223-11 Ozone Depleting Substances
 - 52.232-40 Providing Accelerated Payments to Small Business Subcontractors
 - 52.245-1 Government Property (applicable if Government furnished property will be used in performance of Buyer's Order)
 - 52.244-6 Subcontracts for Commercial Items
 - 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels
- (b) The following additional clause applies as defined by the respective FAR clause if the value of Buyer's Order equals or exceeds \$15,000:
 - 52.222-36 Equal Opportunity for Workers with Disabilities
- (c) The following additional clause applies as defined by the respective FAR clause if the value of Buyer's Order equals or exceeds \$25,000:
 - 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (applicable if Buyer is the Prime Contractor)
- (d) The following additional clauses apply as defined by the respective FAR clause if the value of Buyer's Order equals or exceeds \$100,000:
 - 52.222-35 Equal Opportunity for Veterans
 - 52.222-37 Employment Reports on Veterans
- (e) The following additional clauses apply as defined by the respective FAR clause if the value of Buyer's Order equals or exceeds the "simplified acquisition threshold" (\$150,000):
 - 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
 - 52.219-8 Utilization of Small Business Concerns
 - 52.222-40 Notification of Employee Rights Under the National Labor Relations Act
- (f) The following additional clauses apply as defined by the respective FAR clause if the value of Buyer's Order equals or exceeds \$700,000:
 - 52.215-20 Requirements for Cost or Pricing Data or Information Other than Cost or Pricing
 - 52.215-21 Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data-Modifications
- (g) The following additional clause applies as defined by the respective FAR clause if the value of Buyer's Order equals or exceeds \$5,000,000:
 - 52.203-13 Contractor Code of Business Ethics and Conduct

2. Additional Requirements

- (a) Any Defense Federal Acquisition Regulation Supplement (DFARS) clauses applicable to Buyer's Order pursuant to DFARS clause 252.244-7000 will be identified on Buyer's Order.
- (b) Seller covenants and agrees that if Buyer's contract price or a cost allowance is reduced by reason of Seller's failure to comply with an applicable Cost Accounting Standard or to follow any practice disclosed in its Disclosure Statement, Buyer shall be entitled to:
 - (i) reduce the price of Buyer's Order by an amount commensurate with the reduction in Buyer's contract price or cost allowance together with interest computed at the applicable Treasury rate; or
 - (ii) in the event Seller shall already have been paid the full Order price or essentially the full Order price, Seller shall reimburse and indemnify Buyer in an amount commensurate with the reduction in Buyer's contract price or cost allowance together with interest computed at the applicable Treasury rate.
- (c) The provisions of 41 CFR 60-300.5, Equal Opportunity for Disabled Veterans, Recently Separated Veterans, Other Protected Veterans, and Armed Forces Service Medal Veterans, apply to all contracts, subcontracts, and purchase orders where the value equals or exceeds \$100,000. Contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.
- (d) The provisions of 41 CFR 60-741.5, Affirmative Action and Nondiscrimination Obligations of Contractors and Subcontractors Regarding Individuals with Disabilities, apply to all contracts, subcontracts, and purchase orders where the value equals or exceeds \$10,000. Seller shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment-qualified individuals with disabilities.

3. Government Inspection

The Government has the right to perform Government quality assurance at Seller's plant as may be necessary to determine conformance with the requirements specified for all services and/or supplies ordered under Buyer's Order.

- End of Document -