



**Nammo Composite Solutions LLC  
SUPPLEMENT A**

Additional Supplemental Terms and Conditions to  
Purchase Orders Issued Under Government Contracts

## **FAR / DFARS Flowdowns**

Flowdowns from Prime Contract with the US Government

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# 1. FLOWDOWN CLAUSES

## APPLICABLE TO ALL ORDER

<u>FAR Clause</u>	<u>Title</u>
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
52.204-2	Security Requirements
52.204-9	Personal Identity Verification of Contractor Personnel (JAN 2011)
52.204-19	Incorporation by Reference of Representations and Certifications
52.204-21	Basic Safeguarding of covered contractor information systems
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or provided by Kaspersky Lab and Other Covered Entities
52.204-24	Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (AUG 2020)
52.204-26	Covered Telecommunications Equipment or Services [1] Representation
52.209-5	Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters
52.211-5	Material Requirements
52.211-15	Defense Priority and Allocation Requirements
52.215-23	Limitations on Pass-Through Charges ( <b>Orders Expected to Exceed \$2M</b> )
52.216-25	Contract Definitization ( <b>Applies if this Order is for an undefinitized letter contract or "not-to-exceed" or unpriced action. This clause is applicable when time is of the essence and the normal procurement process will not support customer requirements. Use this clause with FAR 52.216-24, Limitation of Government Liability.</b> )
52.219-8	Utilization of Small Business Concerns ( <b>Applies to Large Businesses / Procurements over \$700K</b> )
52.222-4	Contract Work Hours and Safety Standards – Overtime Compensation
52.222-21	Prohibition of Segregated Facilities
52.222-26	Equal Opportunity
52.222-41	Service Contract Labor Standards
52.222-50	Combating Trafficking in Persons
52.222-54	Employment Eligibility Verification ( <b>Orders Expected to Exceed \$3,500</b> )
52.222-55	Minimum Wages Under Executive Order 13658
52.222-62	Paid Sick Leave Under Executive Order 13706
52.223-3	Privacy Training
52.223-6	Drug-Free Workplace
52.223-7	Notice of Radioactive Materials
52.223-11	Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons
52.224-3	Privacy Training
52.225-1	Buy American – Supplies
52.225-5	Trade Agreements ( <b>Applies if the clause is included in Buyer's Government Contract unless specifically exempted by Buyer in writing</b> )
52.225-8	Duty-Free Entry ( <b>Applies if, under this Order, supplies identified in the Schedule to be accorded duty-free entry will be imported into the customs territory of the United States or other foreign supplies in excess of \$15,000 may be imported into the customs territory of the United States</b> ) [Change "20 calendar days" to "30 calendar days" in Paragraph (c)(1), and "10 calendar days" to "20 calendar days" in Paragraph (c)(2)]
52.225-13	Restrictions on Certain Foreign Purchases
52.225-26	Contractors Performing Private Security Functions Outside the United States
52.227-3	Patent Indemnity 52.227-9 Refund of Royalties
52.227-9	Refund of Royalties
52.227-10	Filing of Patent Applications-Classified Subject Matter
52.227-11	Patent Rights – Ownership by the Contractor
52.227-13	Patent Rights—Ownership by the Government ( <b>Applies in lieu of FAR 52.227-11 if this Order is for experimental, developmental, or research work and Seller is not located in the United States or does not have a place of business located in the United States or is subject to the control of a foreign government. [Paragraph (g) is deleted.]</b> )

52.227-14	Rights in Data – General
52.228-5	Insurance-Work on a Government Installation
52.232-40	Providing Accelerated Payments to Small Business Subcontractors
52.232-9	Limitation on Withholding of Payments
52.232-11	Extras ( <b>Applicable to fixed-price supply contracts or fixed-price service contracts</b> )
52.233-1	Disputes
52.234-1	Industrial Resources Developed Under Defense Production Act Title III
52.237-2	Protection of Government Buildings, Equipment and Vegetation
52.242-1	Notice of Intent to Disallow Costs
52.243-6	Change Order Accounting
52.243-7	Notification of Changes
52.244-5	Competition in Subcontracting
52.244-6	Subcontracts for Commercial Items
52.245-1	Government Property (JAN 2017)
52.246-1	Contractor Inspection Requirements
52.246-2	Inspection of Supplies-Fixed-Price
52.246-4	Inspection of Services - FIXED PRICE (AUG 1996)
52.246-17	Warranty of Supplies of a Noncomplex Nature
52.246-23	Limitation of Liability
52.246-24	Limitation of Liability-High-Value Items
52.246-25	Limitation of Liability-Services
52.247-63	Preference for U.S.-Flag Air Carriers
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels
52.249-2	Termination for Convenience of the Government

**DFAR Title**

252.203-7000	Requirements Relating to Compensation of Former DOD Officials
252.203-7002	Requirement to Inform Employees of Whistleblower Rights
252.204-7015	Disclosure of Information to Litigation Support Contractors
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
252.204-7019	Notice of NIST SP800-171 DoD Assessment Requirements ( <b>Not applicable to Orders for commercially available off-the-shelf (COTS) items.</b> )
252.204-7020	NIST SP 800–171 DoD Assessment Requirements
252.204-7021	Contractor Compliance with the Cybersecurity Maturity Model Certification Level Requirement
252.219-7004	Small Business Subcontracting Plan (Test Program) ( <b>Applies in lieu of 252.219-7003 for contractors that have comprehensive subcontract plans approved under the Test Program described in 219.702-70 including contracts using FAR part 12 procedures for the acquisition of commercial items, use the clause at 252.219-7004, Small Business Subcontracting Plan (Test Program), instead of the clauses at 252.219-7003, Small Business Subcontracting Plan (DoD Contracts), FAR 52.219-9, Small Business Subcontracting Plan, and FAR 52.219-16, Liquidated Damages—Subcontracting Plan.) 252.225-7002 Qualifying Country Sources as Subcontractors (Applies to the Order if DFARS 252.225-7001, 252.225-7021, or 252.225-7036 apply)</b> )
252.225-7012	Preference for Certain Domestic Commodities
252.225-7048	Export-Controlled Items
252.225-7980	Contractor Personnel Performing in the United States Africa Command Area of Responsibility ( <a href="#">DEVIATION 2016-O0008</a> )(JUN 2016), in lieu of the clause at DFARS <a href="#">252.225-7040</a> , Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States, in all solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial items, that will require contractor personnel to perform in the United States Africa Command (AFRICOM) area of responsibility. This class deviation remains in effect until incorporated in the DFARS or otherwise rescinded.
252.227-7032	Rights in Technical Data and Computer Software (Foreign)
252.232-7007	Limitation of Government’s Obligation
252.232-7017	Accelerating Payments to Small Business Subcontractors—Prohibition on Fees and Consideration
252.243-7001	Pricing of Contract Modifications (DEC 1991)
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)
252.244-7001	Contractor Purchasing System Administration-Basic

**ORDERS ALSO INCLUDE THE FOLLOWING UNLESS OTHERWISE EXEMPT**

<b>FAR Clause</b>	<b>Title</b>
52.202-1	Definitions <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-3	Gratuities <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-5	Covenant Against Contingent Fees <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-6	Restrictions on Subcontractor Sales to the Government <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-7	Anti-Kickback Procedures <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
52.203-12	Limitation on Payments to Influence Certain Federal Transactions Activity <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-13	Contractor Code of Business Ethics and Conduct <b>(Orders Expected to Exceed \$5,500,000)</b>
52.203-14	Display of Hotline Poster(s) <b>(Orders Expected to Exceed \$5,500,000)</b>
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 <b>(Applies if the Order is funded in whole or in part with Recovery Act funds)</b>
52.203-16	Preventing Personal Conflicts of Interest <b>(Applies to Orders that include a requirement for services by contractor employee(s) that involve acquisition functions closely associated with inherently governmental functions for, or on behalf of, a federal agency or department)</b>
52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights Activity <b>(Orders Expected to Exceed the Simplified Acquisition Threshold)</b>
52.203-18	Prohibition on Contracting with Entities that Require Certain Internal Confidentiality Agreements or Statements--Representation
52.204-10	Reporting Executive Compensation and First Tier Subcontract Awards <b>(Orders Expected to Exceed \$30,00)</b>
52.204-14	Service Contract Reporting Requirements <b>(Applies if this Order exceeds the thresholds at FAR 4.1703, except for indefinite-delivery contracts. This clause is not required for actions entirely funded by DOD, contracts awarded with generic identifier, or in classified solicitations, contractors, or orders.)</b>
52.204-15	Service Contract Reporting Requirements for Indefinite Delivery Contracts. <b>(Applies if this Order is for services (including construction) where one or more orders issued thereunder are expected to each meet or exceed the thresholds at FAR 4.1703. This clause is not required for actions entirely funded by DoD, contracts awarded with generic entity identifier, or in classified solicitations, contracts, or orders.)</b>
52.204.25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment
52.208-8	Required Sources for Helium and Helium Usage Data
52.209-1	Qualification Requirements
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment <b>(Orders Expected to Exceed \$35,000)</b>
52.209-10	Prohibition on Contracting with Inverted Domestic Corporations
52.210-1	Market Research
52.211-5	Material Requirements
52.212-4	Contract Terms and Conditions - Commercial Items with Alt I
52.212-5	Contract Terms and Conditions Required to Implement Statutes or Executive Orders- Commercial Items
52.214-26	Audit and Records – Sealed Bidding <b>(Orders Expected to Exceed \$2M)</b>
52.214-27	Price Reduction for Defective Cost or Pricing Data - Modifications - Sealed Bidding
52.214-28	Subcontractor Certified Cost or Pricing Data - Modifications - Sealed Bidding

- 52.215-2 Audit and Records – Negotiation Activity (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.215-9 Changes or Additions to Make-or-Buy Program
- 52.215-10 Price Reduction for Defective Certified Cost or Pricing Data (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-11 Price Reduction for Defective Certified Cost or Pricing Data – Modifications (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-12 Subcontractor Certified Cost or Pricing Data (**Orders Expected to Exceed \$2M**) (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-13 Subcontractor Certified Cost or Pricing Data – Modifications (**Orders Expected to Exceed \$2M**) (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-14 Integrity of Unit Prices (**Orders Expected to Exceed the Simplified Acquisition Threshold**) (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-15 Pension Adjustments and Asset Reversions (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-16 Facilities Capital Cost of Money (JUN 2003)
- 52.215-17 Waiver of Facilities Capital Cost of Money (OCT 1997)
- 52.215-18 Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other Than Pensions (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-19 Notification of Ownership Changes (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-21 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data–Modifications (**Unless Otherwise Exempt Sub Tier Requirement, See FAR 15.408**)
- 52.215-22 Limitations on Pass-Through Charges- Identification of Subcontract Effort (**Orders Expected to Exceed \$2M**)
- 52.216-24 Limitation of Government Liability
- 52.216-7 Allowable Cost and Payment (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.216-8 Fixed Fee (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.216-10 Incentive Fee (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.216-11 Cost Contract-No Fee (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.217-2 Cancellation Under Multi-Year Contracts
- 52.219-9 Small Business Subcontracting Plan (**Orders Expected to Exceed \$750,000**)
- 52.219-16 Liquidated Damages – Subcontracting Plan (**Applies to Orders containing FAR 52.219-9; Also Applies to Orders in excess of \$1.5 million for construction of a public facility & doesn't apply to small business**)
- 52.222-1 Notice to the Government of Labor Dispute
- 52.222-6 Construction Wage Rate Requirements
- 52.222-12 Contract Termination – Debarment
- 52.222-17 Nondisplacement of Qualified Workers (**Applies to Orders for services**) (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.222-20 Contracts for Materials, Supplies, Articles and Equipment **Exceeding \$15,000**
- 52.222-22 Previous Contracts and Compliance Reports
- 52.222-25 Affirmative Action Compliance
- 52.222-35 Equal Opportunity for Veterans (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.222-36 Affirmative Action for Workers with Disabilities (**Orders Expected to Exceed \$15K**)
- 52.222-37 Employment Reports on Veterans (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.222-38 Compliance with Veterans' Employment Reporting Requirements (**Applies only if 52.222-37 is applicable**)
- 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (**Orders Expected to Exceed \$10K**)
- 52.222-43 Fair Labor Standards Act and Service Contract Labor Standards- Price Adjustment (**Applies to Multiple Year and Option Orders where FAR 52.222-41 Applies**)
- 52.222-44 Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustments (**Applies to Orders where FAR 52.222-41 is applicable**)

- 52.222-60 Paycheck Transparency (Executive Order 13673) (**Orders Expected to Exceed \$500,000**)
- 52.222-99 Combating Race and Sex Stereotyping – (**Orders Expected to Exceed \$15,000**)
- 52.223-9 Estimate of Percentage of Recovered Material Content for EPA-Designated Items (**Alt I Applies if included in Buyer’s Government Contract**) (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging while Driving (**Orders Expected to Exceed Micro-Purchase Threshold \$10K**)
- 52.225-2 Buy American Act Certificate
- 52.225-3 Buy American Act- Free Trade Agreements- Israeli Trade Act (**Applies if the clause is included in Buyer’s Government Contract unless specifically exempted by Buyer in writing; Alt I and II apply if included in Buyer’s Government Contract.**)
- 52.225-4 Buy American Act North American Free Trade Agreement – Israeli Trade Act Certificate (**Applies only if FAR 52.225-3 Applies**)
- 52.225-6 Trade Agreements – Certificate (**Applies only if FAR 52.225-5 is applicable**)
- 52.225-14 Inconsistency Between English Version and Translation of Contract
- 52.227-1 Authorization and Consent (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (**Orders Expected to Exceed the Simplified Acquisition Threshold**)
- 52.227-3 Patent Indemnity The term "Government" means "Government and NCS".
- 52.227-15 Representation of Limited Rights Data and Restricted Computer Software
- 52.227-16 Additional Data Requirements
- 52.227-19 Commercial Computer Software License (**Applies to the acquisition of commercial computer software**)
- 52.228-3 Workers’ Compensation Insurance (**Applies if the Order is subject to the Defense Base Act**)
- 52.228-4 Workers' Compensation and War-Hazard Insurance Overseas
- 52.229-6 Taxes -- Foreign Fixed-Price Contracts
- 52.230-2 Cost Accounting Standards (**Applicable as Stated in the Order**)
- 52.230-3 Disclosure and Consistency of Cost Accounting Practices (**Applicable as Stated in the Order**)
- 52.230-4 Disclosure and Consistency of Cost Accounting Practices for Contracts Awarded to Foreign Concerns (JUN 2020) (**Applicable as Stated in the Order**)
- 52.230-5 Cost Accounting Standards – Educational Institution (**Applicable as Stated in the Order**)
- 52.230-6 Administration of Cost Accounting Standards (**Applicable as Stated in the Order**)
- 52.232-7 Payment under Time-and-Materials and Labor-Hour Contracts (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.232-16 Progress Payments May apply if Government will provide progress payments based on costs
- 52.232-17 Interest
- 52.232-20 Limitation of Costs (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.232-22 Limitation of Funds (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)
- 52.232-39 Unenforceability of Unauthorized Obligations
- 52.233-3 Protest After Award (AUG 1996)
- 52.236-13 Accident Prevention
- 52.239-1 Privacy or Security Safeguards (**Applies to Orders for information technology which require security of information technology, and/or are for the design, development, or operation of a system of records using commercial information technology services or support services**)
- 52.242-3 Penalties for Unallowable Costs (**Orders Expected to Exceed \$2M**)
- 52.242-13 Bankruptcy (JUL 1995) (Notes 1 and 2 apply)
- 52.242-15 Stop-Work Order (AUG 1989)
- 52.242-17 Government Delay of Work
- 52.243-1 Changes- FIXED PRICE (AUG 1987) (**Notes 1 and 2 apply; Alternate I Applies if this Contract is for services. Alternate II Applies if this contract is for supplies and services.**)
- 52.243-2 Changes-Cost-Reimbursement (**Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour**)

- 52.243-3 Changes-Time-and-Materials or Labor-Hours **(Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)**
- 52.244-2 Subcontracts **(Orders Expected to Exceed the Simplified Acquisition Threshold) (Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)**
- 52.245-9 Use and Charges
- 52.246-3 Inspection of Supplies-Cost-Reimbursement **(Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)**
- 52.246-5 Inspection of Services-Cost-Reimbursement **(Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)**
- 52.246-6 Inspection-Time-and-Material and Labor-Hour **(Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)**
- 52.246-11 Higher Level Contract Quality Requirement
- 52.246-16 Responsibility for Supplies
- 52.246-2 Inspection of Supplies - Fixed-Price
- 52.246-26 Reporting Nonconforming Items
- 52.247-21 Contractor Liability for Personal Injury and/or Property Damage
- 52.248-1 Value Engineering (Alt I, II, and/or III apply if in Buyer's Government Contract) **(Orders Expected to Exceed the Simplified Acquisition Threshold)**
- 52.249-1 Termination for Convenience of the Government (Fixed Price) (Short Form)
- 52.249-5 Termination for Convenience of the Government (Educational and Other Nonprofit Institutions (AUG 2016)
- 52.249-6 Termination (Cost-Reimbursement) **(Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)**
- 52.249-8 Default (FIXED-PRICE Supply and Services) (APR 1984)
- 52.249-14 Excusable Delays **(Only Applies to Order with Cost Reimbursement, Time & Material, or Labor Hour)** 52.252-2 Clauses Incorporated by Reference

**DFAR Title**

- 252.203-7001 **(Orders Expected to Exceed \$150,000)**
- 252.203-7003 Agency Office of the Inspector General (AUG 2019) **(Orders Expected to Exceed \$5,500,000)**
- 252.203-7004 Display of Fraud Hotline Poster(s) **(Orders Expected to Exceed \$5,500,000)**
- 252.204-7000 Disclosure of Information
- 252.204-7008 Compliance with Safeguarding Covered Defense Information Controls
- 252.204-7009 Limitations on the Use and Disclosure of Third Party Contractor Reported Cyber Incident information (OCT 2016)
- 252.204-7012 Safeguarding of Unclassified Controlled Technical Information
- 252.204-7014 Limitations on the Use or Disclosure of Information by Litigation Support Contractors
- 252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material
- 252.209-7002 Disclosure of Ownership or Control by a Foreign Government
- 252.209-7004 Subcontracting with Firms That Are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism **(Orders Expected to Exceed \$150,000)**
- 252.209-7009 Organizational Conflict of Interest- Major Defense Acquisition Program **(Applies to Orders for systems engineering and technical assistance for major defense acquisitions programs or pre-major defense acquisition programs)**
- 252.209-7010 Critical Safety Items
- 252.211-7000 Acquisition Streamlining
- 252.211-7003 Item Unique Identification and Valuation
- 252.211-7006 Passive Radio Frequency Identification **(Applies if this Order will require shipment of items meeting the criteria at DFAR 211.275-2.)**
- 252.211-7007 Reporting of Government-Furnished Property
- 252.215-7000 Price Adjustments
- 252.215-7008 Only One Offer (JUL 2019)
- 252.215-7010 "Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data"
- 252.219-7003 Small Business Subcontracting Plan (DoD Contracts)
- 252.222-7000 Restrictions on Employment of Personnel **(Applies to construction and service contracts to be performed in whole or in part within a noncontiguous State, when the unemployment rate in the noncontiguous State is in excess of the national average rate of unemployment as determined by the Secretary of Labor.)**
- 252.222-7006 Restricting the Use of Mandatory Arbitration Agreements **(Orders Expected to Exceed \$1,000,000)**
- 252.222-7999 Combating Race and Sex Stereotyping **(Orders Expected to Exceed \$10K)**

- 252.223-7001 Hazard Warning Labels
- 252.223-7002 Safety Precautions for Ammunition and Explosives
- 252.223-7003 Change in Place of Performance – Ammunition and Explosives
- 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials
- 252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition and Explosives
- 252.223-7008 Prohibition of Hexavalent Chromium
- 252.225-7000 Buy American—Balance of Payments Program Certificate
- 252.225-7001 Buy American Act and Balance of Payments Program
- 252.225-7004 Report of Intended Performance Outside the United States and Canada – Submission after Award
- 252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies
- 252.225-7008 Restriction on Acquisition of Specialty Metals
- 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals
- 252.225-7013 Duty-Free Entry
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings
- 252.225-7020 Trade Agreements Certificate
- 252.225-7021 Trade Agreements (SEP 2019)
- 252.225-7025 Restrictions On Acquisition of Forgings
- 252.225-7028 Exclusionary Policies and Practices of Foreign Governments Include in contracts for the purchase of supplies and services for international military education training and FMS
- 252.225-7030 Restrictions On Acquisition of Carbon, Alloy, And Armor Steel Plates
- 252.225-7031 Secondary Arab Boycott of Israel
- 252.225-7033 Waiver of United Kingdom Levies
- 252.225-7035 Buy American Act—Free Trade Agreements—Balance of Payments Program Certificate.
- 252.225-7036 Buy American Act –Free Trade Agreements– Balance of Payments Program
- 252.225-7040 Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States
- 252.225-7043 Anti-Terrorism/Force Protection Policy for Defense Contractors Outside the United States (JUN 2015)
- 252.225-7047 Exports by Approved Community Members in Performance of the Contract **(Applies if export controlled items are expected to be involved in performance of the Order and at least one contract line item is intended to satisfy a U.S. DoD Treaty-eligible requirement.)**
- 252.225-7051 Prohibition on Acquisition of Certain Foreign Commercial Satellite Services **(Applies if the Order involves the acquisition of commercial satellite services)**
- 252.225-7052 Restriction on the Acquisition of Certain Magnets and Tungsten
- 252.226-7001 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies **(Orders Expected to Exceed \$500,000)**
- 252.227-7013 Rights in Technical Data Noncommercial Items
- 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
- 252.227-7015 Technical Data – Commercial Items
- 252.227-7016 Rights in Bid or Proposal Information
- 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions
- 252.227-7018 Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program **(Applies when this Order involves noncommercial data or computer software for delivery under the SBIR program) (Alt I is applicable if in Buyer’s Government Contract)**
- 252.227-7019 Validation of Asserted Restrictions – Computer Software
- 252.227-7025 Limitation on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends
- 252.227-7026 Deferred Delivery of Technical Data or Computer Software
- 252.227-7027 Deferred Ordering of Technical Data or Computer Software
- 252.227-7028 Technical Data or Computer Software Previously Delivered to the Government
- 252.227-7030 Technical Data – Withholding of Payment (MAR 2000)
- 252.227-7037 Validation of Restrictive Markings on Technical Data
- 252.227-7038 Patent Rights – Ownership by the Contractor (Large Business)
- 252.227-7039 Patents—Reporting of Subject Inventions
- 252.228-7001 Ground and Flight Risk **(Applies to an Order for the acquisition, development, production, modification, maintenance, repair, flight, or overhaul of aircraft)**
- 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles



- 252.229-7014 Taxes—Foreign Contracts in Afghanistan (**Applies if this Order involves performance in Afghanistan, unless DFARS 252.229-7015 is used.**)
- 252.229-7015 Taxes—Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement) (use this clause in lieu of DFARS 252.229- 7014, if Order involves performance in Afghanistan, and was awarded on behalf of the North Atlantic Treaty Organization (NATO))
- 252.231-7000 Supplemental Cost Principles
- 252.232-7004 DoD Progress Payment Rates 252.234-7002 Earned Value Management System (**Applies to cost or incentive contracts valued at \$20,000,000 or more, and for other contracts for which EVMS will be applied in accordance with 48 CFR § 234.201(1)(iii) and (iv), use in lieu of FAR 52.234-4, Earned Value Management System, in the solicitation and contract**)
- 252.234-7002 Earned Value Management Systems
- 252.235-7003 Frequency Authorization
- 252.237-7010 Prohibition on Interrogation of Detainees by Contractor
- 252.237-7019 Training for Contractor Personnel Interacting with Detainees
- 252.237-7023 Continuation of Essential Contractor Services (**Applies to Order for Essential Services**)
- 252.239-7010 Cloud Computing Services
- 252.239-7016 Telecommunications Security Equipment, Devices, Techniques and Services (**Applies to an Order that Requires Securing Telecommunications**)
- 252.239-7018 Supply Chain Risk
- 252.242-7005 Contractor Business Systems
- 252.245-7001 Tagging, Labeling, and Marking of Government-Furnished Property "Government" means "Government"
- 252.245-7002 Reporting Loss of Government Property "Government" means "Government"
- 252.245-7003 Contractor Property Management System Administration (**Applies if the Order includes FAR 52.245-1**) **252.246-7001 Warranty of Data (Applies to Orders for delivery of data containing DFARS 252.227-7013; additional liability provisions at Paragraph (d)(3) are appropriate only if the Alt I or II version of this clause is in Buyer's Government Contract) [In paragraph (b), delete the parenthetical; in paragraph (d), including (d)(1), and (d)(2) "Buyer" is substituted for "Contracting Officer"; modify paragraphs (d)(3)(i) through (iii) to read "The limit of Seller's liability shall be ten percent of the total price"; in paragraph (d)(3)(iv)(B), change the second "Government" to "Government or Buyer"]**
- 252.246-7003 Notification of Potential Safety Issues
- 252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System
- 252.246-7008 Sources of Electronic Parts
- 252.247-7003 Pass Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer
- 252.247-7022 Representation of Extent of Transportation by Sea
- 252.247-7023 Transportation of Supplies by Sea (**Applies to Subcontracts in excess of \$150K**)
- 252.247-7024 Notification of Transportation of Supplies by Sea
- 252.249-7002 Notification of Anticipated Contract Terminations or Reduction
- 252.251-7000 Ordering from Government Supply Sources

***Additional Terms and Conditions applicable to purchase orders placed under Government contracts or subcontracts. Where if a conflict occurs between General Terms and Conditions of Purchase and Supplement A, the terms of Supplement A shall prevail and are incorporated herein and made a part hereof the purchase order as applicable:***

THE PURPOSE OF THIS DOCUMENT IS TO FLOW-DOWN APPLICABLE CLAUSES AND TO ASSOCIATE THE RELATIONSHIP BETWEEN NAMMO AND THE SUBCONTRACTORS. UNLESS INSTRUCTED OTHERWISE BY THE NOTES BELOW, THE TERM "GOVERNMENT" SHALL MEAN "NAMMO", "CONTRACTING OFFICER" OR ITS DULY REPRESENTATIVE (I.E. ADMINISTRATIVE CONTRACTING OFFICER) SHALL MEAN "NAMMO PROCUREMENT REPRESENTATIVE", "CONTRACTOR" SHALL MEAN "SUBCONTRACTOR", "CONTRACT" SHALL REFER TO THIS SUBCONTRACT, "SUBCONTRACT" SHALL REFER TO SUBCONTRACTOR'S LOWER TIER SUBCONTRACT(S), AND "SUBCONTRACTOR" SHALL MEAN "SUBCONTRACTOR'S SUBCONTRACTOR(S)". TERMS SUCH AS DEPARTMENT OF LABOR, COMPTROLLER, UNITED STATES, ETC. SHALL REMAIN UNCHANGED UNLESS SPECIFICALLY NOTED OTHERWISE ON A CLAUSE BY CLAUSE BASIS.

**FEDERAL ACQUISITION REGULATION (FAR):**

This purchase order is issued for materials or equipment required for performance of a Government contract or sub-contract and is subject to the following provisions of the Federal Acquisition Regulation and the Department of Defense FAR Supplement as though fully set forth herein. Except as otherwise indicated, in the application of such provisions, the term 'contractor' shall mean 'Seller', the term 'Government' or 'Contracting Officer' shall mean 'Buyer' and when necessary to effectuate the purpose of the clause the term 'Contract' shall mean 'this order'. The effective date of all the cited DFARS and FAR referenced clauses is the same date of the corresponding clause in the Prime Contract.

**DEFENSE PRIORITIES & ALLOCATION SYSTEM (DPAS):**

The purpose of DPAS is to assure the timely availability of industrial resources to meet current national defense and emergency preparedness program requirements and to provide an operating system to support rapid industrial response in a national emergency. The Defense Production Act of 1950 authorized the President to require preferential treatment of national defense programs. Executive Order 12919 put Department of Commerce in charge of program. 15 CFR 700 provides rules for DPAS program. DoD 4400.1-M provides guidance for DoD activities.

**APPLICATION OF DPAS RATING:**

If this Purchase Order specifies a Priority Rating and is certified for National Defense use under Defense Priorities and Allocation System (15 CFR 700), the Seller is required to follow the provisions of DPAS and all other applicable regulations and orders of the Business and Defense Services Administration in obtaining controlled materials and other products and materials needed to fill this Purchase Order. Notification Compliance Requirement – Seller must except or reject a rated order and transmit the acceptance or rejections (in writing or electronically) to the Buyer within 15 working days after receipt of a DO rated order, and 10 working days after receipt of a DX rated order. If the order is rejected, the Seller must provide the reasons for the rejections.

**COMPLIANCE:**

In the performance of this purchase order, Seller agrees to comply with all applicable Federal, State and local Laws and with the applicable rules, orders and regulations of any governmental agency, department or bureau, provided that nothing herein contained shall be construed as preventing Seller from contesting in good faith the validity or applicability of any such law, rule, order or regulation. Seller warrants that, as applicable to any firearm, ammunition or explosive material it produces or supplies, it is in compliance with all federal, state and local laws which include but are not limited to the Federal Gun Control Act (18 U.S.C. § 921 et seq.; 27 C.F.R. Part 478), the National Firearms Act (26 U.S.C § 5801 et seq.; 27 C.F.R. Part 479) and Federal explosives law, amended by the Safe Explosives Act (18 U.S.C § 841 et. seq.; 27 C.F.R. Part 555). Seller will defend and hold Buyer harmless for any loss, damages or costs arising from or caused in any way by any actual or alleged violation of any federal, state, or local law, ordinance, regulation or statute in Seller's performance of this order.

**Note A** - When the right, act, or obligation is the sole authority of the Government or the Contracting Officer; the terms Government and the Contracting Officer, or its duly authorized representative shall remain unchanged.

**Note B** - When the term Government Property or Government Furnished Property is referenced, these terms remain unchanged. Any furnished property provided by NAMMO shall be specifically referenced.

**Note C** - Under the pertinent data rights and patent right clauses, the terms Contracting Officer Government, and Government Rights shall remain unchanged.

**Note D** - When both the Government, the Prime Contractor and NAMMO retain the right and obligation to audit/review records, procedures, and processes of the Subcontractor or Subcontractor should report actions, concerns, etc. to both NAMMO, the Prime Contractor and the Government; the term "and NAMMO " shall be placed after the term "Government" and the term "and NAMMO's Procurement Representative" shall be placed after the term "Contracting Officer" or its duly authorized representative.

**Note E** - When both the Government, the Prime Contractor or NAMMO retain the right and obligation to audit/review records, procedures, and processes of the Subcontractor or Subcontractor should report actions, concerns, etc. to both NAMMO or the Government; the term "or NAMMO" shall be placed after the term "Government" and the term "or NAMMO Procurement Representative" shall be placed after the term "Contracting Officer" or its duly authorized representative.

## 2. **EMPLOYMENT OF ALIENS**

2.1 If this order calls for furnishing or constructing aircraft parts or aeronautical accessories, the Seller agrees that no aliens employed by the Seller shall be permitted to have access to the plans or specifications, or the works under construction, or to participate in the contract trials, without the written consent beforehand of the Secretary of the Department of the Army, the Navy, or the Air Force as the case may be.

## 3. **CERTIFICATION REGARDING LOBBYING ACTIVITIES**

3.1 The Subcontractor, by signing its agreement, hereby certifies to the best of its knowledge, belief, and due research 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.

3.2 If the Subcontractor did not submit OMB Standard Form LLL, Disclosure of Lobbying Activities, with its offer, but registrants under the Lobbying Disclosure Act of 1995 have subsequently made a lobbying contact on behalf of the Subcontractor as it pertains to this Subcontract, the Subcontractor shall complete and submit OMB Standard Form LLL to provide the name of the lobbying registrants, including the individuals performing the services. If the Subcontractor did submit OMB Standard Form LLL disclosure, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, and a change occurs that affects Block 10 of the OMB Standard Form LLL (name and address of lobbying registrant or individuals performing services), the Subcontractor shall, at the end of the calendar quarter in which the change occurs, submit to the NAMMO within 30 days an updated disclosure using OMB Standard Form LLL.

3.3 Any person who makes an expenditure prohibited under this Article or who fails to file or amend the disclosure to be filed or amended shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable. In the event of such failure of the Subcontractor, or Subcontractor's Subcontractor(s) as provided under this subsection, Subcontractor hereby holds NAMMO, its employees, officers, directors, agents, and authorized representatives harmless from any and all costs, expenses, liens, liabilities, lawsuits, attorney fees, penalties, and damages.

3.4 Subcontractor shall include this Article, suitably modified to identify the parties, including this Section 2.4 in all lower tier subcontracts that exceed \$150,000.00.

## 4. **RESPONSIBLE LOWER-TIER SUBCONTRACTS**

4.1 Subcontractor hereby certifies that it has vetted all lower-tier subcontractors that exceed \$30,000.00 and are not for commercial off the shelf items, through the Excluded Parties List System (EPLS), <https://sam.gov/content/exclusions>

4.2 Unless expressed prior written consent is provided to Subcontractor, under no circumstances shall a lower tier Subcontractor receive an award, if such a Subcontractor is listed on EPLS.

4.3 Subcontractor shall include this Article including this Section 3.3 in all lower-tier subcontracts that exceed \$30,000.00 and are not for commercial off the shelf items.

## 5. **ADMINISTRATION COST ACCOUNTING STANDARDS**

5.1 This Provision 4 only applies to Subcontracts that are subject to the applicable Federal Cost Accounting Standard clauses 52.230-2/3/4/5.

5.2 FAR Clause 52.230-6 is hereby incorporated in this agreement by reference; except, Subcontractor shall replace paragraphs (j) through (m) with the Sections below. In reading FAR Clause 52.230-6, "Contractor" shall mean "Subcontractor".

5.3 Subcontractor shall notify NAMMO of any adjustments required against this Subcontract or its lower tier Subcontracts within twenty (20) days of the proposed adjustment.

5.4 Within thirty (30) days after award of a lower tier subcontract, submit the following information to NAMMO: (i) Subcontractor's name and subcontract number. (ii) Dollar amount and date of award. (iii) Name of Subcontractor making the award.

5.5 Any unilateral modifications against the prime contract adjusting the cost, price, and profit or any with-holding of payment as result of Subcontractor's adjustment as set forth under FAR Clause 52.230-6 shall be binding on this Subcontract. Subcontractor shall reimburse NAMMO for any aggregate increased cost paid to the Subcontractor as result of such adjustments under FAR Clause 52.230-6.

5.6 Subcontractor shall include this Section in all subcontracts that include FAR clause or its substance; FAR 52.230-2, 52.230-3, 52.230-4, or 52.230-5.

## 6. **COMPLIANCE WITH COMPENSATION OF FORMER DEFENSE OFFICIALS**

6.1 Definition. "Covered DoD official," as used in this Article, means an individual that; (1) Leaves or left DoD service on or after January 28, 2008; and (2)(i) Participated personally and substantially in an acquisition as defined in 41 U.S.C. 131 with a value in excess of \$10 million, and serves or served in an Executive Schedule position under subchapter II of chapter 53 of Title 5, United States Code; In a position in the Senior Executive Service under subchapter VIII of chapter 53 of Title 5, United States Code; or In a general or flag officer position compensated at a rate of pay for grade O-7 or above under section 201 of Title 37, United States Code; or Serves or served in DoD in one of the following positions: program manager, deputy program manager, procuring contracting officer, administrative contracting officer, source selection authority, member of the source selection evaluation board, or chief of a financial or technical evaluation team for a contract in an amount in excess of \$10 million.

6.2 The Subcontractor shall not knowingly provide compensation to a covered DoD official within 2 years after the official leaves DoD service, without first determining that the official has sought and received, or has not received after 30 days of seeking, a written opinion from the appropriate DoD ethics counselor regarding the applicability of post-employment restrictions to the activities that the official is expected to undertake on behalf of the Subcontractor.

6.3 Failure by the Subcontractor to comply with this clause will be a material breach of the Subcontract and will result in immediate termination for default.

## 7. **PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE- CONTRACT-RELATED FELONIES**

7.1 This Provision 6 applies to Subcontractors whose subcontract value exceeds the FAR definition for Simplified Acquisition Threshold. Notwithstanding the above, if the Subcontractor is providing commercial items/services, this Provision 6 does not apply.

7.2 Definitions. As used in this Article –

"Arising out of a contract with the DoD" means any act in connection with; (i) Attempting to obtain; (ii) Obtaining; or (iii) Performing a contract or first-tier subcontract of any agency, department, or component of the Department of Defense (DoD).

"Conviction of fraud or any other felony" means any conviction for fraud or a felony in violation of state or Federal criminal statutes, whether entered on a verdict or plea, including a plea of nolo contendere, for which sentence has been imposed.

"Date of conviction" means the date judgment was entered against the individual.

7.3 Any individual who is convicted after September 29, 1988, of fraud or any other felony arising out of a contract with the DoD is prohibited from serving; (1) In a management or supervisory capacity on this Subcontract; (2) On the board of directors of the Subcontractor; (3) As a consultant, agent, or representative for the Subcontractor; or (4) In any other capacity with the authority to influence, advise, or control the decisions of the Subcontractor with regard to this Subcontract.

7.4 Unless waived, the prohibition in Section 6.3 of this clause applies for not less than 5 years from the date of conviction.

7.5 Subject to 10 U.S.C. 2408 provides that the Subcontractor shall be subject to a criminal penalty of not more than \$500,000 if convicted of knowingly employing a person under a prohibition specified under Section 6.3.

7.6 Pursuant to 10 U.S.C. 2408(c), defense contractors and subcontractors may obtain information as to whether a particular person has been convicted of fraud or any other felony arising out of a contract with the DoD by contacting The Office of Justice Programs, The Denial of Federal Benefits Office, U.S. Department of Justice, telephone 301-937-1542; [www.ojp.usdoj.gov/BJA/grant/DPFC.html](http://www.ojp.usdoj.gov/BJA/grant/DPFC.html).

7.7 In addition to any remedies the Government may enforce, Subcontractor shall indemnify NAMMO from any and all costs, expenses, claims, liabilities, penalties, attorney fees, and court fees due to a violation under this Article. Further, NAMMO shall terminate this Subcontract for default for the violation of this provision.

## 8. **ORGANIZATIONAL CONFLICT OF INTEREST**

8.1 Subcontractor by signing this Subcontract certifies that it is not providing services subject to FAR Section 9.502 and as they relate to FAR Sections 9.505 Et. Seq.; or as defined under section 207 of the Weapons System Acquisition Reform Act of 2009 (Pub. L. 111-23), as a prime contractor or a subcontractor at any tier as it relates to the performance of this effort.

8.2 Subcontractor shall provide prompt notice to NAMMO in the event the Subcontractor has submitted a proposal that provides work as defined under Section 7.1 above; under negotiations for a contract/subcontract that provides work as defined under Section 7.1 above; has been awarded a contract/subcontract that provides work as defined under Section 7.1 above; or a proposed change in the scope of work under this Subcontract causes an OCI. In such event, NAMMO may allow Subcontractor to submit a mitigation plan for evaluation. If in NAMMO's good faith judgment, the plan does not mitigate the actual or appearance of an OCI; this Subcontract may become subject to termination in accordance with the terms for termination.

8.3 The failure for the Subcontractor to provide prompt notice to NAMMO in accordance with Section 7.2 above will be deemed a material breach of this subcontract and subject to termination for cause.

## 9. **DISPUTES WITH THE US GOVERNMENT**

9.1 If a decision relating to the prime contract with the US Government is made by the Contracting Officer and such a decision pertains to this Subcontract, that decision, if binding upon NAMMO, shall be binding upon the Subcontractor; or if a decision related to a next higher tier subcontract let as a result of a US Government prime contract and such a decision is made binding on the next higher tier subcontract with NAMMO, and if such a decision pertains to this subcontract, it shall be binding upon this Subcontract.

- 9.2 If Subcontractor disagrees with any such decision made by the Contracting Officer and NAMMO elects not to appeal such decision, Subcontractor shall have the right reserved to NAMMO under the Prime Contract with the Government to file a timely appeal in the name of NAMMO, as permitted by the Prime Contractor by law, Subcontractor shall bear its own legal and other costs pertaining to such a timely appeal. If NAMMO elects not to appeal any such decision, NAMMO agrees to notify Subcontractor in a timely fashion after receipt of such decision and to assist Subcontractor in its filing of any such appeal in a reasonable manner. If NAMMO elects to appeal any such decision of the Contracting Officer, NAMMO agrees to furnish Subcontractor promptly with a copy of such appeal. Any decision upon appeal, if binding upon NAMMO, shall in turn be binding upon Subcontractor.
- 9.3 Prior to any submission of a claim hereunder, Subcontractor shall provide the following certification to NAMMO as it pertains to the data supporting a claim hereof, "I certify that the claim is made in good faith; that the supporting data is accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the subcontract adjustment for which the Subcontractor believes the Government is liable; and that I am duly authorized to certify the claim on behalf of the Subcontractor."
- 9.4 Subcontractor submits a claim or an appeal under this section and agrees to the following: (i) any decision made by the Government under said claim or an appeal is binding on this Subcontract; (ii) NAMMO has no liability or obligation whatsoever to reimburse Subcontractor on said claim or an appeal, in whole or in part, until the Government agrees to pay said claim or an appeal, in whole or in part; (iii) any amount with respect to any item or matter for which NAMMO has paid Subcontractor pertaining to the subject matter hereof, Subcontractor shall, on demand, promptly repay such amount to NAMMO; and (iv) Subcontractor shall indemnify NAMMO or all reasonable costs and expenses (including reasonable attorney fees) due to this Article.
- 9.5 Regardless of the outcome of negotiations, the settlement of a claim or an appeal, Subcontractor shall proceed diligently with the performance of this Subcontract.
- 9.6 If this Subcontract is under NAMMO's Prime Contract with the US Government, the Subcontractor shall not pursue any direct claim or course of action against the U.S. Government, except as expressly set forth within the applicable terms and conditions and with the US Government's Contracting Officer's express consent.
- 9.7 Notwithstanding any terms or conditions to the contrary, if this Subcontract is under NAMMO's Prime Contract with the US Government, disputes involving the US Government shall be governed solely by the choice of law provisions in the Prime Contract.
- 9.8 Buyer agrees to file all reasonable claims, submitted by the Seller, against the Government under the 'Disputes' clause of the prime contract on behalf of and in full cooperation with the Seller through administrative procedures and the Courts. The Seller shall be responsible for preparation and active prosecution of the claims, to the extent permitted by the Government, and shall bear all expenses, including expenses of Buyer, incident to prosecution of the claim.
- 9.9 The Seller agrees that liability of the Buyer for any matter arising during performance of the subcontract which properly the subject of claim against the Government under the 'Disputes' clause of the prime contract is liquidated and limited to whatever the Buyer receives from the Government of the Seller's claim, less whatever markup is specifically allowed by the Government.
- 9.10 In the event that there are acts, liabilities or responsibilities not the proper subject matter of a claim against the Government under the 'Disputes' clause of the prime contract and which are the subject of litigation between the parties hereto, then it is agreed that nothing said or written in the prosecution of the claims against the Government will be used as an admission or declaration against interest against any party in such litigation.
- 9.11 Final determination by the appropriate Board or Courts of claims against the Government as to whether the subject in dispute is properly that of a claim under the 'Disputes' clause of the prime contract shall be binding on the parties hereto.
- 9.12 (5) Except as may be expressly set forth in this T&C Document with the Government Contracting Officer's express consent, the Subcontractor shall not acquire any direct claim or direct course of action against the US Government.

9.13 (6) Seller shall include in each lower-tier subcontract the appropriate flow down of clauses as required by FAR and DFARS

## 10. **CONFLICT MINERALS DISCLOSURE**

10.1 The Subcontractor shall comply with this Article as it pertains to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (referred to as the "the Act").

10.2 The Subcontractor shall maintain a process to identify and detect "Conflict Minerals" as defined under Section 1502 the Act originating in the Democratic Republic of the Congo or an adjoining country ("DRC countries") and include a process of due diligence of its supply chain, as necessary, to determine if "Conflict Minerals" are sourced directly or indirectly from DNC countries.

10.3 The Subcontractor shall employ industry practices to assess the risk of identifying and detecting "Conflict Minerals" in the supply chain.

10.4 In the event the Subcontractor or at any tier includes "Conflict Minerals" in the product sold or offered for sale to NAMMO during the calendar year, the Subcontractor shall timely report to NAMMO the following information:

- i. a description of the measures taken by the Subcontractor to exercise due diligence on the source and chain of custody of such minerals;
- ii. a description of the products manufactured or contracted to be manufactured that include "Conflict Minerals";
- iii. the independent private sector auditor that made the findings; and
- iv. the facilities used to process the conflict minerals, the country of origin of the conflict minerals, and the efforts to determine the mine or location of origin with the greatest possible specificity

10.5 If the Subcontractor is required to certify compliance to Section 1502 of the Act according to the reporting required under the Securities Exchange Act of 1934, this clause shall in no way affect those obligations.

## 11. **US GOVERNMENT CONTRACT SPECIFIC TERMS AND CONDITIONS**

11.1 This Article shall be read as a supplement to existing Articles in this Subcontract and they apply to all Subcontracts between NAMMO and the Subcontractor in support of a US Government Prime Contract regardless of tier of this Subcontract.

11.2 As an addition to the General Conditions for Major Purchases Article 24 "Publicity and Confidentiality" the following applies:

24.3 No terms or conditions in this Subcontract are intended to limit or restrict the US Government's right to data that the US Government itself owns or otherwise has the right to use.

11.3 As an addition to the General Conditions for Major Purchases Article 19 "Tools, Models and Buyer Furnished Property" the following applies:

19.6 Notwithstanding any terms or conditions to the contrary, where US Government furnished property may potentially be at issue, only the US Government can relieve the Subcontractor from liability.

## 12. **COMPLY WITH EXECUTIVE ORDERS 13706; 13658, AND SERVICE CONTRACT ACT**

12.1 To the extent this Subcontract or portions of this Subcontract that are subject to the Service Contract Act and performed within the United States (50 States and the District of Columbia) the Subcontractor shall comply with Executive Orders 13706 and 13658 (collectively referred hereafter for this clause as the "Executive Orders"). The Subcontractor employees affected by the Executive Orders are any such employees who directly perform specific services required by the Subcontract or employees that perform necessary activities to aid in the performance of the Subcontract, but do not directly engage in the performance required by the Subcontract.

- 12.2 Absent any approved wage determinations specifically incorporated to this subcontract or regulatory exemption with the burden of proof of providing such determinations or exemptions on the Subcontractor, the Subcontractor shall pay the minimum monetary wages and furnish the minimum fringe benefits mandated by the Service Contract Act and the Executive Orders.
- 12.3 The Executive Orders do not supersede any Federal or State law, regulation, or collective bargaining agreement that requires greater rights, benefits, or wages to Subcontractor employees, but in all cases the affected Subcontractor employees shall enjoy the higher wages or benefits mandated by any such laws, orders, regulations, or collective bargaining agreement.
- 12.4 Subcontractor shall indemnify and hold NAMMO harmless from any and all costs, expenses, liabilities, suits, liens, attorney fees, court fees, penalties, and interest that may arise from the Subcontractor's failure to comply with the Service Contract Act and the Executive Orders. Further, the Subcontractor shall be liable for any and all unpaid wages or fringe benefits due to Subcontractor's employees in response to the Service Contract Act and the Executive Orders. Failure of the Subcontractor to pay such unpaid wages or fringe benefits, NAMMO reserves the right to withhold payment to the Subcontractor in an amount that commensurate with the payments withheld by the U.S. Government that have been or will be used to pay the Subcontractor's employees or Subcontractor's lower tier employees full amount of the wages and benefits due pursuant to the Service Contract Act and the Executive Orders. The above rights made available to NAMMO are in addition to all rights available at law and in equity.
- 12.5 Subcontractor shall include the substance of this clause in all lower tier subcontracts that are to be performed in whole or in part in the United States and subject to the Service Contract Act and Executive Orders.