



**1. DEFINITIONS** - “Buyer” means Fatigue Technology, Inc. “Seller” means the business entity to which this purchase order is addressed, including Seller’s principal if Seller is acting as a broker or agent. “Order” means this purchase order, including all terms and conditions on the face and reverse side and all specifications, quality requirements and drawings referenced herein or issued hereunder. “Goods” means those parts, articles, materials, drawings, data, or other property or services that are the subject of this Order.

**2. CONTRACT FORMATION** - If this Order is deemed to constitute acceptance of an offer, such acceptance is expressly made conditional on Seller’s assent to the terms of this Order, and shipment of any part of the Goods or other commencement of performance will be deemed to constitute such assent. Any additional or different terms in any offer or acknowledgement by Seller are expressly rejected by Buyer and will not be deemed accepted by Buyer unless Buyer’s acceptance thereof is in writing and specifically refers to each such additional or conflicting term.

**3. INVOICING; PAYMENT; PRICE WARRANTY** - A separate original invoice is required for each shipment under this Order. Buyer will pay for the Goods within seventy-five (75) days after the later of the date of Buyer’s receipt of the applicable invoice or the date acceptable Goods are received by Buyer (but not earlier than the specified delivery date), unless a different term has been agreed upon in writing. Seller warrants that the prices charged to Buyer are no higher than the lowest prices charged to any other customer of Seller or any of Seller’s affiliates during the past twelve months for the same or comparable Goods. Seller agrees to comply with all invoicing instructions of Buyer.

**4. ORDER CHANGES** - Buyer may at any time, by written notice to Seller, make changes in the drawings, specifications, quantities, delivery schedules and shipping instructions under this Order. If any such change increases or decreases the cost of performing or the time required for performance of this Order, an equitable adjustment in prices and/or schedules will be considered by Buyer provided that any claim by Seller for such adjustment is presented in writing with supporting documentation to Buyer within ten (10) business days from the date of Buyer’s notice to Seller. No changes whatsoever will be initiated by Seller without Buyer’s written approval.

**5. TAXES** - Prices stated include all taxes directly applicable to the Goods unless otherwise specified. Notwithstanding the foregoing, Buyer will only be liable for such federal, state and local taxes that Seller is required by law to collect from Buyer.

**6. PACKING AND CRATING GOODS FOR DELIVERY** - Goods will be suitably prepared for shipment to secure the lowest transportation rates (unless a premium method is specified on the face hereof) and comply with all carrier regulations. No charges are allowed for packing, crating, freight express, or cartage unless authorized by Buyer.

**7. ROUTING, RISK OF LOSS, EXCESS SHIPMENTS AND DELAYS** - (a) Time is of the essence in the performance of this Order by Seller and Seller will take all necessary action, both normal and extraordinary, to ensure timely deliveries. (b) Buyer may select mode of transportation, routing of, and carrier for the Goods. Seller will be liable for excess transportation costs resulting from deviation from Buyer’s instructions or promised delivery dates. (c) Title and risk of loss to Goods will pass to Buyer at Buyer’s dock. (d) Buyer’s weight and count are conclusive, and Buyer will have no liability for payment for Goods delivered in excess of the quantity ordered. Excess Goods may be returned to Seller at Seller’s expense. (e) If, prior to time for delivery of the Goods, Seller has reason to believe that it will be unable to meet its delivery schedule, Seller will immediately notify Buyer in writing, will indicate the cause of delay and will use its best efforts to cure the anticipated delay. Upon receipt of notice of the anticipated delay or upon occurrence of an actual delay, Buyer may (I) direct expedited routing of Goods, with excess costs paid by Seller, or (II) cancel the Order and purchase substitute Goods elsewhere, with resulting excess costs and expenses paid by Seller.

**8. INSPECTION OF GOODS; REJECTION OF GOODS AND REVOCATION OF ACCEPTANCE** - Buyer, its customer, and/or regulatory agencies will have the right but not the obligation to inspect the Goods before paying for or accepting them. Where a specification number is noted for Goods, Seller must supply a report signed by an authorized official of the company confirming manufacturing of Goods to the specification and such report must accompany Goods upon delivery. This report must bear the Buyer’s Order number and description of the Goods shipped. Seller shall furnish Defense Federal Acquisition Regulation Supplement (DFARS) compliant raw materials in accordance with applicable current regulations issued by the United States Department of Defense. Seller shall bear the full responsibility of inspecting the Goods to ensure that the Goods meet all requirements of Buyer at Seller’s facility prior to shipping them to Buyer. Buyer’s action in paying for or accepting any Goods will not constitute a waiver of any rights or remedies of Buyer, including Buyer’s right to revoke acceptance and return any part of the Goods or the right to make a claim for damages because of the failure of the Goods to conform to this Order. For all non-conforming Goods, Seller will provide Buyer, at Buyer’s election, a full refund or replacement of the Goods, at Seller’s risk and expense, including transportation costs both ways. Buyer may, at its option, purchase substitute Goods in lieu of non-conforming Goods, and Seller will be liable for the difference in costs, less expenses saved by Buyer. Buyer’s rights herein will be in addition to all other rights of Buyer under applicable law.

**9. CERTIFICATE OF DESTRUCTION** - Goods dispositioned for scrap shall be conspicuously and permanently marked, or positively controlled, until physically rendered unusable. Seller and its sub-tier suppliers responsible for scrapping Goods for whatever reasons should provide a valid certificate of destruction to Buyer.

**10. QUALITY; WARRANTIES** - Seller shall provide and maintain a quality system subject to approval by the Buyer. Implementation of this system shall be to the extent appropriate to the Goods. The supplier shall notify Buyer of any change in the location of supplier's facility. Seller warrants that all Goods delivered will strictly conform to the Order and all applicable specifications, quality documents and drawings, will be of good design, material, and workmanship, will be free of defects, will be merchantable and fit for their intended purpose, and will meet all applicable industrial and governmental safety standards. Seller further warrants that Seller will have title to and the right to sell such Goods at the time of delivery, and that all such Goods will be new (unless otherwise specified in this Order) at the time of delivery. Seller will also transfer to Buyer the warranties on Goods and services incorporated into Goods. All warranties will survive any inspections, delivery, acceptance or payment by Buyer, and will run to Buyer, its successors, assigns, customers and users of Goods. Seller will repair or replace, without cost to Buyer, all defective or nonconforming Goods, and pay for all other resulting damage, loss or claims arising out of defective or nonconforming Goods. Seller's warranties with respect to repaired or replaced Goods will be the same as the warranties given with respect to the original Goods. No approval of Seller's designs, drawings, samples, test results, procedures, processes, schedules or other items by Buyer under this Order will in any way limit or diminish Seller's warranties hereunder.

**11. INDEMNIFICATION** - Seller agrees to defend, indemnify and hold Buyer, including its officers, directors, employees, parent, subsidiaries, affiliates and agents (collectively, the "Indemnified Party"), harmless of and from any claim, loss, cost, damage, settlement or judgment arising out of Seller's provision of Goods to the Indemnified Party or the presence of Seller's employees, agents or subcontractors on the Indemnified Party's premises. This duty to defend, indemnify and hold harmless extends to any legal claim or proceeding, whether based on contract, warranty, infringement, strict liability in tort, negligence or other legal theory, and also extends not only to third party claims but also to any loss suffered directly by the Indemnified Party. Buyer is entitled to control Seller's defense of Buyer hereunder.

**12. INSURANCE** - Seller will furnish to Buyer a certificate of insurance showing that Seller has obtained insurance coverage in the following minimum amounts (or such higher minimum amounts as Buyer may, in its sole discretion, specify in writing): (a) Worker's Compensation - statutory limits for the state or states in which the work is to be performed; (b) Employer's Liability - \$1,000,000; (c) Commercial General Liability - \$1,000,000 combined single limit per occurrence including Premises and Operations, Independent Contractors, Contractual Liability and Products and Completed Operations coverages; and (d) Automobile Liability (including owned, hired and non-owned vehicles) - \$1,000,000, combined single limit per occurrence. Such certificate will set forth the insurance company, amount of coverage, the policy numbers, and date of expiration, and will include a thirty days notice of cancellation to Buyer clause. Buyer must be named as an additional insured party under each of these policies with the exception of the policy covering worker's compensation liability.

Such insurance coverage must be maintained by Seller at all times while it is performing work under this Order. Compliance by Seller with these insurance requirements does not affect Seller's indemnification or other liabilities under this Order.

**13. TOOLING** - Buyer may at any time reimburse Seller for the cost of any tooling and fixturing used in the manufacture of the Goods hereunder, and upon such reimbursement Buyer will become the owner and entitled to immediate possession of such tooling and fixturing. Buyer will also be the owner of any tooling and fixturing included separately in the price paid by Buyer. Seller will, to the extent feasible, identify such tooling and fixturing as Buyer directs and will, when this Order has been completed, dispose of such tooling and fixturing only in accordance with Buyer's written instructions. Seller assumes complete liability for any Buyer-owned or Buyer-furnished tooling and fixturing and Seller agrees to pay for all repair, maintenance and replacement of such tooling and fixturing.

**14. BUYER'S PROPERTY; CONFIDENTIALITY** - Seller shall be liable for the safe keeping, and maintaining the preservation, of materials, tools, designs, patterns, drawings and other property of Buyer in its possession and shall replace or repair without cost or expense to Buyer all such property which is lost, damaged, or destroyed while in Seller's possession. Buyer retains title and ownership of all information, materials and intellectual property furnished to Seller in connection with performance of this Order, and the same will be: (i) treated as Buyer's confidential information, segregated from Seller's property, and individually marked and identified as Buyer's property; (ii) used by Seller exclusively for the purpose of completing this Order; and (iii) returned to Buyer at Buyer's direction or upon completion, termination, or cancellation of this Order, along with all copies or reproductions, unless otherwise agreed in writing by Buyer.

**15. CANCELLATION** - This Order may be cancelled by Buyer at any time in whole or in part by oral notification followed by written confirmation to Seller. Seller will immediately cease performance under the Order upon receipt of notification of cancellation (unless otherwise specified by Buyer). Seller must submit a cancellation statement to Buyer no later than 30 days after the effective date of cancellation. Any reimbursement to Seller must be mutually agreed upon and will not exceed (i) the contract price for completed goods accepted by Buyer and not previously paid for and (ii) the actual costs incurred by Seller directly in connection with the cancelled Goods that were within lead time at the effective date of cancellation. In no event will Buyer be responsible for any loss of profit or for payment for any work that is or may be rejected upon inspection or does not conform to Buyer's specifications or Order requirements.

**16. END OF LIFE** - In the event Seller intends to replace or discontinue the manufacture of a Good, Seller will give Buyer at least six (6) months prior written notice and accept additional Orders for such Good until the end of the 6-month notice period. Seller may not discontinue manufacture of a Good until all outstanding Orders for such Good have been filled.

**17. COMPLIANCE WITH LAWS; U.S. EXPORT CONTROLS** - In performing work under this Order, Seller and its subcontractors will comply with all applicable federal, state, and local laws, and the rules and regulations of any governmental authority. This includes strict compliance with all applicable export control laws and regulations of the United States and all applicable trade regulations under U.S., foreign or other relevant jurisdictions. Buyer reserves the right to cancel any Order without penalty or liability to Buyer in the event Seller's performance under this Order does not comply with such laws, rules and regulations. Seller will defend, indemnify and hold Buyer harmless for any non-compliance by Seller or its subcontractors.

**18. MANDATORY FLOW DOWNS** - Seller shall provide all of Buyer's flow-down requirements on its purchase orders, terms and conditions, or any other communication methods to its sub-tier suppliers. Seller and its subcontractors will comply with all mandatory flow down clauses, whether pursuant to a U.S. government contract or otherwise, applicable to Buyer for Goods that are the subject of this Order.

**19. INDEPENDENT CONTRACTOR** - Seller is and shall remain an independent contractor. No employee, agent, or representative of Seller or its subcontractors shall be deemed to be an employee of Buyer. Seller agrees to indemnify, defend and hold Buyer harmless from all claims based on injury to or by Seller's employees, agents, or representatives or those of its subcontractors.

**20. ASSIGNMENT; SUBCONTRACTING** - Seller may not assign its rights or obligations under this Order either voluntarily or by operation of law without the prior written consent of Buyer. Seller may not subcontract all or any substantial part of this Order without the prior written consent of Buyer. Any consent of Buyer will not relieve Seller of its contractual obligations under this Order.

**21. UNITED STATES DEPARTMENT OF DEFENSE SPECIFICATION AND STANDARDS** - All materials or equipment for aircraft construction listed herein to which the United States Department of Defense specifications and standards are applicable must comply with such specifications current as of the date of this order. Should such specifications be revised prior to shipment, Seller, by first obtaining written consent of Buyer, may furnish such material or equipment in accordance with the revised specifications.

**22. GOVERNMENT ORDERS AND REGULATIONS** - If the Goods covered by this Order are to apply on a U.S. government contract or subcontract, the Seller agrees to permit any inquiry by government officials and their authorized representatives into the cost and/or profits to the Seller through fulfillment of this Order. The Seller further agrees to absolve, in all respects, Buyer, its officials, and employees from any and all liability to Seller due to any costs, fines or other liabilities imposed upon Seller as a result of such investigation.

**23. APPLICABLE LAW; DISPUTES** - The interpretation of this Order and the rights and obligations of the parties hereto will be construed and governed by the laws enacted in the state of

Washington, excluding its choice of law rules and excluding the U.N. Convention on Contracts for the International Sale of Goods. The parties agree that, in any effort to enforce the terms and obligations hereunder, the complaining party will first notify the other party in writing of the alleged dispute and the parties will attempt in good faith to resolve the dispute through prompt discussion and meeting between representatives having decision-making authority regarding the dispute. If the dispute is not resolved by the 30<sup>th</sup> day after written notice of the dispute was first made, the complaining party may seek appropriate legal action provided that either party may seek preliminary injunctive or other equitable relief at any time to prevent irreparable harm. The parties agree to personal jurisdiction in the state and federal courts in the state of Washington and that venue is proper in King County, Washington. Upon mutual agreement, the parties may engage a neutral mediator to facilitate resolution of the dispute.

**24. CUMULATIVE REMEDIES; SET-OFF RIGHTS** - All of Buyer's rights and remedies under this Order or at law are cumulative and non-exclusive. Payment to Seller under this Order is subject to set-off or recoupment for any present or future claims that Buyer or its affiliates may have against Seller or its affiliates.

**25. LIMITATION OF BUYER'S LIABILITY** - Any liability of Buyer for any breach of any term or condition imposed upon it, whether such term or condition is contained in this Order or otherwise, will not exceed the purchase price for the Goods directly involved in the alleged breach. Buyer will not under any circumstance be liable for consequential or incidental damages.

**26. RIGHT OF ENTRY** - During the performance of this Order, Buyer, its customer, and/or regulatory agencies, have the right of entry to determine and verify product quality, records and material at any place, including the plant of the Seller or of the Seller's subcontractors. Seller shall provide, at no additional cost, reasonable facilities and assistance for the safety and convenience of Buyer, its customer, and/or regulatory agencies. Buyer's acceptance of such product does not absolve the Seller of the responsibility to provide acceptable product, nor does it preclude subsequent rejection by Buyer's customer.

**27. CEILING PRICES AND EXCESS PROFITS** - By accepting this Order Seller affirms that the prices charged and to be payable hereunder are not and will not be in excess of applicable price ceilings, if any, established by the cognizant government agencies. Seller agrees to comply with and to be bound by all applicable laws and governmental regulations relating to the renegotiations of prices and excess profits. Buyer shall have no liability to Seller due to price reductions or refunds made or required to be made pursuant to any such law or regulation.

**28. ENVIRONMENTAL POLICY** - Buyer is committed to managing its operations in a manner that is environmentally responsible, and that protects the current and future environmental interests of the community within which it operates, as described in Buyer's environmental, health & safety policies and procedures. Towards that end the Seller warrants that Seller will:

(1) Maintain compliance with all federal, state and local environmental laws and regulations;

(2) Seek to eliminate and/or reduce environmental pollution that may be attributed to the Seller's operation.

**29. CODE OF CONDUCT** - Seller shall comply with following code of conduct:

(1) Personal discounts or other benefits including but not limited to gifts, loans, bribes, kickbacks and entertainment not available to the public or all employees of Buyer shall not be offered to any employees of Buyer by Seller.

(2) Doing business with companies owned or managed by family members or close friends of any employees of Buyer is strictly prohibited unless the relationship is disclosed in advance to those involved in making the decision.

(3) If Seller deals with foreign countries or foreign suppliers, Seller must make sure it understands and follows all laws and regulations regarding import and export compliance, boycotts, and embargoes.

(4) Using, or conveying to others, any material information learned about Buyer or other companies that would reasonably be expected to affect the price of a security or would influence a reasonable person's decision to buy or sell a security if disclosed before it is made public, is prohibited and may be in violation of the insider trading law.

(5) If Seller becomes aware of any unethical behavior of Buyer, Seller must promptly disclose the situation in writing to a purchasing manager, human resource manager, plant or general manager of Buyer.

**30. INDUSTRY SPECIFICATONS AND STANDARDS** - For all military, federal, and industry specifications and standards, the supplier shall comply with the revision in affect at the time the Buyer's Order is issued. Buyer reserves the right to request a different revision, in such instance the requested revision will be specified on the Order.

**31. ENTIRE AGREEMENT** - This Order (and any long term agreement under which this Order is issued, if one exists) constitutes the entire agreement between the parties with respect to the subject matter herein and therein and supersedes all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the parties. No waiver, alteration, modification of or addition to this Order will be binding unless expressly agreed to in writing and signed by duly authorized representatives of Buyer and Seller. A waiver of any of the terms or conditions hereof will not be deemed a continuing waiver, but will apply solely to the instance to which the waiver is directed.

#### **FEDERAL ACQUISITION REGULATIONS (FAR), DEPARTMENT OF DEFENCE FAR SUPPLEMENT (DFARS)**

The following clauses set forth in the FAR and DFARS as in effect on the date of this Order are incorporated herein by reference. Where necessary to make the clauses applicable to this Order, "Contractor" shall mean "Seller," "Contracting Officer" shall mean "Buyer," and the "Government" shall mean "Buyer" or the "Government" whenever appearing in the clauses. Seller shall include the following clauses in its lower-tier Orders or subcontracts as required. If any of the following FAR or DFARS clauses do not apply to a particular Order, such clauses are considered to be self-deleting.

#### **Applicable to all orders:**

1. FAR 52.211-5 Material Requirements (Aug 2000).
2. FAR 52.219-8 Utilization of Small Business Concerns (Jul 2013).
3. FAR 52.222-17 Non-displacement of Qualified Workers (Jan 2013).
4. FAR 52.222-21 Prohibition of Segregated Facilities (Feb 1999).
5. FAR 52.222-26 Equal Opportunity (Mar 2007) (E.O. 11246).
6. FAR 52.222-35 Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212(a)).
7. FAR 52.222-36 Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).
8. FAR 52.222-50 Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).
9. FAR 52.223-11 Ozone-Depleting Substances (May 2001).
10. FAR 52.225-1 Buy American Act - Supplies (Feb 2009).
11. FAR 52.225-5 Trade Agreements (Sep 2013).
12. FAR 52.225-13 Restrictions on Certain Foreign Purchases (Jun 2008).
13. FAR 52.228-3 Workers Compensation Insurance (Defense Base Act) (Apr 1984).
14. FAR 52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec 1994).
15. FAR 52.236-13 Accident Prevention (Nov 1991).
16. FAR 52.242-15 Stop-Work Order (Aug 1989).
17. FAR 52.242-17 Government Delay of Work (Apr 1984).
18. FAR 52.244-6 Subcontracts for Commercial Items. (Jul 2013).
19. FAR 52.252-2 Clauses Incorporated By Reference (Feb 1998). This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Buyer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): <http://www.dla.mil/Acquisition> and <http://farsite.hill.af.mil/>.
20. DFARS 252.204-7000 Disclosure of Information (Aug 2013).

21. DFARS 252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material (Dec 1991).
22. DFARS 252.222-7000 Restrictions on Employment of Personnel (Mar 2000).
23. DFARS 252.223-7008 Prohibition of Hexavalent Chromium (Jun 2013).
24. DFARS 252.225-7008 Restriction on Acquisition of Specialty Metals (Mar 2013).
25. DFARS 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (Jun 2013) excluding paragraph (d).
26. DFARS 252.225-7013 Duty-Free Entry (Oct 2013).
27. DFARS 252.225-7021 Trade Agreements (Oct 2013).
28. DFARS 252.225-7048 Export-Controlled Items (Jun 2013).
29. DFARS 252.227-7016 Rights in Bid or Proposal Information (Jan 2011).
30. DFARS 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (Dec 1991).

**Provisional FARs and DFARS:**

1. FAR 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) Applicable to contracts funded in whole or in part by the American Recovery and Reinvestment Act of 2009.
2. FAR 52.204-2 Security Requirements (Aug 1996), excluding any reference to the Changes clause of this contract.
3. FAR 52.204-9 Personal Identity Verification of Contractor Personnel (Jan 2011) applies 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.
4. FAR 52.204-11 American Recovery and Reinvestment Act – Reporting Requirements (Jul 2010) Applicable to contracts funded in whole or in part by the American Recovery and Reinvestment Act of 2009.
5. FAR 52.213-4 Terms and Conditions - Simplified Acquisitions (Other Than Commercial Items) (Jul 2013)
6. FAR 52.215-15 Pension Adjustments and Asset Reversions (Oct 2010) Applies when it is anticipated that certified cost or pricing data will be required or for which any pre-award or post-award cost determinations will be subject to Part 31.
7. FAR 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Jul 2005) Applies when it is anticipated that certified cost or pricing data will be required or for which any pre-award or post-award cost determinations will be subject to Part 31.
8. FAR 52.215-19 Notification of Ownership Changes (Oct 1997) Applies when it is anticipated that certified cost or pricing data will be required or for which any pre-award or post-award cost determinations will be subject to Part 31.
9. FAR 52.222-41 Service Contract Act of 1965 (Nov 2007) Applies if order is subject to the Act.
10. FAR 52.223-7 Notice of Radioactive Materials (Jan 1997).
11. FAR 52.224-2 Privacy Act (Apr 1984) (Applicable only if the order requires the design, development, or operation of a system of records subject to the Privacy Act of 1974.)
12. FAR 52.225-8 Duty-Free Entry (Oct 2010) Applies when the 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.
13. FAR 52.227-9 Refund of Royalties (Apr 1984) Applies when the amount of royalties reported during negotiation of the purchase order exceeds \$250.
14. FAR 52.227-10 Filing of Patent Applications - Classified Subject Matter (Dec 2007) Applies when the contract covers or is likely to cover classified subject matter.
15. FAR 52.227-11 Patent Rights - Ownership by the Contractor (Dec 2007) Applies for experimental, developmental, or research work to be performed by a small business concern or nonprofit organization. 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.
16. FAR 52.227-14 Rights in Data - General (Dec 2007) Applies when data will be transferred to the Government.
17. FAR 52.228-5 Insurance - Work on a Government Installation (Jan 1997) Applies when contract requires work to be performed on a Government Installation.
18. FAR 52.232-99 Providing Accelerated Payment to Small Business Subcontractors (DEVIATION 2012-00014)
  - (a) Upon receipt of accelerated payments from the Government, the contractor is required to make accelerated payments to small business subcontractors to the maximum extent practicable after receipt of a proper invoice and all proper documentation from the small business subcontractor.
  - (b) Include the substance of this clause, including this paragraph, in all subcontracts with small business concerns.
  - (c) The acceleration of payments under this clause does not provide any new rights under the Prompt Payment Act.
19. FAR 52.247-63 Preference for U.S.-Flag Air Carriers (June 2003). Applies when international air transportation may be involved.
20. FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. App. 1241 and 10 U.S.C. 2631), Applies if flow down is required in accordance with paragraph (d) of FAR clause 52.247-64.
21. DFARS 252.211-7003 Item Identification and Valuation (Jun 2013).
22. DFARS 252.225-7001 Buy American and Balance of Payments Program (Dec 2012).
23. DFARS 252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies (Sep 2006) Applies when the item is covered by the United States Munitions List.

24. DFARS 252.227-7013 Rights in Technical Data - Noncommercial Items (Jun 2013) Applies when technical data will be obtained from a subcontractor or supplier for delivery to the Government.
25. DFARS 252.227-7015 Technical Data - Commercial Items (Jun 2013) Applies when technical data will be obtained from a subcontractor or supplier for delivery to the Government.
26. DFARS 252.227-7018 Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program (May 2013) Applies when technical data and/or computer software will be obtained from a subcontractor or supplier for delivery to the Government.
27. DFARS 252.227-7037 Validation of Restrictive Markings on Technical Data (Jun 2013) Applies when any technical data is required to be delivered.
28. DFARS 252.229-7011 Reporting of Foreign Taxes - U.S. Assistance Programs (Sep 2005) Applies when for commodities that exceed \$500.
29. DFARS 252.237-7010 Prohibition on Interrogation of Detainees by Contractor Personnel (Jun 2013) Applies when contract may require subcontractor personnel to interact with detainees in the course of their duties.
30. DFARS 252.237-7019 Training for Contractor Personnel Interacting with Detainees (Jun 2013) Applies when contract may require subcontractor personnel to interact with detainees in the course of their duties.
31. DFARS 252.237-7023 Continuation of Essential Contractor Services (Oct 2010) Applies to contracts for essential services.
32. DFARS 252.246-7003 Notification of Potential Safety Issues (Jun 2013) Applies when the parts on this order are identified as "Critical Safety Items".
33. DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000) Applies where Commercial items are expected to ship via Sea.

**Orders Exceeding \$3 Thousand:**

1. FAR 52.222-54 Employment Eligibility Verification (Aug 2013).
2. FAR 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011).

**Orders Exceeding \$10 Thousand:**

1. FAR 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (Dec 2010).

**Orders Exceeding \$15 Thousand:**

1. FAR 52.222-36 Affirmative Action for Workers with Disabilities (Oct 2010).

**Orders Exceeding \$25 Thousand:**

1. FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (Jul 2013).

**Orders Exceeding \$30 Thousand:**

1. FAR 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Aug 2013).

**Orders Exceeding \$100 Thousand:**

1. FAR 52.222-35 Equal Opportunity for Veterans (Sep 2010).
2. FAR 52.222-37 Employment Reports on Veterans (Sep 2010).

**Orders Exceeding \$150 Thousand:**

1. FAR 52.203-6 Restrictions on Subcontractor Sales to the Government (Sep 2009).
2. FAR 52.203-7 Anti-Kickback Procedures (Oct 2010) including paragraph (c)(5) but excepting paragraph (c)(1).
3. FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Oct 2010).
4. FAR 52.203-16 Preventing Personal Conflicts of Interest (Dec 2011).
5. FAR 52.215-2 Audit and Records - Negotiation (Oct 2010).
6. FAR 52.215-14 Integrity of Unit Prices (Oct 2010).
7. FAR 52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation (Jul 2005).
8. FAR 52.227-1 Authorization and Consent. (Dec 2007).
9. FAR 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007).
10. FAR 52.248-1 Value Engineering (Oct 2010).
11. DFARS 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (Dec 2008)
12. DFARS 252.225-7008 Restriction on Acquisition of Specialty Metals (Mar 2013).

13. DFARS 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (Jun 2013) excluding paragraph (d).
14. DFARS 252.247-7023 Transportation of Supplies by Sea (Jun 2013).

**Orders Exceeding \$500 Thousand:**

1. DFARS 252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Sep 2004).

**Orders Exceeding \$650 Thousand:**

1. FAR 52.219-9 Small Business Subcontracting Plan (Jul 2013) requires that FAR 52.219-8 "Utilization of Small Business Concerns" must be flowed down on all subcontracts that offer further subcontracting opportunities, and that they will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$650,000 (\$1.5 million for construction of any public facility with further subcontracting possibilities) to adopt a plan similar to the plan that complies with the requirements of this clause.
2. DFARS 252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States (Oct 2010).

**Orders Exceeding \$700 Thousand:**

1. FAR 52.214-26 Audit and Records - Sealed Bidding (Oct 2010).
2. FAR 52.214-28 Subcontractor Certified Cost or Pricing Data - Modifications - Sealed Bidding (Oct 2010).
3. FAR 52.215-12 Subcontractor Certified Cost or Pricing Data (Oct 2010).
4. FAR 52.215-13 -Subcontractor Certified Cost or Pricing Data - Modifications (Oct 2010).
5. FAR 52.230-2 Cost Accounting Standards (May 2012), except paragraph (b).
6. FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices (May 2012), except paragraph (b).
7. FAR 52.230-4 Disclosure and Consistency of Cost Accounting Practices – Foreign Concerns (May 2012), except paragraph (b).
8. FAR 52.230-5 Cost Accounting Standards – Educational Institution (May 2012), except paragraph (b).
9. FAR 52.230-6 Administration of Cost Accounting Standards (Jun 2010).

**Orders Exceeding \$1 Million:**

1. DFARS 252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements (Dec 2010).
2. DFARS 252.225-7033 Waiver of United Kingdom Levies (Apr 2003).

**Orders Exceeding \$1.5 Million:**

1. DFAR 252.211-7000 Acquisition Streamlining (Oct 2010).

**Orders Exceeding \$5 Million:**

1. FAR 52.203-13 Contractor Code of Business Ethics and Conduct (Apr 2010).
2. FAR 52.203-14 Display of Hotline Poster(s) (Dec 2007).
3. DFARS 252.203-7003 Agency Office of the Inspector General (Dec 2012). Applies when FAR 52.203-13 applies to this Contract.
4. DFARS 252.203-7004 Display of fraud hotline poster(s) (Dec 2012).