





SPECIAL U.S. GOVERNMENT PROVISIONS. The provisions set forth hereunder shall apply in addition to those terms in the Purchase Order/Agreement (hereinafter the "AGREEMENT") or attached/referenced in the AGREEMENT and incorporated by reference. Seller hereby agrees to flow down the applicable FAR, DFARS, or other agency clauses to its lower-tier subcontractors as required.

- 1. <u>Audits</u>. Seller agrees that its books and records and its plans or any such part thereof as may be engaged in the performance of this AGREEMENT, shall at all reasonable times be subject to inspection and audit by any person designated by the head of any executive department of the U. S. Government or any representative of Buyer.
- **Quality Control**. Except as otherwise provided in this AGREEMENT, Seller's system of Quality Control during the performance of this AGREEMENT shall be in accordance with the specifications as are required by Buyer's prime contract or higher tier AGREEMENT.
- 3. <u>Modification</u>. Seller agrees it will negotiate AGREEMENT modification(s) in good faith to incorporate additions, deletions, and changes to the clauses set forth below if Buyer deems them necessary to comply with Buyer's Contract or modifications to Buyer's Contract. If any such modification to this Purchase Order causes an increase or decrease in the cost, or the time required for the performance, of any part of the work under this AGREEMENT, an equitable adjustment shall be made pursuant to the "Changes" clause of this Purchase Order. Seller shall proceed immediately to perform this AGREEMENT as changed.
- 4. Government/Buyers Property. Seller shall maintain and administer a program for the maintenance, repair, protection, and preservation of Buyer and Government property in accordance with FAR 52.245-1. Seller assumes risk of and shall be responsible for any loss or damage to Government property except for reasonable wear and tear and except to the extent that such property is incorporated in the Goods delivered under this AGREEMENT. The Buyer or Government makes no warranty, express or implied, with respect to the serviceability and or suitability of property of performance of this AGREEMENT. Any repairs, replacements or refurbishments shall be at the Seller's expense. Upon completion of this Order or at such earlier times as Buyer may request, Seller shall submit, in acceptable form, inventory schedules covering all items of Buyer and Government property pertaining to this AGREEMENT. In addition, upon the request of the Buyer, the Seller may be required to furnish a list of all Buyer and Government property required to support any follow-on requirement. This list shall be in an acceptable format and identify the category, quantity and acquisition cost. To the extent that such use will not interfere with Seller's performance of this or other AGREEMENTS from Buyers, this clause shall not limit the use by the Seller of property to which the Government has title in the production of end items on direct Government Order; however, nothing herein will be deemed to contravene the rights of the Government under FAR 52.245-1.
- 5. Clauses. The following clauses of the FAR, DFARS, or other agency clauses are incorporated herein by reference, as applicable, and made part hereof with the same force and effect as if they were given in full text, including any notes following the clause citations, to this AGREEMENT. The clauses in effect in the Buyer's Contract on the date of this Purchase Order are incorporated by reference and any changes, if necessary, to each such clause, including dates, shall be made to be consistent to the requirements of Buyer's customer. Upon Seller's written request, Buyer's Purchasing Representative will make their full text available. Also, the full text of a FAR, DFARS, or agency clause may be accessed electronically at this addresses: https://www.acq.osd.mil/dpap/dars/index.html. In all clauses listed herein, terms shall be revised to suitably identify the party to establish Seller's obligations to Buyer and to the Government; and to enable Buyer to meet its obligations under its prime contract. Whenever said clauses include a requirement for the resolution of disputes

between the Parties in accordance with the FAR "Disputes" clause, the dispute shall instead be disposed of in accordance with the clause entitled "Disputes/Claims" in the Standard General Terms and Conditions for Goods & Services. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term "Government" and equivalent phrases shall mean "Buyer", the term "Contracting Officer" shall mean "Buyer's Purchasing Representative", the term "Contractor" or "Offeror" shall mean "Seller", "Subcontractor" shall mean "Seller's Subcontractor" under this AGREEMENT, and the term "Contract" shall mean this "AGREEMENT". For the avoidance of doubt, the words "Government" and "Contracting Officer" do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative, such as in FAR 52.227-1 and FAR 52.227-2 and (2) when title to property is to be transferred directly to the Government. Nothing in this AGREEMENT grants Seller a direct right of action against the Government. If any of the following FAR, DFARS, or agency clauses do not apply to this AGREEMENT, such clauses are considered to be self-deleting. The column appearing in Table One and Two below titled "Conditions" identifies the triggering requirements that make each Clause applicable to the AGREEMENT. Buyer's notations in this Column are provided for reference only and shall not serve to render an applicable Clause inapplicable where the terms of the Clause differ from Buyer's notation. Seller is responsible for confirming the applicability of each Clause while preforming this AGREEMENT. Seller shall incorporate into each lower tier contract issued in support of this AGREEMENT all applicable FAR, DFARS, or agency clauses in accordance with the flow down requirements specified in such clauses, either verbatim, or in substance and by incorporation-by-reference or otherwise as appropriate.

- **6.** <u>FAR and DFARS Representations and Certifications.</u> Buyer and Seller acknowledge that certain FAR and DFARS below concern representations and certifications by the offeror only to the United States Government for the solicitation or response to the RFP. Seller agrees to comply with such requirements as if it was the prime contractor and will reasonably assist Buyer in confirming or answering such FAR and DFARS representations and certifications, including any follow-on questions by the United States Government or its respective agencies or departments. Seller acknowledges it has had the opportunity to inquire as to the clauses present in Buyer's contract and agrees to be bound to such clauses in the manner listed below.
- 7. Commercial Items/ Non-Commercial Items. If Seller is providing Buyer with Products that Seller determines are Commercial Items or COTS (Commercial Item Off the Shelf) as those terms are defined within FAR 2.101, then Seller shall adhere to all applicable FAR and DFARS clauses that appear in Table One below. If Seller is providing Buyer with Products that Seller determines are Non-Commercial Items, as that term is defined within FAR 2.101, the Seller shall adhere to all applicable FAR and DFARS clauses that appear in Table Two below. Where Seller is providing Buyer with Products that are a mix of Commercial Items and/or COTS, and Non-Commercial Items Seller shall adhere to all applicable FAR and DFARS clauses that appear in Table Two below. Clauses appearing below Table One and Table Two, written in full text, shall be applicable unless otherwise stated within each such clause.
- 8. This Project is subject to FAR 52.211-15. The DPAS Rating for this Project: **DOA6**

Conditions Legend					
ALL – clause applies to all orders					
SAT – Applicable to orders greater than \$250,000.00 (or the simplified acquisition threshold)					
SB - Applicable to small business concern					
>15k - Applicable to orders greater than \$15,000.00					
>35k - Applicable to orders greater than \$35,000.00					
>150k - Applicable to orders greater than \$150,000.00					
>500k - Applicable to orders greater than \$500,000.00					
>700k - Applicable to orders greater than \$700,000.00					
>750k - Applicable to orders greater than \$750,000.00					

>1M - Applicable to orders greater than \$1,000,000.00

>2M - Applicable to orders greater than \$2,000,000.00

>6M - Applicable to orders greater than \$6,000,000.00

>10M - Applicable to orders greater than \$10,000,000.00

GP - Applicable in order where government property is acquired or furnished.

Government installation - Applicable in order that requires work on a government installation.

DBA Act – Where the Defense Base Act is applicable.

Outside US - Applicable in order in areas of combat operations, or other military operations

Foreign - Applicable in order in designated operational areas during contingency operations, humanitarian or peacekeeping or other military operations. Also while supporting diplomatic or consular operations

SI - Applicable in order for containing sensitive information, have access to a system of records; Create, collect, use, process, store, maintain, disseminate, disclose, dispose, or otherwise handle personally identifiable information; or Design, develop, maintain, or operate a system of records.

HUBZONE - need to be certified.

FPA - Applicable in order for fixed price acquisitions.

Price reductions - Applicable in order when it is contemplated that certified cost or pricing data will be required from the contractor or any subcontractor for the pricing of contract modifications.

Government unique standards - Applicable in order when the contract uses these standards when the agency uses transaction-based reporting.

Federal Controlled Facility - Applicable in order for 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.

Motor Carrier – Applicable in order for carriage in which a motor carrier, broker or freight forwarder will provide or arrange truck transportation services the provide for a full related adjustment.

!! - Applicable in order where repairable or consumable parts identified as critical safety items, systems and subsystems, assemblies and subassemblies integral to a system or all of the maintenance and repair into those items.

Welded shipboard - Applicable in order for items containing welded shipboard anchor and mooring chain four inches or less in diameter.

AA&E - Applicable in order where development, production, manufacture or purchase of AA&E or when AA&E will be provided as Government furnished property

TABLE ONE (COMMERCIAL ITEMS AND COTS)					
Condition	Regulatory Cite	Title	Date		
All	FAR 52.212-5	Contract Terms and Conditions—Commercial Products and Commercial Services.	(NOV 2023)		
Applicable, unless COTS only	DFARS 252.204- 7020	NIST SP 800-171 DOD Assessment Requirements.	(NOV 2023)		

TABLE TWO (NON-COMMERCIAL ITEMS)						
Condition Regulation Title Date						
All	FAR52.202-1	Definitions	(JUN 2020)			
>150k	FAR 52.203-5	Covenant Against Contingent Fees	(APR 1984)			
SAT	FAR 52.203-6	Restrictions on Subcontractor Sales to the Government.	(SEP 2006)			

>100k	FAR 52.203-7	Anti-Kickback Procedures.	(OCT 2010)
All	FAR 52.203-8	Cancellation, Rescission, and Recovery of Funds for	(MAY
	E	Illegal or Improper Activity	2014)
All	FAR 52.203-10	Price or Fee Adjustment for Illegal or Improper Activity.	(JAN 1997)
>100k	FAR 52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.	(SEP 2007)
>100k	FAR 52.203-12	Limitation on Payments to Influence Certain Federal Transactions.	(OCT 2010)
>5M	FAR 52.203-13	Contractor Code of Business Ethics and Conduct.	(APR 2010)
>5M	FAR 52.203-14	Display of Hotline Poster(s).	(DEC 2007)
All	FAR 52.204-2	Security Requirements.	(AUG 1996)
Federal Controlled Facility	FAR 52.204-9	Personal Identity Verification of Contractor Personnel.	(JAN 2011)
All	FAR 52.204-19	Incorporation by reference of Representations Certifications	(DEC 2014)
All	FAR 52.209-3	First Article Approval-Contractor Testing	(SEP 1989)
All	FAR 52.209-4	First Article Approval-Government Testing	(SEP 1989)
All	FAR 52.209-5	Responsibility Matters	(APR 2010)
>30k	FAR 52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment.	(DEC 2010)
All	FAR 52.211-16	Variation in Quantity	(APR 1984)
>650k	FAR 52.214-26	Audit and Records-Sealed Bidding.	(OCT 2010)
>2M	FAR 52.214-27	Price Reduction for Defective Certified Cost or Pricing Data-Modifications-Sealed Bidding.	(OCT 2011)
>2M	FAR 52.214-28	Subcontractor Certified Cost or Pricing Data- Modifications-Sealed Bidding.	(OCT 2010)
>250k	FAR 52.215-2	Audit and Records — Negotiation	(OCT 2010)
	FAR 52.215-10	Price Reduction for Defective Certified Cost or Pricing Data.	(AUG 2011)
Price reduction	FAR 52.215-11	Price Reduction for Defective Certified Cost or Pricing Data-Modifications.	(AUG 2011)
>2M	FAR 52.215-12	Subcontractor Certified Cost or Pricing Data.	(OCT 2010)
>2M	FAR 52.215-13	Subcontractor Certified Cost or Pricing Data- Modifications.	(OCT 2010)
>250k	FAR 52.215-14	Integrity of Unit Prices.	(OCT 2010)
All that meet applicability of FAR 15.408(g)	FAR 52.215-15	Pension Adjustments and Asset Reversions.	(OCT 2010)
	FAR 52.215-16	Facilities Capital Cost of Money	(JUN 2003)
All that meet applicability of FAR 15.408(J)	FAR 52.215-18	Reversion or Adjustment of Plans for Post-retirement Benefits (PRB) Other Than Pensions.	(JUL 2005)
All	FAR 52.215-21	Requirements for Certified Cost of Pricing Data or Information other than Cost or Pricing Data Modifications	(NOV 2021)
All	FAR 52.215-23	Limitations of Pass-Through Charges	(JUN 2020)

HUBZONE	FAR 52.219-8	Utilization of Small Business Concerns.	(JAN 2011)
>550k	FAR 52.219-9	Small Business Subcontracting Plan.	(JAN 2011)
>550k	FAR 52.219-9	Small Business Subcontracting Plan - Alternate II.	(JAN 2011)
	FAR 52.219-23	Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns	(OCT 2008)
	FAR 52.222-1	Notice to the Government of Labor Disputes	(FEB 1997)
	FAR 52.222-4	Contract Work Hours and Safety Standards Act — Overtime Compensation	(JUL 2005)
All	FAR 52.222-19	Child Labor-Cooperation with authorities and remedies	(JAN 2025)
	FAR 52.222-20	Walsh-Healey Public Contracts Act	(OCT 2010)
All	FAR 52.222-21	Prohibition of Segregated Facilities.	(FEB 1999)
All	FAR 52.222-25	Affirmative Action Compliance	(APR 1984)
All	FAR 52.222-26	Equal Opportunity	(MAR 2007)
>100k	FAR 52.222-35	Equal Opportunity for Veterans.	(SEP 2010)
>10k	FAR 52.222-36	Equal Opportunity for Workers with Disabilities.	(OCT 2010)
Applicable if 52.222-35 is applicable	FAR 52.222-37	Employment Reports of Veterans.	(SEP 2010)
>10k	FAR 52.222-40	Notification of Employee Rights under the National Labor Relations Act.	(DEC 2010)
All	FAR 52.222-50	Combating Trafficking in Persons.	(FEB 2009)
Services, construction, >\$3,500.00, in US (NC)	FAR 52.222-54	Employment Eligibility Verification.	(JUL 2012)
>100k	FAR 52.223-13	Certification Of Toxic Chemical Release Reporting	
All	FAR 52.223-3	Hazardous Material Identification and Material Safety Data.	(JAN 1997)
	FAR 52.223-5	Pollution Prevention and Right-to-Know Information	(MAY 2011)
Dealing with radioactive materials	FAR 52.223-7	Notice of Radioactive Materials.	(JAN 1997)
	FAR 52.223-11	Ozone-Depleting Substance	(MAY 2001)
	FAR 52.224-2	Privacy Act	(APR 1984)
Through customs or foreign supplies over 15k	FAR 52.225-8	Duty-Free Entry.	(JUN 2008)
All	FAR 52.225-13	Restrictions on Certain Foreign Purchases.	(JUN 2008)
All	FAR 52.225-18	Place of Manufacture	(SEP 2006)
SAT	FAR 52.227-1	Authorization and Consent.	(DEC 2007)
>250k	FAR 52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	(DEC 2007)
	FAR 52.227-3	Patent Indemnity	(APR 1984)

Amount of royalties >250	FAR 52.227-9	Refund of Royalties	(APR 1984)
All	FAR 52.227-11	Patent Rights-Ownership by the Contractor.	(DEC 2007)
All	FAR 52.227-13	Patent Rights-Ownership by the Government.	(DEC 2007)
All	FAR 52.227-14	Rights in Data-General.	(DEC 2007)
SAT	FAR 52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement.	(DEC 2007)
Royalties over 250 reported during negotiation	FAR 52.227-9	Refund of Royalties.	(APR 1984)
DBA act	FAR 52.228-3	Workers' Compensation Insurance (Defense Base Act)	(APR 1984)
DBA act	FAR 52.228-4	Workers' Compensation and War-Hazard Insurance Overseas.	(APR 1984)
Government Installation	FAR 52.228-5	Insurance-Work on a Government Installation.	(JAN 1997)
All	FAR 52.229-3	Federal, State, and Local Taxes	(FEB 2013)
All	FAR 52.229-4	Federal, State, and Local Taxes (State and Local Adjustments).	(FEB 2013)
All	FAR 52.229-6	Taxes Foreign Fixed-Price Contracts	(FEB 2013)
All	FAR 52.232-17	Interest.	(OCT 2010)
All	FAR 52.233-3	Protest After Award	(AUG 1996)
All	FAR 52.233-4	Applicable Law for Breach of Contract Claim	(OCT 2024)
All	FAR 52.234-1	Industrial Resources Developed Under Defense Production Act Title III.	(DEC 1994)
	FAR 52.236-7	Permits and Responsibilities	(NOV 1991)
	FAR 52.242-1	Notice of Intent to Disallow Costs	(APR 1984)
All	FAR 52.242-15	Stop-Work Order.	(AUG 1989)
All	FAR 52.243-1	Changes – Fixed Price	(AUG 2018)
All	FAR 52.243-7	Notification of Changes	(JAN 2017)
All	FAR 52.244-2	Subcontracts	(OCT 2010)
All	FAR 52.244-5	Competition in Subcontracting.	(DEC 1996)
All	FAR 52.244-6	Subcontracts for Commercial Items	(DEC 2010)
GP	FAR 52.245-1	Government Property	(APR 2012)
	FAR 52.245-2	Government Property Installation Operation Services	(APR 2012)
All	FAR 52.245-9	Use and Charges	(APR 2012)
All	FAR 52.246-15	Certificate of Conformance	(APR 1984)
All	FAR 52.246-16	Responsibility for Supplies	(APR 1984)
All	FAR 52.246-23	Limitation of Liability	(FEB 1997)
All	FAR 52.247-29	F.O.B. Origin	(FEB 2007)
All	FAR 52.247-63	Preference For U.SFlag Air Carriers.	(JUN 2003)
SAT	FAR 52.248-1	Value Engineering, Alternate III.	(OCT 2010)
SAT	FAR 52.248-1	Value Engineering, Alternate II.	(OCT 2010)
SAT	FAR 52.248-1	Value Engineering, Alternate I.	(OCT 2010)
SAT	FAR 52.248-1	Value Engineering.	(OCT 2010)

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All	DFARS 7000	252.203-	Requirements Relating to Compensation of Former DoD Officials	(SEP 2011)
All	DFARS 7001	252.203-	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	(DEC 2008)
All	DFARS 7000	252.204-	Disclosure of Information.	(DEC 1991)
All	DFRS 7002	252.204-	Payment for Subline items not separately priced	(APR 2020)
All	DFARS 7006	252.204-	Billing Instructions	(OCT 2005)
All	DFARS 2	209-7004	Subcontracting with firms that are owned or controlled by the government of a country that is a state sponsored of terrorism	(MAY 2019)
if item is uniquely identifiable	DFARS 7003	252.211-	Item Unique Identification and Valuation.	(JUN 2011)
All	DFARS 7000	252.215-	Pricing Adjustments	(DEC 2012)
>650k	DFARS 7003	252.219-	Small Business Subcontracting Plan (DOD Contracts)-Basic.	(AUG 2012)
>1M	DFARS 7006	252.222-	Restrictions on the Use of Mandatory Arbitration Agreements.	(DEC 2010)
	DFARS 7001	252.223-	Hazard Warning Labels	(DEC 1991)
Any contract that could require, may require or permit access to DoD installation	DFARS 7006	252.223-	Prohibition on Storage, Treatment, and Disposal of Toxic or Hazardous Materials	(APR 2012)
AA&E	DFARS 7007	252.223-	Safeguarding Sensitive Conventional Arms, Ammunition, And Explosives.	(SEP 1999)
All	DFARS 7000	252.225-	Buy American—Balance of Payments Program Certificate.	(JUN 2012)
All except COTS	DFARS 7001	252.225-	Buy American and Balance of Payments ProgramBasic.	(DEC 2012)
Use if order includes 252.225-7001, 252.225-7021, 252.225-7036	DFARS 7002	252.225-		
All	DFARS 7003	252.225-	Report Of Intended Performance Outside the United States and CanadaSubmission with Offer.	(OCT 2010)
All	DFARS 7004	252.225-	Report of Intended Performance Outside the United States and Canada — Submission after Award.	(OCT 2010)
SAT	DFARS 7006	252.225-		
Applies to specialty metals, as per clause	DFARS 7008	252.225-	Restriction on Acquisition of Specialty Metals	(MAR 2013)
Applies to specialty metals, as per clause	DFARS 7009	252.225-		

	DFARS 7010	252.225-	Commercial Derivative Military Article – Specialty Metals Compliance Certificate	(JUL 2009)
All	DFARS 7012	252.225-	Preference For Certain Domestic Commodities.	(FEB 2013)
All	DFARS 7013	252.225-	Duty-Free Entry.	(JUN 2012)
All, but no commercial items or items that have no ball or roller bearings	DFARS 7016	252.225-	Restriction on Acquisition of Ball and Roller Bearings.	(JUN 2011)
Applicable to forged items or for items that contain the same	DFARS 7025	252.225-	Restriction On Acquisition of Forgings.	(DEC 2009)
Applies to low tier order from a United Kingdom company >1 million US Dollars	DFARS 7033	252.225-	Waiver of United Kingdom Levies.	(APR 2003)
>500k	DFARS 7001	252.226-	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns.	(SEP 2004)
Where technical data to be delivered to Government	DFARS 7013	252.227-	Rights in Technical Data-Noncommercial Items.	(FEB 2012)
Where technical data to be delivered to Government	DFARS 7013	252.227-	Rights in Technical Data-Noncommercial Items Alt I.	(JUN 1995)
Applicable where software or software documentation will be delivered to gov (Non-Commercial)	DFARS 7014	252.227-	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation.	(FEB 2012)
Contains technical data to be delivered to the government (commercial)	DFARS 7015	252.227-	Technical Data-Commercial Items.	(DEC 2011)
All	DFARS 7016	252.227-	Rights in Bid or Proposal Information.	(JAN 2011)
Applicable where furnishing software to government	DFARS 7019	252.227-	Validation of Asserted Restrictions-Computer Software.	(SEP 2011)
All	DFARS 7025	252.227-	Limitations on the Use or Disclosure of Government- Furnished Information Marked with Restrictive Legends.	(MAR 2011)
Applicable if there is a requirement for delivery of Technical Data	DFARS 7037	252.227-	Validation of Restrictive Markings on Technical Data.	(JUN 2012)
	DFARS 7000	252.231-	Supplemental Cost Principles	(DEC 1991)

All	DFARS 7043	252.225-	Antiterrorism/Force Protection Policy for Defense Contractors outside the United States	(JUN 2015)
Applies where order requires	DFARS 7003	252.235-	Frequency Authorization.	(DEC 1991)
development, production,				
construction, testing, or operation of RFA				
1	DFARS 7000	252.236-	Modification Proposals — Price Breakdown	(DEC 1991)
	DFARS 7001	252.243-	Pricing of Contract Modifications	(DEC 1991)
All	DFARS 7002	252.243-	Request for Equitable Adjustment	(DEC 2022)
All	DFARS 7000	252.244-	Subcontracts for Commercial Items and Commercial Components (DOD Contracts).	(MAR 2013)
All	DFARS 7003	252.245-	Contractor Property Management system administration	(JAN 2025)
All	DFARS 7003	252.246-	Notification of Potential Safety Issues.	(JAN 2007)
All	DFARS 7023	252.247-	Transportation of Supplies by Sea Basic.	(MAY 2002)
All	DFARS 7024	252.247-	Notification of Transportation of Supplies by Sea	(MAR 2000)
All	DFARS 7028	252.247-	Application for U.S. Government Shipping Documentation/Instructions	(JUN 2012)

52.203-3 Gratuities.

As prescribed in 3.202, insert the following clause:

Gratuities (Apr 1984)

- (a) The right of the Contractor to proceed may be terminated by written notice if, after notice and hearing, the agency head or a designee determines that the Contractor, its agent, or another representative-
- (1) Offered or gave a gratuity (e.g., an entertainment or gift) to an officer, official, or employee of the Government; and
- (2) Intended, by the gratuity, to obtain a contract or favorable treatment under a contract.
- (b) The facts supporting this determination may be reviewed by any court having lawful jurisdiction.
- (c) If this contract is terminated under paragraph (a) of this clause, the Government is entitled-
- (1) To pursue the same remedies as in a breach of the contract; and
- (2) In addition to any other damages provided by law, to exemplary damages of not less than 3 nor more than 10 times the cost incurred by the Contractor in giving gratuities to the person concerned, as determined by the agency head or a designee. (This paragraph (c)(2) is applicable only if this contract uses money appropriated to the Department of Defense.)
- (d) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract. (End of clause)

52.211-5 Material Requirements.

As prescribed in 11.302, insert the following clause:

Material Requirements (Aug 2000)

(a) Definitions.

As used in this clause-

New means composed of previously unused components, whether manufactured from virgin material, recovered material in the form of raw material, or materials and by-products generated from, and reused within, an original manufacturing process; provided that the supplies meet contract requirements, including but not limited to, performance, reliability, and life expectancy.

Reconditioned means restored to the original normal operating condition by readjustments and material replacement.

Recovered material means waste materials and by-products recovered or diverted from solid waste, but the term does not include those materials and by-products generated from, and commonly reused within, an original manufacturing process.

Remanufactured means factory rebuilt to original specifications.

Virgin material means-

- (1) Previously unused raw material, including previously unused copper, aluminum, lead, zinc, iron, other metal or metal ore; or
- (2) Any undeveloped resource that is, or with new technology will become, a source of raw materials.
- (b) Unless this contract otherwise requires virgin material or supplies composed of or manufactured from virgin material, the Contractor shall provide supplies that are new, reconditioned, or remanufactured, as defined in this clause.
- (c) A proposal to provide unused former Government surplus property shall include a complete description of the material, the quantity, the name of the Government agency from which acquired, and the date of acquisition.
- (d) A proposal to provide used, reconditioned, or remanufactured supplies shall include a detailed description of such supplies and shall be submitted to the Contracting Officer for approval.
- (e) Used, reconditioned, or remanufactured supplies, or unused former Government surplus property, may be used in contract performance if the Contractor has proposed the use of such supplies, and the Contracting Officer has authorized their use. (End of clause)

52.211-15 Defense Priority and Allocation Requirements.

As prescribed in 11.604(b), insert the following clause:

Defense Priority and Allocation Requirement (Apr 2008)

This is a rated order certified for national defense, emergency preparedness, and energy program use, and the Contractor shall follow all the requirements of the Defense Priorities and Allocations System regulation (15 CFR 700). (End of clause)

52.215-19 Notification of Ownership Changes.

As prescribed in 15.408(k), insert the following clause:

Notification of Ownership Changes (Oct 1997)

- (a) The Contractor shall make the following notifications in writing:
- (1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.
- (2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.
- (b) The Contractor shall-
- (1) Maintain current, accurate, and complete inventory records of assets and their costs;
- (2) Provide the ACO or designated representative ready access to the records upon request;
- (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and
- (4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.
- (c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR <u>15.408</u>(k). (End of clause)

52.222-22 Previous Contracts and Compliance Reports.

As prescribed in 22.810(a)(2), insert the following provision:

Previous Contracts and Compliance Reports (Feb 1999)

The offeror represents that-

It has, has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;

It □ has, □ has not filed all required compliance reports; and

Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(End of provision)

52.227-10 Filing of Patent Applications-Classified Subject Matter.

As prescribed at 27.203-2, insert the following clause:

Filing of Patent Applications-Classified Subject Matter (Dec 2007)

(a) Before filing or causing to be filed a patent application in the United States disclosing any subject matter of this contract classified "Secret" or higher, the Contractor shall, citing the 30-day provision below, transmit the proposed application to the Contracting Officer. The Government shall determine whether, for reasons of national security, the application should be placed under an order of secrecy, sealed in accordance with the provision of 35 U.S.C. 181-188, or the issuance of a patent otherwise delayed under pertinent United States statutes or regulations. The Contractor shall observe any instructions of the Contracting Officer regarding the manner of delivery of the patent application to the United States Patent Office, but the Contractor shall not be denied the right to file the application. If the Contracting Officer shall not have given any such instructions within 30 days from the date of mailing or other transmittal of the proposed application, the Contractor may file the application.

(b) Before filing a patent application in the United States disclosing any subject matter of this contract classified "Confidential," the Contractor shall furnish to the Contracting Officer a copy of the application for Government determination whether, for reasons of

national security, the application should be placed under an order of secrecy or the issuance of a patent should be otherwise delayed under pertinent United States statutes or regulations.

- (c) Where the subject matter of this contract is classified for reasons of security, the Contractor shall not file, or cause to be filed, in any country other than in the United States as provided in paragraphs (a) and (b) of this clause, an application or registration for a patent containing any of the subject matter of this contract without first obtaining written approval of the Contracting Officer.
- (d) When filing any patent application coming within the scope of this clause, the Contractor shall observe all applicable security regulations covering the transmission of classified subject matter and shall promptly furnish to the Contracting Officer the serial number, filing date, and name of the country of any such application. When transmitting the application to the United States Patent Office, the Contractor shall by separate letter identify by agency and number the contract or contracts that require security classification markings to be placed on the application.
- (e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts that cover or are likely to cover classified subject matter.

 (End of clause)

52.246-2 Inspection of Supplies-Fixed-Price.

As prescribed in 46.302, insert the following clause:

Inspection of Supplies-Fixed-Price (Aug 1996)

- (a) *Definition.* "Supplies," as used in this clause, includes but is not limited to raw materials, components, intermediate assemblies, end products, and lots of supplies.
- (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering supplies under this contract and shall tender to the Government for acceptance only supplies that have been inspected in accordance with the inspection system and have been found by the Contractor to be in conformity with contract requirements. As part of the system, the Contractor shall prepare records evidencing all inspections made under the system and the outcome. These records shall be kept complete and made available to the Government during contract performance and for as long afterwards as the contract requires. The Government may perform reviews and evaluations as reasonably necessary to ascertain compliance with this paragraph. These reviews and evaluations shall be conducted in a manner that will not unduly delay the contract work. The right of review, whether exercised or not, does not relieve the Contractor of the obligations under the contract.
- (c) The Government has the right to inspect and test all supplies called for by the contract, to the extent practicable, at all places and times, including the period of manufacture, and in any event before acceptance. The Government shall perform inspections and tests in a manner that will not unduly delay the work. The Government assumes no contractual obligation to perform any inspection and test for the benefit of the Contractor unless specifically set forth elsewhere in this contract.
- (d) If the Government performs inspection or test on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties. Except as otherwise provided in the contract, the Government shall bear the expense of Government inspections or tests made at other than the Contractor's or subcontractor's premises; provided, that in case of rejection, the Government shall not be liable for any reduction in the value of inspection or test samples.
- (e)
- (1) When supplies are not ready at the time specified by the Contractor for inspection or test, the Contracting Officer may charge to the Contractor the additional cost of inspection or test.
- (2) The Contracting Officer may also charge the Contractor for any additional cost of inspection or test when prior rejection makes reinspection or retest necessary.
- (f) The Government has the right either to reject or to require correction of nonconforming supplies. Supplies are nonconforming when they are defective in material or workmanship or are otherwise not in conformity with contract requirements. The Government may reject nonconforming supplies with or without disposition instructions.
- (g) The Contractor shall remove supplies rejected or required to be corrected. However, the Contracting Officer may require or permit correction in place, promptly after notice, by and at the expense of the Contractor. The Contractor shall not tender for acceptance corrected or rejected supplies without disclosing the former rejection or requirement for correction, and, when required, shall disclose the corrective action taken.
- (h) If the Contractor fails to promptly remove, replace, or correct rejected supplies that are required to be removed or to be replaced or corrected, the Government may either (1)by contract or otherwise, remove, replace, or correct the supplies and charge the cost to the Contractor or (2) terminate the contract for default. Unless the Contractor corrects or replaces the supplies within the delivery schedule, the Contracting Officer may require their delivery and make an equitable price reduction. Failure to agree to a price reduction shall be a dispute.
- (i)
- (1) If this contract provides for the performance of Government quality assurance at source, and if requested by the Government, the Contractor shall furnish advance notification of the time-
- (i) When Contractor inspection or tests will be performed in accordance with the terms and conditions of the contract; and
- (ii) When the supplies will be ready for Government inspection.
- (2) The Government's request shall specify the period and method of the advance notification and the Government representative to whom it shall be furnished. Requests shall not require more than 2 workdays of advance notification if the Government representative is in residence in the Contractor's plant, nor more than 7 workdays in other instances.
- (j) The Government shall accept or reject supplies as promptly as practicable after delivery, unless otherwise provided in the contract. Government failure to inspect and accept or reject the supplies shall not relieve the Contractor from responsibility, nor impose liability on the Government, for nonconforming supplies.

(k) Inspections and tests by the Government do not relieve the Contractor of responsibility for defects or other failures to meet contract requirements discovered before acceptance. Acceptance shall be conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in the contract.

(I) If acceptance is not conclusive for any of the reasons in paragraph (k) hereof, the Government, in addition to any other rights and remedies provided by law, or under other provisions of this contract, shall have the right to require the Contractor (1)at no increase in contract price, to correct or replace the defective or nonconforming supplies at the original point of delivery or at the Contractor's plant at the Contracting Officer's election, and in accordance with a reasonable delivery schedule as may be agreed upon between the Contractor and the Contracting Officer; provided, that the Contracting Officer may require a reduction in contract price if the Contractor fails to meet such delivery schedule, or (2) within a reasonable time after receipt by the Contractor of notice of defects or nonconformance, to repay such portion of the contract as is equitable under the circumstances if the Contracting Officer elects not to require correction or replacement. When supplies are returned to the Contractor, the Contractor shall bear the transportation cost from the original point of delivery to the Contractor's plant and return to the original point when that point is not the Contractor's plant. If the Contractor fails to perform or act as required in paragraph (I)(1) or (I)(2) of this clause and does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure, the Government shall have the right by contract or otherwise to replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby. (End of clause)

52.249-2 Termination for Convenience of the Government (Fixed-Price).

As prescribed in 49.502 (b)(1)(i), insert the following clause:

Termination for Convenience of the Government (Fixed-Price) (Apr 2012)

- (a) The Government may terminate performance of work under this contract in whole or, from time to time, in part if the Contracting Officer determines that a termination is in the Government's interest. The Contracting Officer shall terminate by delivering to the Contractor a Notice of Termination specifying the extent of termination and the effective date.
- (b) After receipt of a Notice of Termination, and except as directed by the Contracting Officer, the Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this clause:
- (1) Stop work as specified in the notice.
- (2) Place no further subcontracts or orders (referred to as subcontracts in this clause) for materials, services, or facilities, except as necessary to complete the continued portion of the contract.
- (3) Terminate all subcontracts to the extent they relate to the work terminated.
- (4) Assign to the Government, as directed by the Contracting Officer, all right, title, and interest of the Contractor under the subcontracts terminated, in which case the Government shall have the right to settle or to pay any termination settlement proposal arising out of those terminations.
- (5) With approval or ratification to the extent required by the Contracting Officer, settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts; the approval or ratification will be final for purposes of this clause.
- (6) As directed by the Contracting Officer, transfer title and deliver to the Government-
- (i) The fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced or acquired for the work terminated: and
- (ii) The completed or partially completed plans, drawings, information, and other property that, if the contract had been completed, would be required to be furnished to the Government.
- (7) Complete performance of the work not terminated.
- (8) Take any action that may be necessary, or that the Contracting Officer may direct, for the protection and preservation of the property related to this contract that is in the possession of the Contractor and in which the Government has or may acquire an interest.
- (9) Use its best efforts to sell, as directed or authorized by the Contracting Officer, any property of the types referred to in paragraph (b)(6) of this clause; *provided*, however, that the Contractor (i)is not required to extend credit to any purchaser and (ii) may acquire the property under the conditions prescribed by, and at prices approved by, the Contracting Officer. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by the Government under this contract, credited to the price or cost of the work, or paid in any other manner directed by the Contracting Officer.
- (c) The Contractor shall submit complete termination inventory schedules no later than 120 days from the effective date of termination, unless extended in writing by the Contracting Officer upon written request of the Contractor within this 120-day period.
- (d) After expiration of the plant clearance period as defined in Subpart 49.001 of the Federal Acquisition Regulation, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of termination inventory not previously disposed of, excluding items authorized for disposition by the Contracting Officer. The Contractor may request the Government to remove those items or enter into an agreement for their storage. Within 15 days, the Government will accept title to those items and remove them or enter into a storage agreement. The Contracting Officer may verify the list upon removal of the items, or if stored, within 45 days from submission of the list, and shall correct the list, as necessary, before final settlement.
- (e) After termination, the Contractor shall submit a final termination settlement proposal to the Contracting Officer in the form and with the certification prescribed by the Contracting Officer. The Contractor shall submit the proposal promptly, but no later than 1 year from the effective date of termination, unless extended in writing by the Contracting Officer upon written request of the Contractor within this 1-year period. However, if the Contracting Officer determines that the facts justify it, a termination settlement proposal may be received and acted on after 1 year or any extension. If the Contractor fails to submit the proposal within the time allowed, the Contracting Officer may determine, on the basis of information available, the amount, if any, due the Contractor because of the termination and shall pay the amount determined.

- (f) Subject to paragraph (e) of this clause, the Contractor and the Contracting Officer may agree upon the whole or any part of the amount to be paid or remaining to be paid because of the termination. The amount may include a reasonable allowance for profit on work done. However, the agreed amount, whether under this paragraph (f) or paragraph (g) of this clause, exclusive of costs shown in paragraph (g)(3) of this clause, may not exceed the total contract price as reduced by (1) the amount of payments previously made and (2) the contract price of work not terminated. The contract shall be modified, and the Contractor paid the agreed amount. Paragraph (g) of this clause shall not limit, restrict, or affect the amount that may be agreed upon to be paid under this paragraph.
- (g) If the Contractor and the Contracting Officer fail to agree on the whole amount to be paid because of the termination of work, the Contracting Officer shall pay the Contractor the amounts determined by the Contracting Officer as follows, but without duplication of any amounts agreed on under paragraph (f) of this clause:
- (1) The contract price for completed supplies or services accepted by the Government (or sold or acquired under paragraph (b)(9) of this clause) not previously paid for, adjusted for any saving of freight and other charges.
- (2) The total of-
- (i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but excluding any costs attributable to supplies or services paid or to be paid under paragraph (g)(1) of this clause;
- (ii) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in subdivision (g)(2)(i) of this clause; and
- (iii) A sum, as profit on subdivision (g)(2)(i) of this clause, determined by the Contracting Officer under 49.202 of the Federal Acquisition Regulation, in effect on the date of this contract, to be fair and reasonable; however, if it appears that the Contractor would have sustained a loss on the entire contract had it been completed, the Contracting Officer shall allow no profit under this subdivision (g)(2)(iii) and shall reduce the settlement to reflect the indicated rate of loss.
- (3) The reasonable costs of settlement of the work terminated, including-
- (i) Accounting, legal, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data;
- (ii) The termination and settlement of subcontracts (excluding the amounts of such settlements); and
- (iii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.
- (h) Except for normal spoilage, and except to the extent that the Government expressly assumed the risk of loss, the Contracting Officer shall exclude from the amounts payable to the Contractor under paragraph (g) of this clause, the fair value as determined by the Contracting Officer, for the loss of the Government property.
- (i) The cost principles and procedures of <u>part 31</u> of the Federal Acquisition Regulation, in effect on the date of this contract, shall govern all costs claimed, agreed to, or determined under this clause.
- (j) The Contractor shall have the right of appeal, under the Disputes clause, from any determination made by the Contracting Officer under paragraph (e), (g), or (l) of this clause, except that if the Contractor failed to submit the termination settlement proposal or request for equitable adjustment within the time provided in paragraph (e) or (l), respectively, and failed to request a time extension, there is no right of appeal.
- (k) In arriving at the amount due the Contractor under this clause, there shall be deducted-
- (1) All unliquidated advance or other payments to the Contractor under the terminated portion of this contract;
- (2) Any claim which the Government has against the Contractor under this contract; and
- (3) The agreed price for, or the proceeds of sale of, materials, supplies, or other things acquired by the Contractor or sold under the provisions of this clause and not recovered by or credited to the Government.
- (I) If the termination is partial, the Contractor may file a proposal with the Contracting Officer for an equitable adjustment of the price(s) of the continued portion of the contract. The Contracting Officer shall make any equitable adjustment agreed upon. Any proposal by the Contractor for an equitable adjustment under this clause shall be requested within 90 days from the effective date of termination unless extended in writing by the Contracting Officer.
- (m)
- (1) The Government may, under the terms and conditions it prescribes, make partial payments and payments against costs incurred by the Contractor for the terminated portion of the contract, if the Contracting Officer believes the total of these payments will not exceed the amount to which the Contractor will be entitled.
- (2) If the total payments exceed the amount finally determined to be due, the Contractor shall repay the excess to the Government upon demand, together with interest computed at the rate established by the Secretary of the Treasury under 50 U.S.C. App.1215(b)(2). Interest shall be computed for the period from the date the excess payment is received by the Contractor to the date the excess is repaid. Interest shall not be charged on any excess payment due to a reduction in the Contractor's termination settlement proposal because of retention or other disposition of termination inventory until 10 days after the date of the retention or disposition, or a later date determined by the Contracting Officer because of the circumstances.
- (n) Unless otherwise provided in this contract or by statute, the Contractor shall maintain all records and documents relating to the terminated portion of this contract for 3 years after final settlement. This includes all books and other evidence bearing on the Contractor's costs and expenses under this contract. The Contractor shall make these records and documents available to the Government, at the Contractor's office, at all reasonable times, without any direct charge. If approved by the Contracting Officer, photographs, microphotographs, or other authentic reproductions may be maintained instead of original records and documents. (End of clause)

252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material.

As prescribed in 208.7305 (a), use the following clause:

INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL (DEC 1991)

- (a) The Government intends to furnish precious metals required in the manufacture of items to be delivered under the contract if the Contracting Officer determines it to be in the Government's best interest. The use of Government-furnished silver is mandatory when the quantity required is one hundred troy ounces or more. The precious metal(s) will be furnished pursuant to the Government Furnished Property clause of the contract.
- (b) The Offeror shall cite the type (silver, gold, platinum, palladium, iridium, rhodium, and ruthenium) and quantity in whole troy ounces of precious metals required in the performance of this contract (including precious metals required for any first article or production sample), and shall specify the national stock number (NSN) and nomenclature, if known, of the deliverable item requiring precious metals.

Precious Metal*	Quantity	Deliverable Item (NSN and Nomenclature)

^{*}If platinum or palladium, specify whether sponge or granules are required.

- (c) Offerors shall submit two prices for each deliverable item which contains precious metals—one based on the Government furnishing precious metals, and one based on the Contractor furnishing precious metals. Award will be made on the basis which is in the best interest of the Government.
- (d) The Contractor agrees to insert this clause, including this paragraph (d), in solicitations for subcontracts and purchase orders issued in performance of this contract, unless the Contractor knows that the item being purchased contains no precious metals. (End of clause)

252.225-7015 Restriction on Acquisition of Hand or Measuring Tools.

As prescribed in 225.7002-3 (b), use the following clause:

RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS (JUN 2005)

Hand or measuring tools delivered under this contract shall be produced in the United States or its outlying areas. (End of clause)

252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate.

As prescribed in 225.7011-3, use the following clause:

RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE (DEC 2006)

- (a) Carbon, alloy, and armor steel plate shall be melted and rolled in the United States or Canada if the carbon, alloy, or armor steel plate—
- (1) Is in Federal Supply Class 9515 or is described by specifications of the American Society for Testing Materials or the American Iron and Steel Institute; and
- (2)(i) Will be delivered to the Government for use in a Government-owned facility or a facility under the control of the Department of Defense; or
- (ii) Will be purchased by the Contractor for use in a Government-owned facility or a facility under the control of the Department of Defense.
- (b) This restriction-
- (1) Applies to the acquisition of carbon, alloy, or armor steel plate as a finished steel mill product that may be used "as is" or may be used as an intermediate material for the fabrication of an end product; and
- (2) Does not apply to the acquisition of an end product (e.g., a machine tool), to be used in the facility, that contains carbon, alloy, or armor steel plate as a component. (End of clause)

252.227-7027 Deferred Ordering of Technical Data or Computer Software.

As prescribed at 227.7103-8 (b), use the following clause:

DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)

In addition to technical data or computer software specified elsewhere in this contract to be delivered hereunder, the Government may, at any time during the performance of this contract or within a period of three (3) years after acceptance of all items (other than technical data or computer software) to be delivered under this contract or the termination of this contract, order any technical data or computer software generated in the performance of this contract or any subcontract hereunder. When the technical data or computer software is ordered, the Contractor shall be compensated for converting the data or computer software into the prescribed form, for reproduction and delivery. The obligation to deliver the technical data of a subcontractor and pertaining to an item obtained from him shall expire three (3) years after the date the Contractor accepts the last delivery of that item from that subcontractor under this contract. The Government's rights to use said data or computer software shall be pursuant to the "Rights in Technical Data and Computer Software" clause of this contract.

(End of clause)

252.227-7030 Technical Data—Withholding of Payment.

As prescribed at <u>227.7103-6(e)(2)</u> or <u>227.7104</u> (e)(4), use the following clause:

TECHNICAL DATA—WITHHOLDING OF PAYMENT (MAR 2000)

(a) If technical data specified to be delivered under this contract, is not delivered within the time specified by this contract or is deficient upon delivery (including having restrictive markings not identified in the list described in the clause at 252.227-7013 (e)(2) or 252.227-

<u>7018</u> (e)(2) of this contract), the Contracting Officer may until such data is accepted by the Government, withhold payment to the Contractor of ten percent (10%) of the total contract price or amount unless a lesser withholding is specified in the contract. Payments shall not be withheld nor any other action taken pursuant to this paragraph when the Contractor's failure to make timely delivery or to deliver such data without deficiencies arises out of causes beyond the control and without the fault or negligence of the Contractor. (b) The withholding of any amount or subsequent payment to the Contractor shall not be construed as a waiver of any rights accruing to the Government under this contract. (End of clause)