

**CUSTOMER CONTRACT REQUIREMENTS**  
**P-8A Poseidon Stores Management System and D and I Level Maintenance**  
**CUSTOMER CONTRACT N68836-17-C-0010**

**CUSTOMER CONTRACT REQUIREMENTS**

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

**1. FAR Clauses** The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller.

**52.203-6 Restrictions on Subcontractor Sales to the Government** (SEP 2006). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold.

**52.203-7 Anti-Kickback Procedures** (MAY 2014). Buyer may withhold from sums owed Seller the amount of any kickback paid by Seller or its subcontractors at any tier if (a) the Contracting Officer so directs, or (b) the Contracting Officer has offset the amount of such kickback against money owed Buyer under the prime contract. This clause, excluding subparagraph (c)(1), applies only if this contract exceeds \$150,000.

**52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity** (MAY 2014). This clause applies to this contract if the Seller, its employees, officers, directors or agents participated personally and substantially in any part of the preparation of a proposal for this contract. The Seller shall indemnify Buyer for any and all losses suffered by the Buyer due to violations of the Act (as set forth in this clause) by Seller or its subcontractors at any tier.

**52.203-10 Price or Fee Adjustment for Illegal or Improper Activity** (MAY 2014). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold. If the Government reduces Buyer's price or fee for violations of the Act by Seller or its subcontractors at any tier, Buyer may withhold from sums owed Seller the amount of the reduction.

**52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions** (SEP 2007). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold.

**52.203-12 Limitation on Payments to Influence Certain Federal Transactions** (OCT 2010). This clause applies only if this contract exceeds \$150,000. Paragraph (g)(2) is modified to read as follows: "(g)(2) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor."

**52.203-13 Contractor Code of Business Ethics and Conduct** (OCT 2015). This clause applies only if this contract is in excess of \$5,500,000 and has a period of performance of more than 120 days.

**52.204-9 Personal Identity Verification of Contractor Personnel**. (JAN 2011). This clause applies only if performance under this contract requires Seller to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

**52.204-10 Reporting Executive Compensation And First-Tier Subcontract Awards** (OCT 2016). Delete all paragraphs and replace with the following: "If Seller meets the executive compensation reporting requirements of 52.204-10, Seller shall provide the required executive compensation information by maintaining an active registration in the U.S. government System for Award Management (*SAM*) in accordance with 52.204-7. The required information of 52.204-10 will be made public."

**52.204-13 System for Award Management Maintenance** (OCT 2016).

**52.204-21 Basic Safeguarding of Covered Information Systems** (JUN 2016).

**52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment** (OCT 2015). Seller agrees it is not debarred, suspended, or proposed for debarment by the Federal Government. Seller shall disclose to Buyer, in writing, whether as of the time of award of this contract, Seller or its principals is or is not debarred, suspended, or proposed for debarment by the Federal Government. This clause does not apply to contracts where Seller is providing commercially available off-the shelf items.

**52.211-5 Material Requirements** (AUG 2000). Any notice will be given to Buyer rather than the Contracting Officer.

**52.215-2 Audit and Records - Negotiation** (OCT 2010). This clause applies only if this contract exceeds \$150,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types; (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause. Notwithstanding the above, Buyer's rights to audit Seller are governed by the Financial Records and Audit article of the General Provisions incorporated in the Contract.

**52.215-10 Price Reduction for Defective Certified Cost or Pricing Data** (AUG 2011). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. In subparagraph (3) of paragraph (a), insert "of this contract" after "price or cost." In Paragraph (c), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Paragraphs (c)(1), (c)(1)(ii), and (c)(2)(i), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Subparagraph (c)(2)(i)(A), delete "to the Contracting Officer." In Subparagraph (c)(2)(ii)(B), "Government" shall mean "Government or Buyer." In Paragraph (d), "United States" shall mean "United States or Buyer."

**52.215-12 Subcontractor Certified Cost or Pricing Data** (OCT 2010). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government)."

**52.215-14 Integrity of Unit Prices** (OCT 1997). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold. This clause does not apply to construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.

**52.215-15 Pension Adjustments and Asset Reversions** (OCT 2010). This clause applies to this contract if it meets the requirements of FAR 15.408(g).

**52.215-18 Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other Than Pensions** (JUL 2005). This clause applies to this contract if it meets the requirements of FAR 15.408(j).

**52.215-19 Notification of Ownership Changes** (OCT 1997). This clause applies to this contract if it meets the requirements of FAR 15.408(k).

**52.215-21 Requirement for Certified Cost or Pricing Data or Information Other Than Certified Cost and Pricing Data - Modifications** (OCT 2010). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4. The term

"Contracting Officer" shall mean Buyer. Insert the following in lieu of paragraph (a)(2): "Buyer's audit rights to determine price reasonableness shall also apply to verify any request for an exception under this clause. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the Contractor's determination of the prices to be offered in the catalog or marketplace."

**52.215-21 Requirement for Cost or Pricing Data or Information Other Than Cost and Pricing Data - Modifications Alternate III** (OCT 1997).

**52.215-23 Limitations on Pass-Through Charges.** (OCT 2009). This clause applies to all cost-reimbursement subcontracts that exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold. If the contract is with DoD, then this clause applies to all cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4. In paragraph (c), "Contracting Officer" shall mean Buyer.

**52.219-8 Utilization of Small Business Concerns** (NOV 2016).

**52.219-9 Small Business Subcontracting Plan (Jan 2017) Alternate II** (NOV 2016). This clause applies only if this contract exceeds \$700,000 and Seller is not a small business concern. Seller shall adopt a subcontracting plan that complies with the requirements of this clause. In addition, Seller shall submit to Buyer Form X31162, Small Business Subcontracting Plan Certificate of Compliance. In accordance with paragraph (d)(10)(v), Seller agrees that it will submit the ISR and/or SSR using eSRS, and, in accordance with paragraph (d)(10)(vii), Seller agrees to provide the prime contract number, its own DUNS number, and the email address of Seller's official responsible for acknowledging or rejecting the ISRs, to its subcontractors with subcontracting plans. As required by (d) (10)(vi), the following information is provided: (1) the prime contract number is N68836-17-C-0010; (2) Buyer's DUNS number is 832963495; and (3) the email address of Buyer's official responsible for acknowledging receipt of or rejecting the ISRs is (contact Buyer's Authorized Procurement Agent.)

**52.219-28 Post-Award Small Business Program Representation** (JUL 2013). In paragraph (b), delete "...or, if applicable paragraph (g) of this clause..." Delete paragraph (c) and insert the following paragraph (c) in lieu thereof: "Seller shall represent its size status in accordance with SBA's size code standards in effect at the time of this representation to Buyer. The size status shall correspond to the North American Industry Classification System (NAICS) code applicable to Seller's contract." Delete paragraphs (d) and (g). Delete paragraph (e) and insert the following paragraph (e) in lieu thereof: "Seller shall make the representation required by paragraph (b) of this clause by submitting an updated Buyer Form F70102 or updating Seller's profile information on line in Buyer's BEST system."

**52.222-19 Child Labor - Cooperation with Authorities and Remedies** (OCT 2016). In (d), "Contracting Officer" means Buyer.

**52.222-21 Prohibition of Segregated Facilities** (APR 2015).

**52.222-26 Equal Opportunity** (SEP 2016).

**52.222-35 Equal Opportunity for Veterans.** (OCT 2015). This clause applies only if this contract is \$150,000 or more.

**52.222-36 Equal Opportunity for Workers with Disabilities** (JUL 2014). This clause applies only if this contract exceeds \$15,000.

**52.222-37 Employment Reports on Veterans** (FEB 2016). This clause applies if this contract is \$150,000 or more, unless exempted by rules, regulations, or orders of the Secretary of Labor.

**52.222-40 Notification of Employee Rights Under the National Labor Relations Act.** (DEC 2010).

**52.222-50 Combating Trafficking in Persons** (MAR 2015). The term "contractor" shall mean "Seller", except in the paragraph (a) definition of Agent, and except when the term "prime contractor" appears, which shall remain unchanged. The term "Contracting

Officer” shall mean “Contracting Officer, Buyer's Authorized Procurement representative” in paragraph (d)(1). Paragraph (d)(2) shall read as follows: “If the allegation may be associated with more than one contract, the Seller shall inform the Buyer's Authorized Procurement Representative for each affected contract.” The term “the Government” shall mean “the Government and Buyer” in paragraph (e). The term “termination” shall mean “Cancellation” and “Cancellation for Default”, respectively, in paragraph (e)(6). The term “Contracting Officer” shall mean “Contracting Officer and Buyer” in paragraph (f), except in paragraph (f)(2), where it shall mean “Contracting Officer or Buyer”. Paragraph (h)(2)(ii) shall read as follows: “To the nature and scope of the activities involved in the performance of a Government subcontract, including the number of non-United States citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking in persons.” The term “Contracting Officer” shall mean “Contracting Officer or Buyer” in paragraph (h)(4)(ii). The term “Contracting Officer” shall mean “Buyer” in paragraph (h)(5).

**52.222-54 Employment Eligibility Verification** (OCT 2015). This clause applies to all subcontracts that (1) are for (i) commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item, or an item that would be a COTS item, but for minor modifications performed by the COTS provider and are normally provided for that COTS item), or (ii) construction; (2) has a value of more than \$3,500; and (3) includes work performed in the United States.

**52.223-18 Encouraging Contractor Policies To Ban Text Messaging While Driving** (AUG 2011).

**52.225-13 Restriction on Certain Foreign Purchases** (JUN 2008).

**52.227-1 Authorization and Consent** (DEC 2007).

**52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement** (DEC 2007). A copy of each notice sent to the Government shall be sent to Buyer.

**52.230-6 Administration of Cost Accounting Standards** (JUN 2010). Add "Buyer and the" before "CFAO" in paragraph (m). This clause applies if clause H001, H002, H004 or H007 is included in this contract.

**52.232-39 Unenforceability of Unauthorized Obligations** (JUN 2013).

**52.232-40 Providing Accelerated Payments to Small Business Subcontractors.** (DEC 2013). This clause applies to contracts with small business concerns. The term "Contractor" retains its original meaning.

**52.244-6 Subcontracts for Commercial Items** (JAN 2017). Clauses in paragraph (c) (1) are applicable to Seller for commercial items ordered by Buyer from Seller under this contract.

**52.247-63 Preference for U.S.-Flag Air Carriers** (JUN 2003). This clause only applies if this contract involves international air transportation.

**52.248-1 Value Engineering** (OCT 2010). This clause applies only if this contract is for \$150,000 or more. The term “Contractor” means Seller. The term "Contracting Officer" means Buyer. The term "contracting office" means US Government contracting office. The term "Government" means Buyer except in subparagraph (c)(5). The term "Government" does not mean Buyer as it is used in the phrase "Government costs". Paragraph (d) shall read as follows: The Seller shall submit VECP's to the Buyer.

Subparagraph (e)(1) shall read as follows: The Buyer will notify the Seller of the status of the VECP after receipt. The Buyer will process VECP's expeditiously; however, it will not be liable for any delay in acting upon a VECP.

Paragraph (m) shall read as follows: (m) Data. The Seller may restrict the Government's right to use any part of a VECP or the supporting data by marking the following legend on the affected parts:

These data, furnished under the Value Engineering clause of contract, shall not be disclosed outside the Buyer and Government or duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate a value engineering change proposal submitted under the clause. This restriction does not limit the Buyer's and Government's right to use information contained in these data if it has been obtained or is otherwise available from the Seller or from another source without limitations.

If a VECP is accepted, the Seller hereby grants the Government unlimited rights in the VECP and supporting data, except that, with respect to data qualifying and submitted as limited rights or Government purpose rights technical data, the Government shall have the rights specified in the contract modification implementing the VECP and Seller shall appropriately mark the data. (The terms “unlimited

rights” a “limited rights” and “Government purpose rights” are defined in Part 27 of the Federal Acquisition Regulation (“FAR”) or Part 227 of the Defense FAR Supplement, as applicable.)

Seller’s share of the net acquisition savings and collateral savings shall not reduce the Government’s share of concurrent or future savings or collateral savings. Buyer’s payments to Seller under this clause are conditioned upon Buyer’s receipt of authorization for such payments from the Government

**52.253-1 Computer Generated Forms (JAN 1991).**

**2. DoD FAR Supplement Clauses** DoD Contracts. The following contract clauses are incorporated by reference from the Department of Defense Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller except as otherwise noted.

**252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC 2008).** This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer’s customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer’s customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold and is not for the purchase of commercial items or commercial components. Except in paragraph (a), "this contract" and "the contract" mean the contract between Buyer and Seller. In subparagraph (d)(2), delete the words "or first-tier subcontractor." In paragraph (e), the remedies described in subparagraphs (2) and (3) are available to Buyer, not the Government. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer." Paragraph (g) is deleted.

**252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013).**

**252.203-7003 Agency Office of the Inspector General. (DEC 2012).** This clause applies if FAR 52.203-13 applies.

**252.203-7004 DISPLAY OF HOTLINE POSTER (OCT 2016).** The clause applies to contracts that exceed \$5.5 million except for when the contract is for the acquisition of a commercial item.

**252.204-7000 Disclosure of Information (OCT 2016).** Seller shall submit requests for authorization to release information through Buyer. Seller shall submit written requests to Buyer a minimum of 25 days prior to proposed date of release.

**252.204-7015 Notice of Authorized Disclosure of Information for Litigation Support (MAY 2016).**

**252.211-7003 Item Unique Identification and Valuation (MAR 2016).**

This clause applies if this contract acquires any item for which unique item identification is required in accordance with paragraph (c) (1) of this clause. Any exceptions under paragraph (c) (1) (i) or specific items requiring a unique item identifier in accordance with paragraph (c) (1) (ii)-(v), if any, shall be identified in an exhibit in this contract.

**252.215-7000 Pricing Adjustments (DEC 2012).** This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4.

**252.219-7003 Small Business Subcontracting Plan (DoD Contracts) Deviation (AUG 2016).** Paragraph (e) is deleted.

**252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements (DEC 2010).** This clause applies to all solicitations and contracts (including task or delivery orders and bilateral modifications adding new work) valued in excess of \$1 million, except for contracts for the acquisition of commercial items, including commercially available off-the-shelf-items. Seller agrees to flow down this clause to all covered subcontractors. Seller agrees by accepting this contract that it shall not enter into, and shall not take any action to enforce, any provision of any existing agreements, as describe in paragraph (b)(1) of this clause, with respect to any of Seller’s employees or independent contractors performing work for Seller related to this contract.

**252.223-7006 Prohibition on Storage, Treatment, And Disposal of Toxic Or Hazardous Materials (SEP 2014).** This clause applies if the contract requires, may require, or permits Seller access to a DoD installation. Seller shall include this clause in any of their

subcontracts.

**252.225-7001 Buy American and Balance of Payments Program** (DEC 2016). In paragraph (c), the phrase "in the Buy American Balance of Payments Program Certificate provision of the solicitation" is deleted and the word "certified" is deleted and replaced with the word "specified."

**252.225-7002 Qualifying Country Sources as Subcontractors** (DEC 2016).

**252.225-7004 Reporting Of Contract Performance Outside The United States And Canada - Submission After Award** (OCT 2015). "Contracting Officer" means "Buyer." Paragraph (c)(5) is deleted. In (d)(2) "from the Contracting Officer or" is deleted.

**252.225-7012 Preference for Certain Domestic Commodities** (DEC 2016).

**252.225-7048 Export-Controlled Items** (JUN 2013).

**252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises--DoD Contracts and Native Hawaiian Small Business Concerns** (SEP 2004). This clause applies only if this contract exceeds \$500,000.

**252.227-7013 Rights In Technical Data -- Noncommercial Items** (FEB 2014). This clause applies when technical data for noncommercial items, or for commercial items developed in any part at Government expense, is to be obtained from Seller or Seller's subcontractors for delivery to the Government.

**252.227-7014 Rights In Noncommercial Computer Software And Noncommercial Computer Software Documentation** (FEB 2014). This clause applies when noncommercial computer software or computer software documentation is to be obtained from Seller or Seller's subcontractors for delivery to the Government.

**252.227-7016 Rights in Bid or Proposal Information** (JAN 2011).

**252.227-7019 Validation of Asserted Restrictions - Computer Software** (SEP 2016).

**252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked With Restrictive Legends** (MAY 2013). In paragraph (c)(1), the term "Government" shall mean "Government and Buyer".

**252.227-7027 Deferred Ordering of Technical Data or Computer Software** (APR 1988). This clause applies only if technical data or computer software may be generated as part of the performance of this contract.

**252.227-7030 Technical Data -- Withholding of Payment** (MAR 2000). In this clause, "Government" and "Contracting Officer" shall mean Buyer. This clause applies only if the delivery of technical data is required under this contract.

**252.227-7037 Validation of Restrictive Markings on Technical Data** (SEP 2016).

**252.231-7000 Supplemental Cost Principles** (DEC 1991).

**252.243-7001 Pricing of Contract Modifications** (DEC 1991).

**252.244-7000 Subcontracts for Commercial Items** (JUN 2013).

**252.246-7003 Notification of Potential Safety Issues** (JUN 2013). This clause applies only if this subcontract is for: (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies and parts integral to a system. The notification required by paragraph (c) of this clause will be provided to Buyer and to the administrative contracting officer (ACO) and the procuring contracting officer (PCO) if Seller is aware of the ACO and PCO for the prime contract.

**252.247-7023 Transportation of Supplies by Sea-Basic** (APR 2014). This clause applies if this contract is for supplies that are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." If this contract exceeds the simplified acquisition threshold, paragraphs (a)-(h) apply. In paragraph (g) "Government" means Buyer. If this contract is at or below the simplified acquisition threshold, paragraphs (f) and (g) are excluded.

**252.247-7024 Notification of Transportation of Supplies by Sea** (MAR 2000). Contracting Officer and, in the first sentence of paragraph (a), Contractor mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

**252.249-7002 Notification Of Anticipated Contract Termination Or Reduction** (OCT 2015). "Contracting Officer" shall mean "Buyer". Subparagraph (d)(1) shall be deleted. The phrase "Require that each such subcontractor" of subparagraph (d)(2) shall be deleted.

**3. Commercial Items** If goods or services being procured under this contract are commercial items and Clause H203 is set forth in the purchase order, the foregoing Government clauses in Sections 1 and 2 above are deleted and the following FAR/DFARS clauses are inserted in lieu thereof:

**52.203-13 Contractor Code of Business Ethics and Conduct** (OCT 2015). This clause applies only if this contract is in excess of \$5,500,000 and has a period of performance of more than 120 days.

**52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009** (JUN 2010). This clause applies if this contract is funded in whole or in part with Recovery Act funds.

**52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements** (JAN 2017).

**52.204-21 Basic Safeguarding of Covered Information Systems** (JUN 2016).

**52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment** (OCT 2015). Seller agrees it is not debarred, suspended, or proposed for debarment by the Federal Government. Seller shall disclose to Buyer, in writing, whether as of the time of award of this contract, Seller or its principals is or is not debarred, suspended, or proposed for debarment by the Federal Government. This clause does not apply to contracts where Seller is providing commercially available off-the shelf items.

**52.219-8 Utilization of Small Business Concerns** (NOV 2016).

**52.222-21 Prohibition of Segregated Facilities** (APR 2015).

**52.222-26 Equal Opportunity** (SEP 2016).

**52.222-35 Equal Opportunity for Veterans.** (OCT 2015). This clause applies only if this contract is \$150,000 or more.

**52.222-36 Equal Opportunity for Workers with Disabilities** (JUL 2014). This clause applies only if this contract exceeds \$15,000.

**52.222-37 Employment Reports on Veterans** (FEB 2016). This clause applies if the Contract is \$150,000 or more.

**52.222-40 Notification of Employee Rights Under the National Labor Relations Act.** (DEC 2010).

**52.222-50 Combating Trafficking in Persons** (MAR 2015). The term "contractor" shall mean "Seller", except in the paragraph (a) definition of Agent, and except when the term "prime contractor" appears, which shall remain unchanged. The term "Contracting

Officer” shall mean “Contracting Officer, Buyer's Authorized Procurement representative” in paragraph (d)(1). Paragraph (d)(2) shall read as follows: “If the allegation may be associated with more than one contract, the Seller shall inform the Buyer's Authorized Procurement Representative for each affected contract.” The term “the Government” shall mean “the Government and Buyer” in paragraph (e). The term “termination” shall mean “Cancellation” and “Cancellation for Default”, respectively, in paragraph (e)(6). The term “Contracting Officer” shall mean “Contracting Officer and Buyer” in paragraph (f), except in paragraph (f)(2), where it shall mean “Contracting Officer or Buyer”. Paragraph (h)(2)(ii) shall read as follows: “To the nature and scope of the activities involved in the performance of a Government subcontract, including the number of non-United States citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking in persons.” The term “Contracting Officer” shall mean “Contracting Officer or Buyer” in paragraph (h)(4)(ii). The term “Contracting Officer” shall mean “Buyer” in paragraph (h)(5).

**52.222-50 Combating Trafficking in Persons Alternate I (MAR 2015).** The term “Contractor” shall mean “Seller”, except the term “prime contractor” shall remain unchanged. The term “Contracting Officer” shall mean “Contracting Officer and the Buyer's Authorized Procurement representative in paragraph (d)(1). Paragraph (d)(2) shall read as follows: “If the allegation may be associated with more than one contract, the Seller shall inform the Buyer's Authorized Procurement Representative for each affected contract.” The term “the Government” shall mean “the Government and Buyer” in paragraph (e). The term “termination” shall mean “cancellation” and “Cancellation for Default”, respectively, in paragraph (e)(6). Insert the following at the end of paragraph (e): “If the Government exercises one of the remedies identified in the paragraph (e) against Buyer as a result, in whole or in part, of the Seller's violation of its obligations under this clause, Buyer may impose that remedy against the Seller proportionate to the extent to which Seller's violation caused the Government's decision to impose a remedy on Buyer.” The term “Contracting Officer” shall mean “Contracting Officer and Buyer” in paragraph (f), except in paragraph (f)(2), where it shall mean “Contracting Officer or Buyer”. Paragraph (h)(2)(ii) shall read as follows: “To the nature and scope of the activities involved in the performance of a Government subcontract, including the number of non-United States citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking in persons.” The term “Contracting Officer” shall mean “Contracting Officer or Buyer” in paragraph (h)(4)(ii). The term “Contracting Officer” shall mean “Buyer” in paragraph (h)(5).

**52.222-54 Employment Eligibility Verification (OCT 2015).** This clause applies to all subcontracts that (1) are for (i) commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item, or an item that would be a COTS item, but for minor modifications performed by the COTS provider and are normally provided for that COTS item), or (ii) construction; (2) has a value of more than \$3,500; and (3) includes work performed in the United States.

**52.222-55 Minimum Wages Under Executive Order 13658 (DEC 2015).** This clause applies if this contract is subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and is to be performed in whole or in part in the United States. "Contracting Officer" shall mean "Buyer" except for paragraphs (e)(2), (4) and (g). If the Government exercises a withhold identified in the paragraph (g) against Buyer as a result of the Seller's violation of its obligations under this clause, Buyer may impose that withhold against the Seller.

**52.222-62 Paid Sick Leave Under Executive Order 13706 (JAN 2017).** This clause applies if the Contract is subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States.

**52.224-3 Privacy Training Alternate I (JAN 2017).** The term "Contracting Officer" shall mean "Contracting Officer or Buyer".

**52.224-3 Privacy Training (JAN 2017).** The term "Contracting Officer" shall mean "Contracting Officer or Buyer".

**52.225-26 Contractors Performing Private Security Functions Outside the United States (OCT 2016).** This clause applies if the Contract will be performed outside the United States in areas of (1) combat operations, as designated by the Secretary of Defense; or (2) other significant military operations, upon agreement of the Secretaries of Defense and State that the clause applies in that area. In paragraph (d)(1), Contracting Officer shall mean "Contracting Officer or Buyer" and in paragraph (d) (3), Contracting Officer shall mean Buyer.

**52.232-40 Providing Accelerated Payments to Small Business Subcontractors. (DEC 2013).** This clause applies to contracts with small business concerns. The term "Contractor" retains its original meaning.

**52.244-6 Subcontracts for Commercial Items (JAN 2017).** Clauses in paragraph (c) (1) are applicable to Seller for commercial items



ordered by Buyer from Seller under this Contract.

**52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels** (FEB 2006). This clause does not apply if this contract is for the acquisition of commercial items unless (i) this contract is a contract or agreement for ocean transportation services; or a construction contract; or (ii) the supplies being transported are (a) items the Seller is reselling or distributing to the Government without adding value (generally, the Seller does not add value to the items when it subcontracts items for f.o.b. destination shipment); or (b) shipped in direct support of U.S. military (1) contingency operations; (2) exercises; or (3) forces deployed in connection with United Nations or North Atlantic Treaty Organization humanitarian or peacekeeping operations.

**252.203-7002 REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS** (SEP 2013).

**252.204-7015 NOTICE OF AUTHORIZED DISCLOSURE OF INFORMATION FOR LITIGATION SUPPORT** (MAY 2016).

**252.211-7003 Item Unique Identification and Valuation** (MAR 2016). This clause applies if this contract acquires any item for which unique item identification is required in accordance with paragraph (c) (1) of this clause. Items subject to the requirements of DFARS 252.211-7003, if any, shall be identified in an exhibit in this contract.

**252.225-7001 Buy American and Balance of Payments Program** (DEC 2016). In paragraph (c), the phrase "in the Buy American Balance of Payments Program Certificate provision of the solicitation" is deleted and the word "certified" is deleted and replaced with the word "specified."

**252.225-7004 Reporting Of Contract Performance Outside The United States And Canada - Submission After Award** (OCT 2015). "Contracting Officer" means "Buyer." Paragraph (c)(5) is deleted. In (d)(2) "from the Contracting Officer or" is deleted.

**252.225-7012 Preference for Certain Domestic Commodities** (DEC 2016).

**252.225-7048 Export-Controlled Items** (JUN 2013).

**252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises--DoD Contracts and Native Hawaiian Small Business Concerns** (SEP 2004). This clause applies only if this contract exceeds \$500,000.

**252.227-7013 Rights In Technical Data -- Noncommercial Items** (FEB 2014). This clause applies when technical data for noncommercial items, or for commercial items developed in any part at Government expense, is to be obtained from Seller or Seller's subcontractors for delivery to the Government.

**252.227-7037 Validation of Restrictive Markings on Technical Data** (SEP 2016).

**252.243-7001 Pricing of Contract Modifications** (DEC 1991).

**252.244-7000 Subcontracts for Commercial Items** (JUN 2013).

**252.246-7003 Notification of Potential Safety Issues** (JUN 2013). This clause applies only if this subcontract is for: (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies and parts integral to a system. The notification required by paragraph (c) of this clause will be provided to Buyer and to the administrative contracting officer (ACO) and the procuring contracting officer (PCO) if Seller is aware of the ACO and PCO for the prime contract.

**252.247-7023 Transportation of Supplies by Sea-Basic** (APR 2014). This clause applies if this contract is for supplies that are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." If this contract exceeds the simplified acquisition threshold, paragraphs (a)-(h) apply. In paragraph (g) "Government" means Buyer. If this contract is at or below the simplified acquisition threshold, paragraphs (f) and (g) are excluded.

**252.247-7024 Notification of Transportation of Supplies by Sea** (MAR 2000). Contracting Officer and, in the first sentence of paragraph (a), Contractor mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

#### **4. Prime Contract Special Provisions** The following prime contract special provisions apply to this purchase order

##### **SUPTXT204-9400(1-17) Contractor Unclassified Access to Federally Controlled Facilities, Sensitive Information, Information Technology (IT) Systems or Protected Health Information**

The following shall be inserted in full text in all solicitations and contracts (including commercial acquisitions) which require contractor unclassified access to federally controlled facilities, sensitive information, IT systems or protected health information. For commercial acquisitions, this text shall be incorporated into either the Statement of Work or Performance Work Statement.

##### **Contractor Unclassified Access to Federally Controlled Facilities, Sensitive Information, Information Technology (IT) Systems or Protected Health Information**

Homeland Security Presidential Directive (HSPD)-12, requires government agencies to develop and implement Federal security standards for Federal employees and contractors. The Deputy Secretary of Defense Directive-Type Memorandum (DTM) 08-006 – “DoD Implementation of Homeland Security Presidential Directive – 12 (HSPD-12)” dated November 26, 2008 (or its subsequent DoD instruction) directs implementation of HSPD-12. This clause is in accordance with HSPD-12 and its implementing directives.

##### **APPLICABILITY**

This text applies to Seller employees or Seller’s subcontractor’s employees requiring physical access to any area of a federally controlled base, facility or activity and/or requiring access to a DoN or DoD computer/network/system to perform certain unclassified sensitive duties. This clause also applies to Seller employees or Seller’s subcontractor’s employees who access Privacy Act and Protected Health Information, provide support associated with fiduciary duties, or perform duties that have been identified as National Security Position, as advised by the command security manager. It is the responsibility of the responsible security officer of the command/facility where the work is performed to ensure compliance.

Each Seller employee or Seller’s subcontractor’s employee providing services at a Navy Command under this contract is required to obtain a Department of Defense Common Access Card (DoD CAC). Additionally, depending on the level of computer/network access, the employee will require a successful investigation as detailed below.

##### **ACCESS TO FEDERAL FACILITIES**

Per HSPD-12 and implementing guidance, all Seller employees or Seller’s subcontractor’s employees working at a federally controlled base, facility or activity under this clause will require a DoD CAC. When access to a base, facility or activity is required Seller employees or Seller’s subcontractor’s employees shall in-process with the Command’s Security Manager upon arrival to the Command and shall out-process prior to their departure at the completion of the individual’s performance under the contract.

##### **ACCESS TO DOD IT SYSTEMS**

In accordance with SECNAV M-5510.30, Seller employees or Seller’s subcontractor’s employees who require access to DoN or DoD networks are categorized as IT-I, IT-II, or IT-III. The IT-II level, defined in detail in SECNAV M-5510.30, includes positions which require access to information protected under the Privacy Act, to include Protected Health Information (PHI). All Seller employees or Seller’s subcontractor’s employees under this contract who require access to Privacy Act protected information are therefore categorized no lower than IT-II. IT Levels are determined by the requiring activity’s Command Information Assurance Manager. Seller employees or Seller’s subcontractor’s employees requiring privileged or IT-I level access, (when specified by the terms of the contract) require a Single Scope Background Investigation (SSBI) or T5 or T5R equivalent investigation, which is a higher level investigation than the National Agency Check with Law and Credit (NACLC)/T3/T3R described below. Due to the privileged system access, an investigation suitable for High Risk national security positions is required. Individuals who have access to system control, monitoring, or administration functions (e.g. system administrator, database administrator) require training and certification to Information Assurance Technical Level 1, and must be trained and certified on the Operating System or Computing Environment they are required to maintain.

Access to sensitive IT systems is contingent upon a favorably adjudicated background investigation. When access to IT systems is required for performance of Seller employees or Seller’s subcontractor’s employees’ duties, such employees shall in-process with the Navy Command’s Security Manager and Information Assurance Manager upon arrival to the Navy command and shall out process

prior to their departure at the completion of the individual's performance under the contract. Completion and approval of a System Authorization Access Request Navy (SAAR-N) form is required for all individuals accessing Navy Information Technology resources. The decision to authorize access to a government IT system/network is inherently governmental. The Seller or Seller's subcontractor supervisor is not authorized to sign the SAAR-N; therefore, the government employee with knowledge of the system/network access required or the COR shall sign the SAAR-N as the "supervisor".

The SAAR-N shall be forwarded to the Command's Security Manager at least 30 days prior to the individual's start date. Failure to provide the required documentation at least 30 days prior to the individual's start date may result in delaying the individual's start date.

When required to maintain access to required IT systems or networks, Seller or Seller's subcontractor shall ensure that all employees requiring access complete annual Information Assurance (IA) training, and maintain a current requisite background investigation. Seller's Security Representative shall contact Buyer for guidance when reinvestigations are required.

#### **INTERIM ACCESS**

The Command's Security Manager may authorize issuance of a DoD CAC and interim access to a DoN or DoD unclassified computer/network upon a favorable review of the investigative questionnaire and advance favorable fingerprint results. When the results of the investigation are received and a favorable determination is not made, the Seller or Seller's subcontractor employee working on the contract under interim access will be denied access to the computer network and this denial will not relieve Seller of his/her responsibility to perform.

#### **DENIAL OR TERMINATION OF ACCESS**

The potential consequences of any requirement under this clause including denial or termination of physical or system access in no way relieves Seller from the requirement to execute performance under the contract within the timeframes specified in the contract. Seller shall plan ahead in processing their employees and subcontractor employees. Seller shall insert this clause in all subcontracts when the subcontractor is permitted to have unclassified access to a federally controlled facility, federally-controlled information system/network and/or to government information, meaning information not authorized for public release.

#### **CONTRACTOR'S SECURITY REPRESENTATIVE**

Seller shall designate an employee to serve as Seller's Security Representative. Within three work days after contract award, Seller shall provide to the requiring activity's Security Manager and Buyer, in writing, the name, title, address and phone number for Seller's Security Representative. Seller's Security Representative shall be the primary point of contact on any security matter. Seller's Security Representative shall not be replaced or removed without prior notice to Buyer.

#### **BACKGROUND INVESTIGATION REQUIREMENTS AND SECURITY APPROVAL PROCESS FOR CONTRACTORS ASSIGNED TO NATIONAL SECURITY POSITIONS OR PERFORMING SENSITIVE DUTIES**

Navy security policy requires that all positions be given a sensitivity value based on level of risk factors to ensure appropriate protective measures are applied. Seller or Seller's subcontractor's employees under this contract are recognized as Non-Critical Sensitive [ADP/IT-II] positions when the contract scope of work require physical access to a federally controlled base, facility or activity and/or requiring access to a DoD computer/network, to perform unclassified sensitive duties. This designation is also applied to Seller employees or Seller's subcontractor's employees who access Privacy Act and Protected Health Information (PHI), provide support associated with fiduciary duties, or perform duties that have been identified as National Security Positions. At a minimum, each Seller employee or Seller's subcontractor's employee must be a US citizen and have a favorably completed NACLC or T3 or T3R equivalent investigation to obtain a favorable determination for assignment to a non-critical sensitive or IT-II position. The investigation consists of a standard NAC and a FBI fingerprint check plus law enforcement checks and credit check. Each Seller employee or Seller's subcontractor's employee filling a non-critical sensitive or IT-II position is required to complete:

- SF-86 Questionnaire for National Security Positions (or equivalent OPM investigative product)
- Two FD-258 Applicant Fingerprint Cards (or an electronic fingerprint submission)
- Original Signed Release Statements

Failure to provide the required documentation at least 30 days prior to the individual's start date shall result in delaying the individual's start date. Background investigations shall be reinitiated as required to ensure investigations remain current (not older than 10 years) throughout the contract performance period. Seller's Security Representative shall contact Buyer for guidance when reinvestigations are required.

Regardless of their duties or IT access requirements ALL Seller employees or Seller's subcontractor's employees shall in-process with the Command's Security Manager upon arrival to the command and shall out-process prior to their departure at the completion of the individual's performance under the contract. Employees requiring IT access shall also check-in and check-out with the Navy Command's Information Assurance Manager. Completion and approval of a System Authorization Access Request Navy (SAAR-N)

form is required for all individuals accessing Navy Information Technology resources. The SAAR-N shall be forwarded to the Navy Command's Security Manager at least 30 days prior to the individual's start date. Failure to provide the required documentation at least 30 days prior to the individual's start date shall result in delaying the individual's start date.

Seller shall ensure that each Seller employee or Seller's subcontractor's employee requiring access to IT systems or networks complete annual Information Assurance (IA) training, and maintain a current requisite background investigation. Seller employees or Seller's subcontractor's employees shall accurately complete the required investigative forms prior to submission to the Command Security Manager. The Command's Security Manager will review the submitted documentation for completeness prior to submitting it to the Office of Personnel Management (OPM); Potential suitability or security issues identified may render the Seller employee or Seller's subcontractor's employee ineligible for the assignment. An unfavorable determination is final (subject to SF-86 appeal procedures) and such a determination does not relieve Seller from meeting any contractual obligation under the contract. The

Command's Security Manager will forward the required forms to OPM for processing. Once the investigation is complete, the results will be forwarded by OPM to the DoD Central Adjudication Facility (CAF) for a determination.

If the Seller employee or Seller's subcontractor's employee already possesses a current favorably adjudicated investigation, Seller shall submit a Visit Authorization Request (VAR) via the Joint Personnel Adjudication System (JPAS) or a hard copy VAR directly from the contractor's Security Representative. Although Seller will take JPAS "Owning" role over Seller or Seller's subcontractor employee, the Command will take JPAS "Servicing" role over the employee during the hiring process and for the duration of assignment under that contract. Seller shall include the IT Position Category per SECNAV M-5510.30 for each employee designated on a VAR. The VAR requires annual renewal for the duration of the employee's performance under the contract.

#### **BACKGROUND INVESTIGATION REQUIREMENTS AND SECURITY APPROVAL PROCESS FOR CONTRACTORS ASSIGNED TO OR PERFORMING NONSENSITIVE DUTIES**

Seller or Seller's subcontractor employee whose work is unclassified and non-sensitive (e.g., performing certain duties such as lawn maintenance, vendor services, etc. ...) and who require physical access to publicly accessible areas to perform those duties shall meet the following minimum requirements:

- Must be either a US citizen or a US permanent resident with a minimum of 3 years legal residency in the United States (as required by The Deputy Secretary of Defense DTM 08-006 or its subsequent DoD instruction) and
- Must have a favorably completed National Agency Check with Written Inquiries (NACI) or T1 investigation equivalent including a FBI fingerprint check prior to installation access.

To be considered for a favorable trustworthiness determination, Seller's Security Representative must submit for all employees each of the following:

- SF-85 Questionnaire for Non-Sensitive Positions
- Two FD-258 Applicant Fingerprint Cards (or an electronic fingerprint submission)
- Original Signed Release Statements

Seller shall ensure each individual employee has a current favorably completed National Agency Check with Written Inquiries (NACI) or T1 equivalent investigation, or ensure successful FBI fingerprint results have been gained and investigation has been processed with OPM

Failure to provide the required documentation at least 30 days prior to the individual's start date may result in delaying the individual's start date.

\* Consult with Buyer for local policy when IT-III (non-sensitive) access is required for non-US citizens outside the United States.