



## Section 9 : GOVERNMENT CONTRACT REQUIREMENTS

---

CLAUSE 923 (10/01/96)

F04701-91-C-0031

DELTA II FOLLOW-ON PROGRAM

GOVERNMENT CONTRACT REQUIREMENTS

(a) 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" shall mean Seller.

(1) 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 1985)

(2) 52.203-7 Anti-Kickback Procedures (OCT 1988) [excluding subparagraph (c)(1)]. 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.

(3) 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (SEP 1990). This clause applies only if this contract exceeds the FAR small purchase limitation. 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 or recover from Seller the amount of the reduction.

(4) 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 1991). This clause applies only if this contract exceeds \$100,000.

(5) 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JAN 1990). This clause applies only if this contract exceeds \$100,000. Paragraph (c) (4) is modified to read as follows: "(c) (4) Seller will promptly submit any disclosure required (with written notice to Buyer) directly to the PCO for the prime contract. Buyer will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor."

(6) 52.204-2 Security Requirements (APR 1984) (excluding any reference to the Changes clause of this contract). This clause applies only if access to classified material is required.

(7) 52.208-1 Required Sources for Jewel Bearings and Related Items (APR 1984)

(8) 52.210-5 New Material (APR 1984). "Contracting Officer" shall mean Buyer.

(9) 52.210-7 Used or Reconditioned Material, Residual Inventory and Former Government Surplus Property (APR 1984). "Contracting Officer" shall mean Buyer.

(10) 52.211-15 Defense Priority and Allocation Requirements (SEP 1990)

- (11) 52.215-1 Examination of Records by Comptroller General (APR 1984). This clause applies only if this contract exceeds \$10,000.
- (12) 52.215-2 Audit -- Negotiation (DEC 1989). This clause applies only if this contract exceeds \$10,000.
- (13) 52.215-26 Integrity of Unit Prices (APR 1991) [excluding paragraph (c)]
- (14) 52.215-27 Termination of Defined Benefit Pension Plans (SEP 1989). This clause applies only if under this contract certified cost or pricing data is required and preaward or postaward cost determinations are subject to FAR subpart 31.2. Buyer may withhold or recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause. "Contracting Officer" shall mean Buyer.
- (15) 52.219-8 Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (FEB 1990)
- (16) 52.219-9 Small Business and Small Disadvantaged Business Subcontracting Plan (JAN 1991). This clause applies only if this contract exceeds \$500,000 and Seller is not a small business concern. In paragraph (c), "Contracting Officer" shall mean Buyer.
- (17) 52.219-13 Utilization of Women-Owned Small Businesses (AUG 1986)
- (18) 52.220-3 Utilization of Labor Surplus Area Concerns (APR 1984)
- (19) 52.220-4 Labor Surplus Area Subcontracting Program (APR 1984). This clause applies only if this contract exceeds \$500,000.
- (20) 52.222-1 Notice to the Government of Labor Disputes (APR 1984). "Contracting Officer" shall mean Buyer.
- (21) 52.222-4 Contract Work Hours and Safety Standards Act -- Overtime Compensation (MAR 1986). Buyer may withhold or recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.
- (22) 52.222-20 Walsh-Healey Public Contracts Act (APR 1984). This clause applies only if this contract exceeds \$10,000.
- (23) 52.222-26 Equal Opportunity (APR 1984) [subparagraphs (b)(1) through (11)]
- (24) 52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1984). This clause applies only if this contract is for \$10,000 or more.
- (25) 52.222-36 Affirmative Action for Handicapped Workers (APR 1984). This clause applies only if this contract exceeds \$2,500.
- (26) 52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (JAN 1988). This clause applies only if this contract is for \$10,000 or more.
- (27) 52.223-2 Clean Air and Water (APR 1984). This clause applies only if this contract exceeds \$100,000.
- (28) 52.225-11 Restrictions on Certain Foreign Purchases (APR 1991)

(29) 52.227-1 Authorization and Consent (APR 1984)

(30) 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (APR 1984). This clause applies only if this contract exceeds the FAR small purchase limitation. A copy of each notice sent to the Government will be sent to Buyer.

(31) 52.227-9 Refund of Royalties (APR 1984). This clause applies only if the amount of royalties reported during negotiation of this contract exceeds \$250.

(32) 52.227-10 Filing of Patent Applications -- Classified Subject Matter (APR 1984)

(33) 52.237-2 Protection of Government Buildings, Equipment and Vegetation (APR 1984). This clause applies only if this contract requires work on a Government installation.

(34) 52.244-5 Competition in Subcontracting (APR 1984)

(35) 52.245-2 Government Property (DEC 1989)

(36) 52.245-17 Special Tooling (APR 1984)

(37) 52.245-18 Special Test Equipment (AUG 1988)

(38) 52.246-23 Limitation of Liability (APR 1984)

(39) 52.248-1 Value Engineering (MAR 1989) [excluding subparagraph (f)]. This clause applies only if this contract is \$100,000 or more. "Contracting Officer" shall mean Buyer. If a Value Engineering Change Proposal is accepted by the Government, Seller's share will be 50% of the instant, concurrent, and future contract net acquisition savings and collateral savings that Buyer receives from the Government. Seller's negotiated share of net acquisition savings or 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.

(40) 52.251-1 Government Supply Sources (APR 1984)

(41) 52.253-1 Computer Generated Forms (JAN 1991)

(b) 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" shall mean Seller.

(1) 252.203-7001 Special Prohibition on Employment (FEB 1991) [Excluding paragraph (g)]. This clause applies only if this contract exceeds \$25,000.

(2) 252.204-7005 Overseas Distribution of Defense Subcontracts (AUG 1988). This clause applies only if this contract exceeds \$100,000.

(3) 252.205-7000 Release of Information to Cooperative Agreement Holders (FEB 1989)

(4) 252.208-7000 Required Sources for Miniature and Instrument Ball Bearings (JUL 1971)

- (5) 252.209-7001 Acquisition From Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty (JAN 1990). This clause applies only if this contract exceeds \$25,000.
- (6) 252.210-7005 Acquisition Streamlining (APR 1988). This clause applies only if this contract exceeds \$1,000,000.
- (7) 252.215-7000 Aggregate Pricing Adjustment (APR 1985)
- (8) 252.219-7000 Small Business and Small Disadvantaged Business Subcontracting Plan (DoD Contracts) (JUL 1990)
- (9) 252.225-7001 Buy American Act and Balance of Payments Program (JAN 1991)
- (10) 252.225-7002 Qualifying Country Sources as Subcontractors (OCT 1980)
- (11) 252.225-7011 Preference for Domestic Specialty Metals (Major Programs) (OCT 1980)
- (12) 252.225-7023 Restriction on Acquisition of Foreign Machine Tools (JUL 1990)
- (13) 252.227-7013 Rights in Technical Data and Computer Software (OCT 1988). This clause applies only if the delivery of data is required or where computer software may be originated, developed or delivered under this contract.
- (14) 252.227-7018 Restrictive Markings on Technical Data (OCT 1988). This clause applies only if the delivery of data is required by this contract.
- (15) 252.227-7027 Deferred Ordering of Technical Data or Computer Software (APR 1988).
- (16) 252.227-7029 Identification of Technical Data (APR 1988)
- (17) 252.227-7030 Technical Data - Withholding of Payment (OCT 1988). This clause applies only if the delivery of data is required under this contract. "Contracting Officer" and "Government" shall mean Buyer.
- (18) 252.227-7031 Data Requirements (OCT 1988). Modified to delete "DD Form 1423 (Contract Requirements List)" and to substitute "Data Requirements List."
- (19) 252.227-7036 Certification of Technical Data Conformity (MAY 1987). Insert "and Buyer" after "Government."
- (20) 252.227-7037 Validation of Restrictive Markings on Technical Data (APR 1988). This clause applies only if the delivery of data is required under this contract.
- (21) 252.228-7006 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (JAN 1969)
- (22) 252.231-7000 Supplemental Cost Principles (APR 1984)
- (23) 252.235-7004 Frequency Authorization (OCT 1966). This clause applies only if this contract calls for developing, producing, testing, or operating a device for which radio frequency authorization is required.
- (24) 252.243-7001 Pricing of Adjustments (APR 1984)

(25) 252.247-7203 Transportation of Supplies by Sea (APR 1990). In this clause "Prime Contractor" shall mean Buyer. Insert "Buyer" between "provide" and "the Contracting Officer" in paragraph (e). In paragraph (g), "Contracting Officer" shall mean Buyer.

(c) Insurance - Work on a Government Installation

This clause applies only if this contract requires work on a Government installation.

(1) Seller shall, at its own expense, provide and maintain during the entire performance of this contract at least the kinds and minimum amounts of insurance required in the schedule or elsewhere in the contract.

(2) Before commencing work under this contract, Seller shall certify to Buyer in writing that the required insurance has been obtained. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting Buyer's or the Government's interest shall not be effective (i) for such period as the laws of the state in which this contract is to be performed or (ii) until 30 days after insurer or Seller gives written notice to Buyer, whichever period is longer.

(3) Seller shall insert the substance of this clause, including this paragraph (3), in lower-tier subcontracts under this contract that require work on a Government installation and shall require lower-tier subcontractors to provide and maintain the insurance required in the schedule or elsewhere in the contract. Seller shall maintain a copy of all lower-tier subcontractor's proofs or the required insurance, and shall make copies available to Buyer upon request.

(d) Availability of Seller Records

(1) Upon request by Buyer, Seller shall make available, in a timely manner, to Buyer and the Contracting Officer or an authorized representative of the Contracting Officer (who is an employee of the United States or a member of the Armed forces), records of the contract and of end items under the contract for:

(i) the proposed, negotiated, and incurred costs and related profit or fee;

(ii) bills of material; and

(iii) work measurement system data (and any revision to such data), including standard hours of work content. These work measurement system data are those generated from time standard setting, time monitoring and variance analysis, produced for such purposes as planning, cost estimating, and productivity improvement. This availability includes access to proposed and negotiated work measurement system data (and any revision to such data).

(2) Nothing in this clause shall require Seller to collect or maintain additional data not otherwise collected or maintained nor to maintain data in a form or manner different from that in which Seller maintains such data.

(3) Any data covered by this clause shall be available for review until three (3) years after final payment.

(e) Notification of Transportation of Supplies by Sea

This clause applies only if Seller submitted a negative response to the solicitation representation entitled "Transportation of Supplies by Sea".

(1) Seller has represented that it did not anticipate transporting by sea any supplies, as defined in the clause at 252.247-7203, Transportation of Supplies by Sea, in the performance of this contract. If, however, after the award of this contract, Seller

should learn that supplies will be transported by sea, Seller shall notify the Contracting Officer through Buyer of the fact that transportation by sea will be used and hereby agrees to comply with all the terms and conditions of the clause entitled "Transportation of Supplies by Sea," contained in this contract.

(2) Seller shall include this clause, including this paragraph (2), revised as necessary to reflect the relationship of the contracting parties, in all subcontracts hereunder.

(f) Notification of Government Security Activity

This clause applies only if this contract requires work on a Government installation.

Thirty days before the date Seller operations will begin on base, Seller shall notify the security policy activity shown in the distribution block of the DD Form 254, DOD Contract Security Classification Specifications, as to:

- (1) The name, address and telephone number of this subcontract company's representative in the U.S. or overseas area, as appropriate;
- (2) The subcontract number and military contracting command;
- (3) The highest classification category of defense information to which Seller's employees will have access;
- (4) The Air Force installations in the U.S. (in overseas area identify only the APO number[s]) where the contract will be performed;
- (5) The date Seller operations will begin on base in the U.S. or in the overseas area;
- (6) The estimated completion date of operations on base in the U.S. or in the overseas area; and
- (7) Any changes to information previously provided under this clause.

This requirement is in addition to visit request procedures contained in DOD 5220.22M, Industrial Security Manual, paragraph 37d.

(g) Material Safety Data Sheet

- (1) Seller shall mail two copies of the Material Safety Data Sheet (MSDS) of this contract to the following address instead of the address given in the latest version of Federal Standard No. 313: USAF OEHL/ECH, Brooks AFB, TX 78235-5000.
- (2) Seller shall verify that the National Stock Number, trade or part name, Federal Supply Code for Manufacturers (FSCM), and contract number are included in the MSDS.
- (3) Seller shall also mail a copy of the MSDS to the Buyer Purchasing Representative

(h) Safety Accident Prevention

- (1) In performing work under this contract on a Government installation, Seller shall:
  - (i) conform to the specific safety requirements contained in this contract;

- (ii) comply with the safety rules of the Government installation that concerns related activities not directly addressed in this contract;
- (iii) take all reasonable steps and precautions to prevent accidents and preserve the life and health of Buyer, Seller, and Government personnel performing or in any way coming in contact with the performance of this contract; and
- (iv) take such additional immediate precautions as Buyer may reasonably require for safety and accident prevention purposes.

(2) If this contract is performed on an Air Force installation, the Air Force Occupational Safety and Health (AFOSH) Standards, developed in accordance with AFR 127-12, in effect on the date of this contract, apply. If contract performance is on other than an Air Force installation, Seller shall comply with the safety rules of that Government installation, in effect on the date of this contract.

(3) Buyer may, by written order, direct additional AFOSH and safety and accident standards as may be required in the performance of this contract and any adjustments resulting from such direction will be in accordance with the Changes clause of this contract.

(4) Any violation of these safety rules and requirements, unless promptly corrected as directed by Buyer, shall be grounds for termination of this contract in accordance with the Default clause of this contract.

(i) Scientific/Technical Information (STINFO)

If not already registered, Seller shall register for Defense Technical Information Center (DTIC) service by contacting the following:

Defense Technical Information Center

ATTN: Registration Section (DTIC-DDR-B)

BLDG. 5, Cameron Station

Alexandria, VA 22304-6145

(202) 274-6871

To avoid duplication of effort and conserve scientific and technical resources, Seller shall search existing sources in DTIC to determine the current state-of-the-art concepts, studies, etc.

(j) Hazardous Materials Packaging Certification of Equivalency (COE)

When shipping hazardous materials as defined by Title 49 of the Code of Federal Regulations, Seller shall comply with AFSCR/AFLCR 800-29 Regulations, Seller shall comply with AFSCR/AFLCR 800-29 (4/7/83). Under the noted conditions, a Certification of Equivalency (COE) may be required. Except for shipments for the Munitions Systems Division (MSD) and the Ballistic Missile Organization (BMO), issuance of COEs shall be requested from HQ AFSC/LGT, Andrews AFB MD 20334-5000. For MSD, COEs shall be requested from HQ MSD/YNP, Eglin AFB FL 32542. For BMO, COEs shall be requested from HQ BMO/SDML, Norton AFB CA 92409. To obtain a COE, Seller must give the Hazardous Material Data Package in AFSCR/AFLCR 800-29 (4/7/83) Appendix A to the approving authority, through Buyer, no later than 90 days before the expected initial shipping date for the item.

(k) Enabling Clause for General Systems Engineering and Integration

(1) Buyer's contract covers part of the Delta II Program which is under the general program management of the Air Force Space Systems Division (SSD). The Air Force has entered into a contract with the Aerospace Corporation for the services of a technical group which will support the DOD program office by performing General Systems Engineering and Integration.

(2) General Systems Engineering and Integration (GSE&I) deals with overall system definition; integration both within the system and with associated systems; analysis of system segment and subsystem design; design compromises and tradeoffs; definition of interfaces; review of hardware and software including manufacturing and quality control; observation, review and evaluation of tests and test data; support of launch, flight test, and orbital operations; appraisal of the contractors' technical performance, through meeting with contractors and subcontractors, exchange and analysis of information on progress and problems, review of plans for future work; developing of solutions to problems, technical alternatives for reduced program risk, providing comments and recommendations in writing to the DOD System Program Manager and/or Project Officer as an independent technical assessment for consideration for modifying the program or redirecting Buyer's efforts; all to the extent necessary to assure timely and economical accomplishment of program objectives consistent with mission requirements.

(3) In the performance of this contract Seller agrees to cooperate with the Aerospace Corporation by responding to invitations from Buyer to attend meetings; by providing access to non-proprietary technical information and research, development and planning data such as, but not limited to, design and development analyses; test data and results; equipment and process specifications; test and test equipment specifications and procedures, parts and quality control procedures, records and data; manufacturing and assembly procedures; and schedule and milestone data; all in their original form or reproduced form and excluding financial data; by delivering data as specified in the Subcontract Data Requirements List (SDRL); by providing access to Seller's facilities utilized in the performance of this contract; and by allowing observation of technical activities by appropriate Aerospace technical personnel. The Aerospace personnel engaged in general systems engineering and integration effort are authorized access to any technical information pertaining to this contract.

(4) Seller further agrees to include in each lower-tier subcontract a clause requiring compliance by such subcontractor with the response and access provisions of paragraph (3) above, subject to coordination with Buyer through Seller. This agreement does not relieve Seller of its responsibility to manage the lower-tier subcontracts effectively and efficiently nor is it intended to establish privity of contract between Buyer, the Government or the Aerospace Corporation and such lower-tier subcontractors.

(5) The Aerospace Corporation personnel are not authorized to direct Seller in any manner. Seller agrees to accept technical direction from Buyer only.

(l) Use of Government Supply Source for Acquisition of Class S Parts

(1) Definition. "JAN Class S parts" as used in this clause are space-quality military standard electronic parts as described in MIL-S-19500 for semiconductors, MIL-M-38510 for microcircuits and associated specifications for passive electronic parts.

(2) Seller is encouraged to acquire JAN Class S parts in FSC 5961 and FSC 5962 as defined on the list\* from the Defense Electronic Supply Center (DESC) using Military Standard Requisitioning and Issue Procedures (MILSTRIP). If the parts are not available from DESC to meet contractual time requirements or if Seller intends to acquire the parts from sources other than DESC, Seller will identify the Parts Control Board the alternate acquisition source prior to actual purchase of the parts.

\*JAN Class S NSN List. This list will change from time to time. For most recent version, contract SSD/SDEEP, P.O. Box 92960, Los Angeles, CA 90009-2960, telephone (213) 336-1256.



- (3) To use MILSTRIP, Seller shall obtain a letter of authorization from Buyer which includes the list of parts (Including national stock numbers, general part numbers, and order quantities) authorized to be ordered through MILSTRIP.
- (4) JAN Class S parts obtained from DESC pursuant hereto shall be considered supplier furnished material, since the items are acquired directly by Seller. Seller shall retain responsibility for assuring timely delivery of parts to support this contract.
- (5) DESC shall be responsible for reimbursing or replacing any defective part from the operating stock, provided the defect was not caused by Seller. Defective DESC parts shall be reported to DESC/QAR, Dayton, OH 45444-5000, telephone (513) 296-5146.
- (6) Seller shall be responsible for rework, repair, retest, and schedule impacts of defective assemblies or systems caused by parts failures, including those caused by JAN Class S parts acquired from DESC, in the same manner as if the defective material had been acquired from sources other than DESC. The Government's and Buyer's liability for parts failure shall not exceed the cost of the JAN Class part and this limitation of liability shall apply in lieu of any other liability provision of this contract.
- (7) Seller, through Buyer, shall follow AFM 67-1, Volume 1, MILSTRIP Requisitioning Procedures, as specified by the acquisition activity.
- (8) Seller agrees to include a clause substantially the same as this clause, including this paragraph (8), in every lower-tier subcontract issued in performance of this contract, unless it is known that the item purchased does not contain any electronic parts identified in paragraph (2) above.
- (9) Seller shall pay bills from DESC promptly upon receipt of billings.
- (10) Seller agrees that JAN Class S parts required under this clause shall only be used to perform Government Contracts.

(m) Frequency Management Procedures

Pursuant to the clause hereof entitled "Frequency Authorization", DOD FAR Supplement 252.235-7004, the following procedures shall be followed in obtaining radio frequency authorization:

- (1) The policy and procedures obtained in AFR 700-14 will be followed to obtain frequency allocation approval of electromagnetic devices and USAF Radio Frequency Assignment.
- (2) Frequency allocation proposals, presented on DD Forms 1494, will be submitted via the Procuring Contracting officer to the Space Division Frequency Manager for timely Joint Frequency Panel consideration as stated in AFR 700-14, Attachment 5.
- (3) Attach FCC Forms 130 to the basic frequency allocation proposal, DD Forms 1494, for space systems and their associated earth terminal transmission equipment.
- (4) Frequency assignment requirements will be presented in Standard Frequency Action Format (SFAF) and submitted in accordance with AFR 700-14, Attachment 6.
- (5) Further administrative guidance is available from the Communications-Electronics Support (SSD/SCPT), Space Systems Division.

(n) Protection of Proprietary Information Belonging to the Associate Contractor(s)

- (1) The term "Seller" as used herein includes the subsidiaries, affiliates, and other organizations under the control of Seller.
- (2) Work under this contract may involve access to proprietary or confidential data from the Associate Contractor(s). To the extent that such data is received by Seller from the Associate Contractor(s) for the performance of this contract, Seller hereby agrees that any proprietary information received:
  - (i) shall be used by Seller exclusively for the performance of this contract, and
  - (ii) shall be protected by Seller in the same manner as it protects its own trade secrets and proprietary information.
- (3) In the discharge of that protection, Seller shall enter into appropriate agreements with the Associate Contractor(s) to protect such data and shall promptly, upon execution of such agreement, provide a copy to the Procuring Contracting Officer through Buyer. In addition, Seller hereby agrees not to utilize such data except in conformity with the terms and conditions of such agreement. The restriction contained herein, however, shall not apply to proprietary data furnished voluntarily without limitations as to use, or data which falls into the public domain, or is independently developed by Seller.
- (4) Seller agrees to insert in all lower-tier subcontracts hereunder which require access to proprietary information belonging to the Associate Contractor(s), a provision which shall conform substantially to the language of this clause, including this paragraph (4).