



Section 9 : GOVERNMENT CONTRACT REQUIREMENTS

CLAUSE 936 (10/01/96)

SDI084-92-C-0001

MSX 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 (MAY 1986)

- (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) 52.215-27 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.
- (14) 52.215-30 Facilities Capital Cost of Money (SEP 1987). This clause applies only if Seller includes facilities capital cost of money as a proposed cost of this contract.
- (15) 52.215-31 Waiver of Facilities Capital Cost of Money (SEP 1987). This clause applies only if Seller did not include facilities capital cost of money as a proposed cost of this contract.
- (16) 52.215-39 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB)(JUL 1991). This clause applies only if under this contract certified cost or pricing data is required or 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.
- (17) 52.219-8 Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (FEB 1990)
- (18) 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.
- (19) 52.219-13 Utilization of Women-Owned Small Businesses (AUG 1986)
- (20) 52.220-3 Utilization of Labor Surplus Area Concerns (APR 1984)
- (21) 52.220-4 Labor Surplus Area Subcontracting Program (APR 1984). This clause applies only if this contract exceeds \$500,000.
- (22) 52.222-1 Notice to the Government of Labor Disputes (APR 1984). "Contracting Officer" shall mean Buyer.
- (23) 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.
- (24) 52.222-20 Walsh-Healey Public Contracts Act (APR 1984). This clause applies only if this contract exceeds \$10,000.
- (25) 52.222-26 Equal Opportunity (APR 1984) [subparagraphs (b)(1) through (11)]
- (26) 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.

(27) 52.222-36 Affirmative Action for Handicapped Workers (APR 1984). This clause applies only if this contract exceeds \$2,500.

(28) 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.

(29) 52.223-2 Clean Air and Water (APR 1984). This clause applies only if this contract exceeds \$100,000.

(30) 52.225-3 Buy American Act - Supplies (JAN 1989)

(31) 52.225-10 Duty-Free Entry (APR 1984). This clause applies only if supplies are to be afforded duty-free entry or foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States.

(32) 52.227-1 Authorization and Consent (APR 1984), Alternate I (APR 1984)

(33) 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (APR 1984). This clause applies only if this contract exceeds \$10,000. A copy of each notice sent to the Government will be sent to Buyer.

(34) 52.227-10 Filing of Patent Applications -- Classified Subject Matter (APR 1984)

(35) 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.

(36) 52.244-5 Competition in Subcontracting (APR 1984)

(37) 52.245-2 Government Property (DEC 1989)

(38) 52.246-25 Limitation of Liability -- Services (APR 1984). This clause applies only if this contract exceeds \$25,000.

(39) 52.247-63 Preference for U.S. - Flag Air Carriers (APR 1984)

(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) This clause applies only if this contract exceeds \$25,000.

(2) 252.204-7005 Overseas Distribution of Defense Subcontracts (AUG 1988)

(3) 252.204-7008 Telecommunications Security Equipment, Devices, Techniques and Services (DEC 1988). This clause applies only if Seller's work under this contract requires secure telecommunications.

(4) 252.205-7000 Release of Information to Cooperative Agreement Holders (MAR 1989)

- (5) 252.208-7000 Required Sources for Miniature and Instrument Ball Bearings (JUL 1971).
- (6) 252.208-7001 Required Sources for Precision Components for Mechanical Time Devices (JUL 1971)
- (7) 252.208-7002 Required Sources for High-Purity Silicon (JUN 1983)
- (8) 252.208-7003 Required Sources for High Carbon Ferrochrome (HCF) (AUG 1984)
- (9) 252.208-7005 Required Sources for Forging Items (NOV 1990)
- (10) 252.208-7006 Required Sources for Antifriction Bearings (APR 1989)
- (11) 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.
- (12) 252.215-7000 Aggregate Pricing Adjustment (APR 1985)
- (13) 252.219-7000 Small Business and Small Disadvantaged Business Subcontracting Plan (DoD Contracts) (JUL 1990)
- (14) 252.223-7001 Safety Precautions for Ammunition and Explosives (MAR 1988)
- (15) 252.223-7002 Change in Place of Performance - Ammunition and Explosives (JUL 1986)
- (16) 252.223-7004 Hazardous Material Identification and Material Safety Data (JUL 1989)
- (17) 252.223-7005 Notice of Radioactive Materials (APR 1990)
- (18) 252.225-7001 Buy American Act and Balance of Payments Program (JAN 1991)
- (19) 252.225-7002 Qualifying Country Sources as Subcontractors (OCT 1980)
- (20) 252.225-7008 Duty-Free Entry - Qualifying Country End Products and Supplies (DEC 1990)
- (21) 252.225-7012 Preference for Domestic Specialty Metals (OCT 1980)
- (22) 252.225-7013 Preference for Domestic Hand or Measuring Tools (APR 1984)
- (23) 252.225-7023 Restriction on Acquisition of Foreign Machine Tools (JUL 1990)
- (24) 252.225-7032 Restriction on Acquisition of Night vision Image Intensifier Tubes and Devices (APR 1991)
- (25) 252.225-7033 Restriction on Acquisition of Carbonyl Iron Powders (APR 1991)
- (26) 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.
- (27) 252.227-7018 Restrictive Markings on Technical Data (OCT 1988). This clause applies only if the delivery of data is required by this contract.

- (28) 252.227-7026 Deferred Delivery of Technical Data or Computer Software. This clause applies only if the delivery of data is required or if computer software may be originated, developed or delivered under this contract.
- (29) 252.227-7027 Deferred Ordering of Technical Data or Computer Software (APR 1988)
- (30) 252-227-7029 Identification of Technical Data (APR 1988)
- (31) 252.227-7030 Technical Data -- Withholding of Payment (OCT 1988). This clause applies only if the delivery of data is required by this contract. "Contracting Officer" and "Government" shall mean Buyer.
- (32) 252.227-7031 Data Requirements (OCT 1988). Modified to delete "DD Form 1423 (Contract Requirements List)" and to substitute "Data Requirements List" in lieu thereof.
- (33) 252.227-7036 Certification of Technical Data Conformity (MAY 1987)
- (34) 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.
- (35) 252.228-7006 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (JAN 1969)
- (36) 252.231-7000 Supplemental Cost Principles (APR 1991)
- (37) 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.
- (38) 252.251-7000 Ordering From Government Supply Sources (APR 1984)

(c) Duty-Free Entry - Additional Provisions

Notification Applicable to All Foreign Supplies In addition to any data required by paragraph (b)(1) of the Duty-Free Entry clause, Seller shall furnish the following for all foreign supplies to be imported pursuant to paragraphs (a) or (b) of the Duty-Free Entry clause. This information must be furnished to the Contracting Officer administering the prime contract, through Buyer, immediately upon award of any subcontract involving supplies to be accorded duty-free entry.

- (1) Prime contractor name, CAGE code, address, and prime contract number plus delivery order number, if applicable;
- (2) foreign supplier name and address;
- (3) number of the subcontract/purchase order for foreign supplies;
- (4) total dollar value of the subcontract for foreign supplies;
- (5) expiration date of the subcontract for foreign supplies;
- (6) list of items purchased; and,

(7) certification by the purchaser of foreign supplies:

I certify that all such supplies for which duty-free entry is to be claimed are intended to be delivered to the Government or incorporated in the end items to be delivered under this contract, and that duty shall be paid by the Contractor to the extent that such supplies, or any portion thereof (if not scrap or salvage) are diverted to nongovernmental use other than as a result of a competitive sale made, directed or authorized by the Contracting Officer.

(d) ABM Treaty Conformity

The Scope of Work is in conformity with the ABM Treaty. In consonance with this, Seller will plan and conduct its detailed performance of this contract in a manner which retains the program adherence to the treaty terms as defined by the Government. The Government, through Buyer, will provide assistance and treaty interpretation as required.

(e) Technology Application

(This clause applies only if this contract involves experimental, developmental, or research work.)

Seller shall report any innovation to Buyer within two months after such innovation is identified as a result of the work performed under this contract. An innovation is any new idea, method, process or device that has potential or apparent utility in applications different from the specific SDI application for which it was originated and is either a more effective means of accomplishing a work objective or constitutes an advance in the state of the art. An innovation includes inventions but is not limited to inventions. The report on an innovation shall include the following:

- (1) Title: A short meaningful title identifying the specific nature of the innovation.
- (2) Graphics: Any illustration which will aid in understanding the nature, function, or application of the innovation.
- (3) Description: A narrative description in sufficient detail to enable someone else working in the technology area and having a need or application for the innovation to request further details. This section should include technical functional specifications, operational parameters, and status (availability) of the innovation.
- (4) Characteristics and Potential Applications: A narrative of the unique characteristics and potential applications, including commercial applications, and potential capabilities of the innovation if further developed
- (5) Reports: A listing of reports published regarding the innovation or the associated technology by title and report number.
- (6) Source: The point of contact for obtaining more detailed information regarding the innovation to include name or office, corporation or institution, address, telephone, and contract number.

A copy of the report shall be sent directly to:

Office of Technology Applications

SDIO/TNO

Washington, D.C. 20301-7100

The purpose of establishing a reporting requirement on innovations is to create a computerized data base for the rapid and effective exchange of technical information among all Government contractors and potential Government contractors who

have been approved in accordance with procedures established by the Under Secretary of Defense for Research and Engineering under DOD 5230.25 (Withholding of Unclassified Technical Data from Public Disclosure). The technical information will foster efficient and cost-efficient developments of new products both for use by the Government as well as in the commercial field. Exchange, if any, of commercial rights retained by the Seller in the innovation will be between the non-governmental parties, but the exchange will recognize and acknowledge the rights of the Government obtained under the technical data and patent rights clauses included in the contract between the Government and the owner of the rights of the innovation.

The Seller shall review all work performed under this contract on a semi-annual basis and provide a report to Buyer certifying that all innovations have been identified and reported. This requirement for reporting innovations will be included in the schedule of all subcontracts, at any tier, under this contract requiring the performance of experimental, developmental, or research work.

(f) Notification of Transportation of Supplies by Sea

(This clause only applies if Seller submitted a negative response to 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 seal 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.