



Section 9 : GOVERNMENT CONTRACT REQUIREMENTS

CLAUSE 938 (10/01/96)

F33657-81-C-2109

C-17 LOGISTIC SUPPORT

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

(4) 52.210-5 New Material (APR 1984). "Contracting Officer" shall mean Buyer.

(5) 52.210-7 Used or Reconditioned Material, Residual Inventory and Former Government Surplus Property (APR 1984). "Contracting Officer" shall mean Buyer.

(6) 52.211-15 Defense Priority and Allocation Requirements (MAY 1986)

(7) 52.215-1 Examination of Records by Comptroller General (APR 1984). This clause applies only if this contract exceeds \$10,000.

(8) 52.215-2 Audit -- Negotiation (APR 1988). This clause applies only if this contract exceeds \$10,000.

(9) 52.215-26 Integrity of Unit Prices (APR 1987) [excluding paragraph (c)]

(10) 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.

(11) 52.219-8 Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (JUN 1985)

(12) 52.219-13 Utilization of Women-Owned Small Businesses (AUG 1986)

(13) 52.220-3 Utilization of Labor Surplus Area Concerns (APR 1984)

- (14) 52.222-20 Walsh-Healey Public Contracts Act (APR 1984). This clause applies only if this contract exceeds \$10,000.
- (15) 52.222-26 Equal Opportunity (APR 1984) [subparagraphs (b)(1) through (11)]
- (16) 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.
- (17) 52.222-36 Affirmative Action for Handicapped Workers (APR 1984). This clause applies only if this contract exceeds \$2,500.
- (18) 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.
- (19) 52.223-2 Clean Air and Water (APR 1984). This clause applies only if this contract exceeds \$100,000.
- (20) 52.227-1 Authorization and Consent (APR 1984)
- (21) 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.
- (22) 52.244-5 Competition in Subcontracting (APR 1984)
- (23) 52.245-2 Government Property (APR 1984)
- (24) 52.246-23 Limitation of Liability (APR 1984)
- (25) 52.246-25 Limitation of Liability -- Services (APR 1984). This clause applies only if this contract exceeds \$25,000.
- (26) 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.
- (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 (APR 1987) This clause applies only if this contract exceeds \$25,000.
- (2) 252.208-7000 Required Sources for Miniature and Instrument Ball Bearings (JUL 1971).
- (3) 252.208-7001 Required Sources for Precision Components for Mechanical Time Devices (JUL 1971)
- (4) 252.208-7002 Required Sources for High-Purity Silicon (JUN 1983)

- (5) 252.208-7003 Required Sources for High Carbon Ferrochrome (HCF) (AUG 1984)
- (6) 252.208-7006 Required Sources for Antifriction Bearings (AUG 1988). Seller will provide written certification upon delivery of the bearings, components of bearings, or defense end-items or subassemblies containing bearings, that to the best of its knowledge and belief, such bearings or components of bearings are of domestic or other - authorized manufacture.
- (7) 252.209-7001 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INF) Treaty (JUN 1988). This clause applies only if this contract exceeds \$25,000.
- (8) 252.215-7000 Aggregate Pricing Adjustment (APR 1985)
- (9) 252.225-7001 Buy American Act and Balance of Payments Program (APR 1985)
- (10) 252.225-7002 Qualifying Country Sources as Subcontractors (OCT 1980)
- (11) 252.225-7008 Duty-Free Entry -- Qualifying Country End Products and Supplies (OCT 1980)
- (12) 252.225-7012 Preference for Domestic Specialty Metals (OCT 1980)
- (13) 252.225-7023 Restriction on Acquisition of Foreign Machine Tools (APR 1988)
- (14) 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.
- (15) 252.227-7018 Restrictive Markings on Technical Data (OCT 1988). This clause applies only if the delivery of data is required by this contract.
- (16) 252.227-7027 Deferred Ordering of Technical Data or Computer Software (APR 1988)
- (17) 252.227-7029 Identification of Technical Data (APR 1988)
- (18) 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.
- (19) 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.
- (20) 252.227-7036 Certification of Technical Data Conformity (MAY 1987)
- (21) 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.
- (22) 252.228-7006 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (JAN 1969)
- (23) 252.231-7000 Supplemental Cost Principles (DEC 1984)
- (24) 252.243-7001 Pricing of Contract Modifications (DEC 1984)

(c) 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 years after final payment.

(d) Foreign Nationals

(1) For purposes of this clause, foreign nationals are all persons not citizens of, or immigrant aliens to, the United States. Nothing in this clause is intended to waive any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export control.

(2) Seller acknowledges that equipment/technical data generated or delivered in performance of this contract is controlled by the International Traffic in Arms Regulation (ITAR 22 CFR Sections 121-128, and may require an export license before assigning any foreign national to perform work under this contract or before granting access to foreign nationals to any equipment/technical data generated or delivered in performance of this contract. (See 22 CFR Section 125.03 in this regard). Seller agrees to notify Buyer 15 working days prior to assigning or granting access to any work, equipment, or technical data generated or delivered in performance of this contract. This notification will include the name and country of origin of the foreign national, the specific work, equipment, or data to which the person will have access, and whether the foreign national is cleared to have access to technical data (Reference: Section 3 of DoD 5220.22-M, "Industrial Security Manual for Safeguarding Classified Information").

(3) The above requirements shall not be construed as an application for an export license nor shall they in any way be interpreted to impede Seller's right to apply for an export license. However, if the Contracting Officer disagrees with the application, Seller will be so notified. [Note: This clause does not apply to work associated with Foreign Military Sales (FMS).]

(e) Use of Government Facilities on a Rent-Free Basis

Seller agrees that it will not directly, through overhead charges or otherwise, include in the price of this contract, or seek reimbursement under this contract for any rental charge paid by Seller for the use on other contracts of the facilities referred to herein. Any subcontract hereunder which authorizes the lower-tier subcontractor to use Government facilities on a rent-free basis shall contain a clause to the same effect as this paragraph.

(f) Foreign Sources

In the event that Seller anticipates soliciting foreign sources for any work under this contract, Seller shall notify the Contracting Officer 10 working days before either applying for an export license under International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121-128, or before solicitation of the foreign sources, whichever shall occur first. This notification shall include detailed description of the Government license, if such application has been made. This notification to the Contracting Officer shall not be construed as an application for an export license, nor shall it in any way be interpreted to impede Seller's right to apply for an export license. However, if the Contracting Officer disagrees with the application, Seller will be so notified. [NOTE: This clause does not apply to work associated with Foreign Military Sales (FMS).]