



L-3 COMMUNICATIONS INTEGRATED SYSTEMS TC002-SUPPLEMENT 1
U.S. GOVERNMENT CONTRACT PROVISIONS FROM THE FEDERAL ACQUISITION REGULATION(
FAR) REV 24 DATED 22 FEBRUARY 2016

- 1. When the materials or products furnished are for use in connection with a U.S. Government contract or subcontract, in addition to the General Provisions, the following provisions shall apply, as required by the terms of the prime contractor or by operation of law or regulation. In the event of a conflict between these FAR provisions and the General Provisions, the FAR provisions shall control.
2. The following clauses set forth in the FAR in effect as of the date of the prime contract are incorporated herein by reference with the same force and effect as if they were given in full text. In all clauses listed herein, the terms "Government," "Contracting Officer," and "Contractor" shall be revised to suitably identify the contracting parties herein and affect the proper intent of the provision, except where further clarified or modified below. "Subcontractor," however, shall mean "Seller's Subcontractor" under this purchase order.
3. Clauses in this document may not be applicable to specific orders due to the type of subcontract/purchase order to be issued, dollar thresholds under requirements of the FAR, DFARS or Public Law or Mandatory Flow Down requirements of a particular prime contract. Clauses not applicable for these reasons shall not be removed from this document and will be considered by all parties to be without force and effect.

A. APPLICABLE TO ALL ORDERS:

1. Definitions..... 52.202-1
2. Security Requirements..... 52.204-2
3. Annual Representations and Certifications..... 52.204-8
4. Personal Identify Verification of Contractor Personnel..... 52.204-9
5. Service Contract Reporting Requirements (subject to the thresholds and contract types specified in FAR 4.1705)..... 52.204-14
6. Service Contract Reporting Requirements for Indefinite Delivery Contracts (subject to the thresholds and contract types specified in FAR 4.1705)..... 52.204-15
7. Material Requirements 52.211-5
8. Alternatives to Government – Unique Standards 52.211-7
9. Defense Priority and Allocation Requirements 52.211-15
10. Contract Terms and Conditions Required to Implement Statutes or Executive Orders– Commercial Items (DEVIATION) (includes all Statutes or Orders issued)..... 52.212-5
11. Terms and Conditions – Simplified Acquisitions (other than Commercial Items) 52.213-4
12. Limitations on Pass-Through Charges-Identification of Subcontract Effort..... 52.215.22
13. Limitations on Pass-Through Charges-Identification of Subcontract Effort..... 52.215-23
14. Small Business Program Representations 52.219-1
15. Post-Award Small Business Program Representation (over \$3000) 52.219-28
16. Notice to the Government of Labor Disputes 52.222-1
17. Convict Labor 52.222-3
18. Non-displacement of Qualified Workers (Service Orders Only)..... 52.222-17
19. Child Labor – Cooperation with Authorities and Remedies 52.222-19
20. Service Contract Labor Standards 52.222-41
21. Combating Trafficking in Person 52.222-50
22. Employment Eligibility Verification 52.222-54
23. Minimum Wages under Executive Order 13658..... 52.222-55
24. Hazardous Material Identification and Material Safety Data – Government” means “Government and Buyer” 52.223-3
25. Notice of Radioactive Materials 52.223-7
26. Ozone Depleting Substances 52.223-11
27. Energy Efficiency in Energy-Consuming Products 52.223-15
28. IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products 52.223-16
29. Contractor Policy to Ban Text Messaging while Driving..... 52.223-18
30. Privacy Act 52.224-2
31. Buy American Act - Supplies 52.225-1
32. Buy American Act Certificate 52.225-2



Mission Integration

33. Trade Agreement 52.225-5

34. Trade Agreements – Certificate 52.225-6

35. Duty-Free Entry 52.225-8

36. Restrictions on Certain Foreign Purchases 52.225-13

37. Place of Manufacturer (Applicable to Solicitations) 52.225-18

38. Contractors Performing Private Security Functions Outside the United States..... 52.225-26

39. Authorization and Consent – Alternate I 52.227-1

40. Royalty Information 52.227-6

41. Refund of Royalties 52.227-9

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

43. Patent Rights – Ownership by the Contractor 52.227-11

44. Rights in Data – General..... 52.227-14

45. Additional Data Requirements..... 52.227-16

46. Commercial Computer Software License 52.227-19

47. Workers Compensation Insurance (Defense Base Act) 52.228-3

48. Workers Compensation and War-Hazard Insurance Overseas 52.228-4

49. Insurance – Work on a Government Installation 52.228-5

50. Limitation on the Withholding of Payments..... 52.232-9

51. Progress Payments 52.232-16

52. Performance-Based Payments 52.232-32

53. Unenforceability of Unauthorized Obligations..... 52.232-39

54. Protest After Award 52.233-3

55. Applicable Law for Breach of Contract Claim..... 52.233-4

56. Industrial Resources Developed Under Defense Production Act Title III 52.234-1

57. Accident Prevention..... 52.236-13

58. Protection of Government Buildings, Equipment, and Vegetation..... 52.237-2

59. Privacy or Security Safeguards..... 52.239-1

60. Stop Work Order 52.242-15

61. Government Delay of Work 52.242-17

62. Changes - Fixed Price Contract..... 52.243-1

63. Competition in Subcontracting 52.244-5

64. Subcontracts for Commercial Items and Commercial Components 52.244-6

65. Government Property (or Alt I or Alt II, the Buyer shall so specify, If Buyer does not specify the requirement will default to the basic clause) 52.245-1

66. Government Property Installation Operation Services 52.245-2

67. Uses and Charges..... 52.245.9

68. Preference for U.S. – Flag Air Carriers 52.247-63

69. Preference for Privately Owned U.S. – Flag Commercial Vessels 52.247-64

70. Termination for Convenience of the Government (Fixed –Price) (Short Form)..... 52.249-1

71. Computer Generated From..... 52.253-1

B. ORDERS OVER \$10,000 ALSO INCLUDE THE FOLLOWING:

1. Walsh-Healy Public Contracts Act (Over \$15,000) 52.222-20

2. Prohibition of Segregated Facilities 52.222-21

3. Equal Opportunity 52.222-26

4. Notification of Visa Denial..... 52.222-29

5. Affirmative Action for Workers with Disabilities 52.222-36
(The Contractor (Buyer) and subcontractor (Seller) shall abide by the requirements of 41 CFR 60-741.5(a))

6. Notification of Employee Rights Under the National Labor relations Act (para f only) 52.222-40

C. ORDERS OVER \$25,000 ALSO INCLUDE THE FOLLOWING:

1. Buy American Act North American Free Trade Agreement – Israeli Trade Act (over \$25,000) 52.225-3

2. Buy America Act—Free Trade Agreements—Israeli Trade Act June 2009 Alt I (Jan 2004) 52.225-3



Mission Integration

- 3. Buy America Act—Free Trade Agreements—Israeli Trade Act June 2009 Alt II (Jan 2004) 52.225-3
- 4. Buy American Act North American Free Trade Agreement – Israeli Trade Act Certificate (over \$25,000) 52.225-4
- 5. Reporting Executive Compensation and First Tier Subcontract Awards (Over \$25K)..... 52.204-10

D. ORDERS OVER THE SIMPLIFIED ACQUISITION THRESHOLD INCLUDE THE FOLLOWING:

- 1. Certificate of Independent Price Determination 52.203-2
- 2. Gratuities..... 52.203-3
- 3. Covenant Against contingent Fees..... 52.203-5
- 4. Restrictions on Subcontractor Sales to the Government 52.203-6
- 5. Anti-Kickback Procedures (less paragraph (c) (1)) 52.203-7
- 6. Cancellation, Rescission, and Recovery of funds for Illegal or Improper Activity 52.203-8
- 7. Price or Fee Adjustment for Illegal or Improper Activities 52.203-10
- 8. Limitation on Payments to Influence Certain Federal Transactions 52.203-12
- 9. Preventing Personal conflicts of Interest for Employees Performing Acquisition functions..... 52.203-16
- 10. Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights..... 52.203-17
- 11. Women-Owned Business (Other than Small Business) 52.204-5
- 12. Audit and Records – Negotiation 52.215-2
- 13. Integrity of Units Prices 52.215-14
- 14. Utilization of Small Business Concerns 52.219-8
- 15. Contract Work Hours and Safety Standards Act – Overtime Compensation 52.222-4
- 16. Non-displacement of Qualified Workers (Service Contracts)..... 52.222-17
- 17. Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans 52.222-35
(The Contractor (Buyer) and subcontractor (Seller) shall abide by the requirements of 41 CFR 60-300.5(a))
- 18. Employment Reports on Disabled Veterans and Veterans of the Vietnam Era, and Other Eligible Veterans 52.222-37
- 19. Compliance With Veteran’s Employment Reporting Requirements 52.222-38
- 20. Drug-Free Workplace 52.223-6
- 21. Estimate of Percentage of Recovered Material Content for EPA-Designated Products 52.223-9
- 22. Notice and Assistance Regarding Patent and Copyright Infringement 52.227-2
- 23. Federal, State, and Local Taxes 52.229-3
- 24. Providing Accelerated Payments to Small business Subcontracts..... 52.232-40
- 25. Bankruptcy 52.242-13
- 26. Change Order Accounting 52.243-6
- 27. Subcontracts (paragraphs (h) and (l) only apply) 52.244-2
- 28. Inspection of Supplies, Fixed Priced Contracts 52.246-2
- 29. Inspection of Services, Fixed Price Contracts 52.246-4
- 30. High-Level Contract Quality Requirement..... 52.246-11
- 31. Responsibility for Supplies 52.246-16
- 32. Value Engineering 52.248-1
- 33. Termination for Convenience of the Government (Fixed-Price) – “Government: shall mean “Buyer”. In paragraph (c), the term “120 days” is changed to “60 days.” The term “one year” in paragraph (e) is changed to “six months.” The term “90 days” in paragraph (l) is changed to “forty-five days,” per 49.502 (e) 52.249-2
- 34. Default (Fixed Price Supply and Service)..... 52-249-8

E. ORDERS OVER \$650,000 ALSO INCLUDE THE FOLLOWING:

- 1. Pension Adjustment and Asset Reversions 52.215-15
- 2. Reversion or Adjustment of Plans for Postretirement Benefits (PRB) other than Pensions 52.215-18
- 3. Notification of Ownership Changes 52.215-19
- 4. Small Business Subcontracting Plan 700K..... 52.219-9
- 5. Liquidated Damages – Subcontracting Plan 52.219-16
- 6. Code of Business Ethics and Conduct (over \$5 million) 52.203-13
- 7. Display of Hotline Poster (over \$5 million) 52.203-14



8. Pre-award On-Site Equal Opportunity Compliance Evaluation (over \$10 million)..... 52.222.24

F. UNLESS OTHERWISE EXEMPT ALSO INCLUDES THE FOLLOWING:

1. Audit and Records – Sealed Bidding (exceeds \$700,000) 52.214-26
2. Price Reduction for Defective Certified Cost or Pricing data-Modifications-Sealed Bidding (\$700,000).....52.214-27
3. Subcontractor Cost or Pricing Data – Modifications – Sealed Bidding (exceeds \$700,000)..... 52.214-28
4. Price Reduction for Defective Cost or Pricing 52.215-10
5. Price Reduction for Defective Cost or Pricing Data – Modifications 52.215-11
6. Subcontractor Cost or Pricing Data 52.215-12
7. Subcontractor Cost of Pricing Data – Modifications 52.215-13
8. Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data..... 52.215-20
9. Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data – Modifications..... 52.215-21
10. Contract Definitization..... 52.216-25
11. Prospective Subcontractor Requests for Bonds..... 52.228-12
12. Earned value Management System 52.234-4

G. APPLICABLE TO COST REIMBURSEMENT, TIME & MATERIAL OR LABOR HOUR ORDERS:

1. Facilities Capital Cost of Money 52.215-16
2. Waiver of Facilities – Capital Cost of Money 52.215-17
3. Allowable Cost and Payment (Cost Reimbursement) – Seller agrees to execute assignment documents in order to meet subsection (h) 52.216-7
4. Fixed Fee – Applicable if this is a cost plus fixed fee order. 52.216-8
5. Incentive Fee – Applicable if this is a cost plus incentive fee order. 52.216-10
6. Cost Contract – No Fee – Applicable if this is a cost no fee order. 52.216-11
7. Cost Sharing Contract – No Fee – Applicable if this is a cost sharing, no fee order. 52.216-12
8. Payment for Overtime Premiums – Insert “0%” in paragraph (a) unless indicated otherwise on the face of this order 52.222-2
9. Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts) 52.222-43
10. Fair Labor Standards Act and Service Contract Act – Price Adjustment 52.222-44
11. State of New Mexico Gross Receipts and Compensating Tax 52.229-10
12. Payments Under Time and Materials and Labor Hour Contracts (“schedule” means Purchase Order, “voucher(s) Means Purchase Order. “Government” means Buyer and “Contracting Officer” means Buyer Purchasing Representative....52.232-7
13. Limitation of Cost (if fully funded) 52.232-20
14. Limitation of Funds (if incrementally funded) 52.232-22
15. Stop Work Order.....52.242-15 Alt I
16. Changes – Cost-Reimbursement – Applicable if this is a Cost-Reimbursement Order. 52.243-2
17. Changes – Time and Material or Labor-Hours – Applicable if this is a Time and Material or Labor Hour Order. 52.243-3
18. Inspection of Supplies (Cost Reimbursement) – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed acceptable by the Buyer), and where “Government” first appears in paragraph (k), it shall mean “Government or Buyer.” The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government..... 52.246-3
19. Inspection of Services (Cost-Reimbursement) – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed accepted by the Buyer), and where “Government” first appears in paragraph (k), it shall mean “Government or Buyer.” The provisions in this clause for access, Inspection of Services (Cost-Reimbursement) – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed accepted by the Buyer), and where “Government” first appears in paragraph (k) it shall mean “Government and Buyer.” The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government. 52.246-5
20. Inspection – Time and Material and Labor Hour – “Contracting Officer” means “Buyer’s purchasing representative” and “Government” means “Buyer and Government” (provided that an inspection system accepted by the Government will be deemed



accepted by the Buyer), and where “Government” first appears in paragraph (k), it shall mean “Government and Buyer.” The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to Buyer and the Government..... 52.246-6

21. Submission of Transportation Documents for Audit.....52.247-67

22. Termination (Cost-Reimbursement) – “Government” means “Buyer” and “Contracting Officer” means “Buyer’s purchasing representative.” In paragraph (d) change “15 days” and “45 days” to “30 days” and “90 days,” respectively. In paragraph (e) change “1 year” to “six months.” Alternate IV is applicable to Time and Material or Labor-Hour orders only. 52.249-6 Alt IV

23. Excusable Delay 52.249-14

H. APPLICABLE TO CONSTRUCTION ORDERS:

1. Subcontracts (Labor Standards). 52.222-11

2. Affirmative Action Compliance Requirements for Construction (over \$10,000) 52.222-27

3. Notice of Requirement for Project Labor Agreement..... 52.222-33

4. Project Labor Agreement..... 52.222-34

5. Affirmative Procurement of Biobased Products Under Service and Construction Contracts 52.223-2

6. Buy American Act – Construction Materials 52.225-9

7. Notice of Buy American Act / Balance of Payments Program Requirement – Construction Materials 52.225-10

8. Buy America Act-Construction Materials Under Trade Agreements 52.225-11

9. Required Use of American Iron, Steel, Manufactured Materials– Buy America Act Construction Materials 52.225-21

10. Notice of Required Use of American Iron, Steel, Manufactured Materials– Buy America Act Construction Materials..... 52.225-22

11. Required Use of American Iron, Steel, Mfg’d Matls– Buy America Act Construction Matls Under Trade Agreements..... 52.225-23

12. Notice of Required Use of American Iron, Steel, Manufactured Materials– Buy America Act Construction Materials Under Trade Agreements..... 52.225-24

13. North Carolina State and Local Sales and Use Tax 52.229-2

14. Prompt payment for construction contracts 52.232-27

15. Inspection of Construction 52.246-12

16. Value Engineering – Construction (over \$150,000) 52.248-3

4. CERTIFICATIONS:

THE OFFEROR, BY SIGNING ITS OFFER AND ANY RESULTANT SUBCONTRACT OR PURCHASE ORDER, HEREBY CERTIFIES COMPLIANCE WITH THE FOLLOWING CLAUSES AND IS, THEREFORE, ELIGIBLE FOR AWARD.

A. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (over \$150,000) 52.203-11

B. Certification for Federal funding accountability and Transparency Act (FFATA).....52.204-10

C. Certification Regarding Responsibility Matters 52.209-5

D. Protecting the Government’s Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (over \$30,000).....52.209-6

E. Information Regarding responsibility Matters (Over \$500K).....52.209-7

F. Certification Regarding Knowledge of Child Labor for Listed End Products 52.222-18

G. Previous Contracts and Compliance Reports (over \$10,000)..... 52.222-22

H. Affirmative Action Compliance 52.222-25

I. Affirmative Action for Workers with Disabilities (over \$10K)..... 52.222-36

J. Certification Regarding Trafficking in Persons Compliance Plan (\$500K or greater for other than COTS items and performed outside the United States.....52.222-56

K. Bio-based Product Certification 52.223-1

L. Recovered Material Certification 52.223-4

M. Prohibition on Conducting Restricted Business Operations in Sudan Certification 52.225-20

N. Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran.....52.225-25

O. Cost Accounting Standards Notices and Certifications 52.230-1

5. APPLICABLE TO ALL CONTRACTS THAT ARE FUNDED IN WHOLE OR IN PART BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009:



1. Whistleblower Protections 52.203-15
 2. Audit and Records (Sealed Bidding)..... 52.214.26

6. ADDITIONAL CLAUSES:

A. COST ACCOUNTING STANDARDS (APPLICABLE UNLESS OTHERWISE EXEMPT)

Seller shall communicate and otherwise deal directly with the Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Buyer with copies of all communications between Seller and the Contracting Officer respecting Cost Accounting Standards, FAR 52.230-2 and Administration of Cost Accounting Standards, FAR 52.230-6, provided Seller shall not be required to disclose to Buyer such communications containing information which is privileged and confidential to the Seller. In addition to any other remedies provided by law or under this Order, Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subjected to any liability as the result of a failure of the Seller or its lower-tier subcontractors to comply with the requirements of FAR 52.230-2, 52.230-3, 52.230-4, 52.230-5 or 52.230-6. Paragraph (b) is deleted in each of the foregoing clauses.

B. TRUTH IN NEGOTIATIONS

Cost or Pricing Data: (Applicable only if certified cost or pricing data has been provided). The clause entitled “Subcontractor Cost or Pricing Data” is a part of this Order if the Seller was required to furnish cost and pricing data and a Certification of Current Cost or Pricing Data for this Order. If it was not required to furnish such data and Certificate, the clause entitled “Subcontractor Cost or Pricing Data-Modification” is a part of this Order. Seller shall update its proposal and re-certify its cost or pricing data whenever costs, factors, or prices change such that cost or pricing data previously furnished is no longer accurate, current, or complete.

1. Indemnification

If any price (including profit or fee) negotiated in connection with the prime contract between the Government and the Buyer or any cost that is reimbursable under said contract is reduced because cost or pricing data furnished by the Seller in connection with any proposal submitted by the Buyer relating to said contract or in connection with this Order was not accurate, complete, or current, the Seller shall indemnify the Buyer in the amount of said reduction.

The phrase “cost or pricing data,” as used herein, shall be deemed to include any such data, which related to a lower-tier prospective or actual subcontract, at any level, which was submitted by the Seller or which it procured by submission of, in connection with the aforesaid proposal or this Order in support of its cost estimate.

If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Seller shall be liable and shall pay the Buyer at the time such overpayment is repaid:

- i. Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Seller to the date the Buyer is repaid by the Seller at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C. 6621(a)(2); and
- ii. For Department of Defense contracts only, a penalty equal to the amount of the overpayment, if the Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current.

2. Cost or Pricing Data for Changes

Prior to the pricing of any change or other modification to this Order which involves increases and/or decreases in costs plus applicable profit in excess of the contractually required threshold and resulting from a change in the prime contract, subcontractors shall submit cost or pricing data as defined in FAR section 2.101 and required by FAR subsection 15.403-4 and shall certify that the data, as defined in Federal Acquisition Regulation 15.406-2, submitted either actually or by specific identification in writing are accurate, complete, and current as of the date of completion of negotiations.

When required to obtain cost or pricing data from its subcontractors, pursuant to the provisions of this Order, Seller shall obtain such data.

7. DISPUTES – GOVERNMENT CONTRACTS

Any reference to the “Disputes Clause” in any applicable FAR Clause under paragraph 2 above shall mean this paragraph 7, *Disputes – Government Contracts*.



Mission Integration

- A.** Any dispute arising under this purchase order relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance with paragraph B, below. All other disputes will be resolved under the Article entitled, "DISPUTES," as found in section 24 of the General Terms and Conditions TC001.
- B.**
1. Notwithstanding any other provisions in this purchase order, any decision of the Contracting Officer under the prime contract, which binds Buyer, shall bind both Buyer and Seller to the extent that it relates to this purchase order—provided that:
 - i. The Buyer notifies with reasonable promptness the Seller of such decision;
 - ii. The Buyer, at its sole discretion, authorizes in writing the Seller to appeal in the name of the Buyer such decision at its own expense, or
 - iii. If Buyer should appeal such decision, Buyer, at its sole discretion, offers to the Seller the opportunity, at its own expense, to join Buyer in such appeal.
 2. Any decision upon such appeal, when final, shall be binding upon the Seller.
 3. The Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer.
 4. The Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5, "Fraudulent Claims," of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.
- C.** Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this purchase order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this purchase order.
- D.** Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.
- E.** As used in this clause, the word "appeal" means an appeal taken under the contract Disputes Act of 1978, as amended.
- 8. 52.203-12 Limitation on Payments to Influence Certain Federal Transactions. (Applicable to all subcontracts over the Simplified Acquisition Threshold) (Oct 2010)**
- (a) Definitions. As used in this clause—
- "Agency" means "executive agency" as defined in Federal Acquisition Regulation (FAR) 2.101.
- "Covered Federal action" means any of the following actions:
- (1) Awarding any Federal contract.
 - (2) Making any Federal grant.
 - (3) Making any Federal loan.
 - (4) Entering into any cooperative agreement.
 - (5) Extending, continuing, renewing, amending, or modifying any Federal contract, grant, loan, or cooperative agreement.
- "Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) and include Alaskan Natives.
- "Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.
- "Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.



“Officer or employee of an agency” includes the following individuals who are employed by an agency:

- (1) An individual who is appointed to a position in the Government under Title 5, United States Code, including a position under a temporary appointment.
- (2) A member of the uniformed services, as defined in subsection 101(3), Title 37, United States Code.
- (3) A special Government employee, as defined in section 202, Title 18, United States Code.
- (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5, United States Code, appendix 2.

“Person” means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization eligible to receive Federal contracts, grants, cooperative agreements, or loans from an agency, but only with respect to expenditures by such tribe or organization that are made for purposes specified in paragraph (b) of this clause and are permitted by other Federal law.

“Reasonable compensation” means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

“Reasonable payment” means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

“Recipient” includes the Contractor and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization eligible to receive Federal contracts, grants, cooperative agreements, or loans from an agency, but only with respect to expenditures by such tribe or organization that are made for purposes specified in paragraph (b) of this clause and are permitted by other Federal law.

“Regularly employed” means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

“State” means a State of the United States, the District of Columbia, or an outlying area of the United States, an agency or instrumentality of a State, and multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition. 31 U.S.C. 1352 prohibits a recipient of a Federal contract, grant, loan, or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal actions. In accordance with 31 U.S.C. 1352 the Contractor shall not use appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the award of this contractor the extension, continuation, renewal, amendment, or modification of this contract.

(1) The term appropriated funds does not include profit or fee from a covered Federal action.

(2) To the extent the Contractor can demonstrate that the Contractor has sufficient monies, other than Federal appropriated funds, the Government will assume that these other monies were spent for any influencing activities that would be unallowable if paid for with Federal appropriated funds.

(c) Exceptions. The prohibition in paragraph (b) of this clause does not apply under the following conditions:

(1) Agency and legislative liaison by Contractor employees.

(i) Payment of reasonable compensation made to an officer or employee of the Contractor if the payment is for agency and legislative liaison activities not directly related to this contract. For purposes of this paragraph, providing any information specifically requested by an agency or Congress is permitted at any time.

(ii) Participating with an agency in discussions that are not related to a specific solicitation for any covered Federal action, but that concern—



Mission Integration

(A) The qualities and characteristics (including individual demonstrations) of the person's products or services, conditions or terms of sale, and service capabilities; or

(B) The application or adaptation of the person's products or services for an agency's use.

(iii) Providing prior to formal solicitation of any covered Federal action any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(iv) Participating in technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(v) Making capability presentations prior to formal solicitation of any covered Federal action by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507, and subsequent amendments.

(2) Professional and technical services.

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(iii) As used in paragraph (c)(2) of this clause, "professional and technical services" are limited to advice and analysis directly applying any professional or technical discipline (for examples, see FAR 3.803(a)(2)(iii)).

(iv) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.

(3) Only those communications and services expressly authorized by paragraphs (c)(1) and (2) of this clause are permitted.

(d) Disclosure.

(1) If the Contractor did not submit OMB Standard Form LLL, Disclosure of Lobbying Activities, with its offer, but registrants under the Lobbying Disclosure Act of 1995 have subsequently made a lobbying contact on behalf of the Contractor with respect to this contract, the Contractor shall complete and submit OMB Standard Form LLL to provide the name of the lobbying registrants, including the individuals performing the services.

(2) If the Contractor did submit OMB Standard Form LLL disclosure pursuant to paragraph (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, and a change occurs that affects Block 10 of the OMB Standard Form LLL (name and address of lobbying registrant or individuals performing services), the Contractor shall, at the end of the calendar quarter in which the change occurs, submit to the Contracting Officer within 30 days an updated disclosure using OMB Standard Form LLL.

(e) Penalties.

(1) Any person who makes an expenditure prohibited under paragraph (b) of this clause or who fails to file or amend the disclosure to be filed or amended by paragraph (d) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(2) Contractors may rely without liability on the representation made by their subcontractors in the certification and disclosure form.

(f) Cost allowability. Nothing in this clause makes allowable or reasonable any costs which would otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provision.

(g) Subcontracts.



Mission Integration

(1) The Contractor shall obtain a declaration, including the certification and disclosure in paragraphs (c) and (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, from each person requesting or receiving a subcontract exceeding \$150,000 under this contract. The Contractor or subcontractor that awards the subcontract shall retain the declaration.

(2) A copy of each subcontractor disclosure form (but not certifications) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall, at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor, submit to the Contracting Officer within 30 days a copy of all disclosures. Each subcontractor certification shall be retained in the subcontract file of the awarding Contractor.

(3) The Contractor shall include the substance of this clause, including this paragraph (g), in any subcontract exceeding \$150,000.

Company Name _____
Authorized Signature _____
Printed Name & Date _____
L-3 Buyer Name & Date _____



L-3 COMMUNICATIONS INTEGRATED SYSTEMS TC002 SUPPLEMENT 2
U.S. GOVERNMENT CONTRACT PROVISIONS FROM THE DEPARTMENT OF DEFENSE FEDERAL ACQUISITION
REGULATION SUPPLEMENT (DFARS) REVISION AND DATE AS IN TC002 SUPPLEMENT 1

- 1. When the materials or products furnished are for use in connection with a U. S. Government Department of Defense contract or subcontract, in addition to the General Provisions and the FAR provisions, the following provisions shall apply, as required by the terms of the prime contractor or by operation of law or regulation. In the event of a conflict between these DFARS provisions and the General Provisions or the FAR provisions, the DFARS provisions shall control.
2. The following clauses set forth in the DFARS, in effect as of the date of the prime contract, are incorporated herein by reference with the same force and effect as if they were given in full text. In all clauses listed herein, the terms "Government," "Contracting Officer," and "Contractor" shall be revised to suitably identify the contracting parties under this purchase order and affect the proper intent of the provision, except where further clarified or modified below. "Subcontractor;" however, shall mean "Seller's Subcontractor" under this purchase order. The Seller, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.
3. Clauses in this document may not be applicable to specific orders due to the type of subcontract/purchase order to be issued, dollar thresholds under requirements of the FAR, DFARS or Public Law or Mandatory Flow Down requirements of a particular prime contract. Clauses not applicable for these reasons shall not be removed from this document and will be considered by all parties to be without force and effect.

A. Title of ClauseDFARS

1. Requirement to Inform Employees of Whistleblower Rights.....252.203.7002
(a) The Contractor shall inform its employees in writing, in the predominant native language of the workforce, of contractor employee whistleblower rights and protections under 10 U.S.C. 2409, as described in subpart 203.9 of the Defense federal Acquisition Regulation Supplement. (b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts. (End of Clause)
2. Disclosure of Information 252.204-7000
3. Alternate A, System For Award Management 252.204-7004
4. Alternate A, Annual Representations and Certifications 252.204-7007
5. Limitations on the USE and Disclosure of Third Party Contractor Reported Cyber Incident Information..... 252.204-7009
6. Limitations on the Use of Disclosure of Cyber Incident Reporting (for Operationally Critical Support or where Performance involves a covered contractor information system.....252.204-7012
7. Limitations on the Use or Disclosure of Information by Litigation Support Solicitation Offerors.....252.204-7013
8. Limitations on the Use or Disclosure of Information by Litigation Support Contractors.....252.204-7014
9. Disclosure of Information to Litigation Support Contractors.....252.204-7015
10. Intent to Furnish Precious Metals as Government-Furnished Material..... 252.208-7000
11. Disclosure of Ownership of Control by a Foreign Government 252.209-7002
12. Limitations on Contractors Acting as Lead System Integrators..... 252.209-7006
13. Prohibited Financial Interests for Lead System Integrators 252.209-7007
14. Item Unique Identification and Valuation 252.211-7003
15. Radio Frequency Identification 252.211-7006
16. Reporting of Government Furnished Equipment in DoD Item Unique Identification (IUID) Registry 252.211-7007
17. Removed and Reserved 252.212-7001
18. Pricing Adjustments 252.215-7000
19. Cost Estimating System Requirements 252.215-7002
20. Award Fee Reduction or Denial for Jeopardizing the Health and Safety of Gov't Personnel (Award Fee Only)..... 252.216-7004
21. Restrictions on Employment of Personnel 252.222-7000
22. Hazard Warning Labels (Fill in State where this purchase order will be performed.)..... 252.223-7001
23. Safety Precautions for Ammunition and Explosives 252.223-7002
24. Change in Place of Performance - Ammunition and Explosives 252.223-7003
25. Drug-Free Work Force 252.223-7004



Mission Integration

26. Prohibition on Storage and Disposal of Toxic and Hazardous Materials	252.223-7006
27. Safeguarding Sensitive Conventional Arms, Ammunition and Explosives	252.223-7007
28. Prohibition of Hexavalent Chromium.....	252.223-7008
29. Buy American Act – Balance of Payments Program Certificate	252.225-7000
30. Buy American Act and Balance of Payments Program	252.225-7001
31. Buy American Act and Balance of Payments Program	252.225-7001
32. Qualifying Country Sources as Subcontractors	252.225-7002
33. Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	252.225-7007
34. Restriction on Acquisition of Specialty Metals.....	252.225-7008
35. Restriction on Acquisition of Certain Articles Containing Specialty Metals (excludes and reserves para (d) and (e)(1).....	252.225-7009
36. Commercial Derivative Military Article – Specialty Metals Compliance Certificate.....	252.225-7010
37. Preference for Certain Domestic Commodities	252.225-7012
38. Duty Free Entry	252.225-7013
39. Restriction on Acquisition of Hand or Measuring Tools	252.225-7015
40. Restriction on Acquisition of Ball and Roller Bearings	252.225-7016
41. Restriction on Acquisition of Foreign Anchor and Mooring Chain	252.225-7019
42. Trade Agreements – Certificate	252.225-7020
43. Trade Agreements	252.225-7021
44. Trade Agreements Certificate – Inclusion of Iraqi End Products.....	252.225-7022
45. Restriction on the Acquisition of Forgings	252.225-7025
46. Restriction on Contingent Fees for Foreign Military Sales (blank is filled in “zero”)	252.225-7027
47. Exclusionary Policies and Procedures of Foreign Governments	252.225-7028
48. Restriction on Acquisition of Carbon Alloy and Armor Steel Plate	252.225-7030
49. Secondary Arab Boycott of Israel	252.225-7031
50. Buy American Act – Free Trade Agreements – Balance of Payments Program Certificate	252.225-7035
51. Buy American Act – Free Trade Agreements – Balance of Payments Program	252.225-7036
52. Defense Contractors Performing Private Security Functions Outside the United States.....	252.225-7039
53. Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States	252.225-7040
54. Antiterrorism / Force Protection Policy for Defense Contractors Outside the United States	252.225-7043
55. Balance of Payments Program – Construction Material	252.225-7044
56. Balance of Payments Program – Construction Material Under Trade Agreements.....	252-225-7045
57. Exports By Approved Community Members in Response to this Solicitation.....	252.225-7046
58. Export by Approved Community Members in Performance of the Contract.....	252.225-7047
59. Export Controlled Items.....	252-225-7048
60. Additional Access to Contractor and Subcontractor Records (Other than USCENTCOM) DEVIATION 2015-O0016 (Over \$50,000.00).....	252-225.7981
61. Prohibition on Providing Funds to the Enemy Deviation 2015-O0016 (Over \$50,000.00).....	252-225.7993
62. Additional Access to Contractor and Subcontractor Records in the United States Central Command theater of Operations (DEVIATION[2015-O0013]) For subcontracts with an estimated value over \$100,000.00).....	252.225-7994
63. Rights in Technical Data - Noncommercial Items.....	252.227-7013
64. Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	252.227-7014
65. Technical Data - Commercial Items	252.227-7015
66. Rights in Bid or Proposal Information	252.227-7016
67. Identification and Assertion of Use, Release, or Disclosure Restrictions	252.227-7017
68. Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program	252.227-7018
69. Validation of Asserted Restrictions - Computer Software	252.227-7019
70. Limitations on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends	252.227-7025
71. Delivery of Technical Data or Computer Software	252.227-7026
72. Deferred Ordering of Technical Data or Computer Software	252.227-7027
73. Technical Data or Computer Software Previously Delivered to the Government	252.227-7028
74. Technical Data--Withholding of Payment	252.227-7030



Mission Integration

75. Rights in Shop Drawings Reserved? 252.227-7033

76. Validation of Restrictive Markings on Technical Data 252.227-7037

77. Patent Rights-Ownership by the Contractor.....252.227-7038

78. Patents – Reporting of Subject Inventions 252.227-7039

79. Ground and Flight Risk 252.228-7001

80. Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles 252.228-7005

81. Reporting of Foreign Taxes – U.S. Assistance Programs 252.229-7011

82. Taxes – Foreign Contracts in Afghanistan.....252.229-7014

83. Supplemental Cost Principles (First Tier Subcontractors Only) 252.231-7000

84. Frequency Authorization 252.235-7003

85. Protection of Human Rights..... 252.235-7004

86. Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers
(for Construction Subcontracts) DELETED.....252-236-7013

87. Training for Contract Personnel Interacting with Detainees 252.237-7019

88. Continuation of Essential Contractor Services 252.237-7023

89. Notice of Continuation of Essential Contractor Services 252-237-7024

90. Protection Against Compromising Emanations 252.239-7000

91. Information Assurance Contractor Training and Certification 252.239-7001

92. Cloud Computing Services.....252.239-7010

93. Telecommunications Security Equipment, Devices, Techniques, and Services 252.239-7016

94. Notice of Supply Chain Risk..... 252.239-7017

95. Pricing of Contract Modifications252-243-7001

96. Subcontracts for Commercial Items and Commercial Components (DoD Contracts) 252.244-7000

97. Tagging, Labeling, and Marking Government Furnished Property.....252.245-7001

98. Reporting Loss of Government Property..... 252.245-7002

99. Material Inspection and Receiving Report 252.246-7000

100. Notification of Potential Safety Issues 252.246-7003

101. Safety of Facilities, Infrastructure, and Equipment for Military Operations252-246-7004

102. Counterfeit Electronic Part Detection and Avoidance System.....252.246-7007

103. Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer..... 252.247-7003

104. Notification of Transportation of Supplies by Sea 252.247-7024

B. ORDERS OVER THE SIMPLIFIED ACQUISITION THRESHOLD ALSO INCLUDE THE FOLLOWING:

1. Prohibition on Persons Convicted of Fraud or Other Defense–Contract-Related Felonies 252.203-7001

2. Disclosure of Ownership or Control by the Government of a Terrorist Country 252.209-7001

3. Subcontracting with Firms that are Owned or Controlled by the government of a Terrorist Country.....252.209-7004

4. Additional Access to Contractor and Subcontractor Records in the United States Central Command theater
of Operations..... 252.225-7994

5. Requests for Equitable Adjustment 252.243-7002

6. Contractor Purchasing System Administration.....252.244-7001

7. Representation of Extent of Transportation by Sea 252.247-7022

8. Transportation of Supplies by Sea 252.247-7023

9. Notification of Transportation of Supplies by Sea.....252.247-7024

C. ORDERS OVER \$ 500,000 ALSO INCLUDE THE FOLLOWING:

1. Small Business Subcontracting Plan (DoD Contracts) - over \$650K 252.219-7003

2. Report of Intended Performance Outside the United States – Submission with Offer (\$650,000)252-225-7003

3. Report of Intended Performance Outside the United States & Canada – Submission After Award (\$650,000) 252.225-7004

4. Removed and Reserved 252.225-7006

5. Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business
Concerns 252.226-7001



D. ORDERS OVER \$1,000,000 ALSO INCLUDE THE FOLLOWING:

- 1. Agency Office of the Inspector General (\$5M).....252.203-7003
- 2. Display of Fraud Hotline Posters (Over \$5M).....252.203-7004
- 3. Acquisition Streamlining 252.211-7000
- 4. Restriction on the Use of Mandatory Arbitration Agreements..... 252.222-7006
- 5. Report of Intended Performance Outside the United States & Canada – Submission with Offer (over \$12.5 million) .252.225-7003
- 6. Waiver of United Kingdom Levies – Evaluation of Offers 252.225-7032
- 7. Waiver of United Kingdom Levies 252.225-7033

E. ORDERS FOR MAJOR DEFENSE ACQUISITION PROGRAMS INCLUDE THE FOLLOWING:

- 1. Notice of Prohibition Relating to Organizational Conflict of Interest – Major Defense Acquisition Program252.209-7008
- 2. Organizational Conflict of Interest – Major Defense Acquisition Program 252.209-7009
- 3. Earned Value Management System (Orders over \$50M).....252.234-7002
- 4. Notice of Cost and Software Data reporting System (Orders over \$50M) 252.234.7003
- 5. Cost and Software Date Reporting System (Orders over \$50M) 252.234-7004

CERTIFICATIONS the Offeror, by signing its offer, hereby certifies compliance with the following clauses and is, therefore eligible for Award.

- 1. Representation Regarding Combating Trafficking in Persons.....252.222-7007

The following clauses are incorporated in full text and will be flowed to suppliers at all tiers:

252.239-7018 Supply Chain Risk.

As prescribed in 239.7306(b), use the following clause: SUPPLY CHAIN RISK (NOV 2013)

(a) Definitions. As used in this clause–

“Information technology” (see 40 U.S.C 11101(6)) means, in lieu of the definition at FAR 2.1, any equipment, or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency.

(1) For purposes of this definition, equipment is used by an agency if the equipment is used by the agency directly or is used by a contractor under a contract with the agency that requires–

- (i) Its use; or
- (ii) To a significant extent, its use in the performance of a service or the furnishing of a product.

(2) The term “information technology” includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources.

(3) The term “information technology” does not include any equipment acquired by a contractor incidental to a contract.

“Supply chain risk,” means the risk that an adversary may sabotage, maliciously introduce unwanted function, or otherwise subvert the design, integrity, manufacturing, production, distribution, installation, operation, or maintenance of a national security system (as that term is defined at 44 U.S.C. 3542(b)) so as to surveil, deny, disrupt, or otherwise degrade the function, use, or operation of such system.

(b) The Contractor shall maintain controls in the provision of supplies and services to the Government to minimize supply chain risk.



(c) In order to manage supply chain risk, the Government may use the authorities provided by section 806 of Pub. L. 111-383. In exercising these authorities, the Government may consider information, public and non-public, including all-source intelligence, relating to a Contractor's supply chain.

(d) If the Government exercises the authority provided in section 806 of Pub. L. 111-383 to limit disclosure of information, no action undertaken by the Government under such authority shall be subject to review in a bid protest before the Government Accountability Office or in any Federal court.

(e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts involving the development or delivery of any information technology, whether acquired as a service or as a supply.

(End of clause)

252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting.

As prescribed in 204.7303, use the following clause: SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING

(a) Definitions. As used in this clause—

Adequate security means protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information.

Attribution information means information that identifies the Contractor, whether directly or indirectly, by the grouping of information that can be traced back to the Contractor (e.g., program description or facility locations).

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

Contractor information system means an information system belonging to, or operated by or for, the Contractor.

Controlled technical information means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information is to be marked with one of the distribution statements B-through-F, in accordance with DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

Cyber incident means actions taken through the use of computer networks that result in an actual or potentially adverse effect on an information system and/or the information residing therein.

Exfiltration means any unauthorized release of data from within an information system. This includes copying the data through covert network channels or the copying of data to unauthorized media.

Media means physical devices or writing surfaces including, but is not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which information is recorded, stored, or printed within an information system.

Technical information means technical data or computer software, as those terms are defined in the clause at DFARS 252.227-7013, Rights in Technical Data-Non Commercial Items, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(b) Safeguarding requirements and procedures for unclassified controlled technical information. The Contractor shall provide adequate security to safeguard unclassified controlled technical information from compromise. To provide adequate security, the Contractor shall—



(1) Implement information systems security in its project, enterprise, or company-wide unclassified information technology system(s) that may have unclassified controlled technical information resident on or transiting through them. The information systems security program shall implement, at a minimum—

- (i) The specified National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53 security controls identified in the following table; or
- (ii) If a NIST control is not implemented, the Contractor shall submit to the Contracting Officer a written explanation of how—
 - A) The required security control identified in the following table is not applicable; or
 - B) An alternative control or protective measure is used to achieve equivalent protection.

(2) Apply other information systems security requirements when the Contractor reasonably determines that information systems security measures, in addition to those identified in paragraph (b)(1) of this clause, may be required to provide adequate security in a dynamic environment based on an assessed risk or vulnerability.

Table 1 -- Minimum Security Controls for Safeguarding

Minimum required security controls for unclassified controlled technical information requiring safeguarding in accordance with paragraph (d) of this clause. (A description of the security controls is in the NIST SP 800-53, "Security and Privacy Controls for Federal Information Systems and Organizations" (<http://csrc.nist.gov/publications/PubsSPs.html>).)

<u>Access Control</u>	<u>Audit & Accountability</u>	<u>Identification and Authentication</u>	<u>Media Protection</u>	<u>System & Comm Protection</u>
AC-2	AU-2	IA-2	MP-4	SC-2
AC-3(4)	AU-3	IA-4	MP-6	SC-4
AC-4	AU-6(1)	IA-5(1)		SC-7
AC-6	AU-7		<u>Physical and Environmental Protection</u>	SC-8(1)
AC-7	AU-8	<u>Incident Response</u>	PE-2	SC-13
AC-11(1)	AU-9	IR-2	PE-3	
AC-17(2)		IR-4	PE-5	SC-15
AC-18(1)	<u>Configuration Management</u>	IR-5		SC-28
AC-19	CM-2	IR-6	<u>Program Management</u>	
AC-20(1)	CM-6		PM-10	<u>System & Information Integrity</u>
AC-20(2)	CM-7	<u>Maintenance</u>		SI-2
AC-22	CM-8	MA-4(6)	<u>Risk Assessment</u>	SI-3
		MA-5	RA-5	SI-4
<u>Awareness & Training</u>	<u>Contingency Planning</u>	MA-6		
AT-2	CP-9			



Legend:

AC: Access Control

MA: Maintenance

AT: Awareness and Training

MP: Media Protection

AU: Auditing and Accountability

PE: Physical & Environmental Protection

CM: Configuration Management

PM: Program Management

CP: Contingency Planning

RA: Risk Assessment

IA: Identification and Authentication

SC: System & Communications Protection

IR: Incident Response SI: System & Information Integrity

(c) Other requirements. This clause does not relieve the Contractor of the requirements specified by applicable statutes or other Federal and DoD safeguarding requirements for Controlled Unclassified Information (CUI) as established by Executive Order 13556, as well as regulations and guidance established pursuant thereto.

(d) Cyber incident and compromise reporting.

(1) Reporting requirement. The Contractor shall report as much of the following information as can be obtained to the Department of Defense via (<http://dibnet.dod.mil/>) within 72 hours of discovery of any cyber incident, as described in paragraph (d)(2) of this clause, that affects unclassified controlled technical information resident on or transiting through the Contractor's unclassified information systems:

- (i) Data Universal Numbering System (DUNS).
- (ii) Contract numbers affected unless all contracts by the company are affected.
- (iii) Facility CAGE code if the location of the event is different than the prime Contractor location.
- (iv) Point of contact if different than the POC recorded in the System for Award Management (address, position, telephone, email).
- (v) Contracting Officer point of contact (address, position, telephone, email).
- (vi) Contract clearance level.
- (vii) Name of subcontractor and CAGE code if this was an incident on a Sub-contractor network.
- (viii) DoD programs, platforms or systems involved.
- (ix) Location(s) of compromise.
- (x) Date incident discovered.
- (xi) Type of compromise (e.g., unauthorized access, inadvertent release, other).
- (xii) Description of technical information compromised.
- (xiii) Any additional information relevant to the information compromise.

(2) Reportable cyber incidents. Reportable cyber incidents include the following:

- (i) A cyber incident involving possible exfiltration, manipulation, or other loss or compromise of any unclassified controlled technical information resident on or transiting through Contractor's, or its subcontractors', unclassified information systems.
- (ii) Any other activities not included in paragraph (d)(2)(i) of this clause that allow unauthorized access to the Contractor's unclassified information system on which unclassified controlled technical information is resident on or transiting.

(3) Other reporting requirements. This reporting in no way abrogates the Contractor's responsibility for additional safeguarding and cyber incident reporting requirements pertaining to its unclassified information systems under other clauses that may apply to its contract, or as a result of other U.S. Government legislative and regulatory requirements that may apply (e.g., as cited in paragraph (c) of this clause).

(4) Contractor actions to support DoD damage assessment. In response to the reported cyber incident, the Contractor shall—

- (i) Conduct further review of its unclassified network for evidence of compromise resulting from a cyber incident to include, but is not limited to, identifying compromised computers, servers, specific data and users accounts. This includes analyzing information systems that were part of the compromise, as well as other information systems on the network that were accessed as a result of the compromise;



- (ii) Review the data accessed during the cyber incident to identify specific unclassified controlled technical information associated with DoD programs, systems or contracts, including military programs, systems and technology; and
 - (iii) Preserve and protect images of known affected information systems and all relevant monitoring/packet capture data for at least 90 days from the cyber incident to allow DoD to request information or decline interest.
- (5) DoD damage assessment activities. If DoD elects to conduct a damage assessment, the Contracting Officer will request that the Contractor point of contact identified in the incident report at (d)(1) of this clause provide all of the damage assessment information gathered in accordance with paragraph (d)(4) of this clause. The Contractor shall comply with damage assessment information requests. The requirement to share files and images exists unless there are legal restrictions that limit a company's ability to share digital media. The Contractor shall inform the Contracting Officer of the source, nature, and prescription of such limitations and the authority responsible.
- (e) Protection of reported information. Except to the extent that such information is lawfully publicly available without restrictions, the Government will protect information reported or otherwise provided to DoD under this clause in accordance with applicable statutes, regulations, and policies. The Contractor shall identify and mark attribution information reported or otherwise provided to the DoD. The Government may use information, including attribution information and disclose it only to authorized persons for purposes and activities consistent with this clause.
- (f) Nothing in this clause limits the Government's ability to conduct law enforcement or counterintelligence activities, or other lawful activities in the interest of homeland security and national security. The results of the activities described in this clause may be used to support an investigation and prosecution of any person or entity, including those attempting to infiltrate or compromise information on a contractor information system in violation of any statute.
- (g) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (g), in all subcontracts, including subcontracts for commercial items.

(End of clause)