

# **FAR \_Aurora Flight Addendum Clauses- Addendum 1**

## **U.S. Government Contract Clauses from: The Department of Defense Federal Acquisition Regulation Supplement (FARS)**

### **1. Aurora Flight Sciences Policy.**

It is Aurora Flight Sciences policy that in addition to the Aurora Flight Sciences Standard Terms and Conditions, this Addendum 1 shall apply to all Aurora Flight Sciences awarded efforts that are in support of a U.S. Government contract, or subcontract. The following provisions shall apply, as required by the terms of the prime contract, or by operation of law or regulation. These FAR provisions shall control, in the event of a conflict between these FAR provisions and Aurora Flight Sciences Standard Terms and Conditions.

### **2. Clause Relevancy.**

This document contains provisions or clauses that may not apply to specific orders or contract awards because of type of contract, Public Law, or the dollar thresholds set forth in FAR or DFARS. Clauses not applicable for these reasons shall not be removed from this document, but will be considered to be without force and effect by both Aurora Flight Sciences and the Seller.

### **3. Clauses Incorporated by Reference.**

This contract incorporates by reference the following U.S. Government Federal Acquisition Regulation (FAR) clauses with the same force and effect as if they were given in full text. The FAR Clauses referenced below, or elsewhere in this contract, shall be those in effect on the effective date of the Prime Contract. The full text of a clause may be accessed electronically at this address:

<http://www.acquisition.gov>

In all clauses listed herein, the terms "Government", "Contracting Officer" and "Contractor" shall be revised to suitably identify the contracting parties herein and effect the proper intent of the of the provision except where further clarified or modified below. "Subcontractor", however, shall mean "Seller's Subcontractor" under this purchase order.

### **4. Flow Down Requirement.**

The seller shall ensure that any applicable flow-down clauses are included in each lower tier subcontract with Seller's suppliers

### **5. Certifications.**

By submitting a signed offer to Aurora Flight Sciences, the Seller does certify compliance with the following clauses and is, therefore eligible for award.

<b>Title of Clause</b>	<b>FAR</b>
Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	52.203-11
Certification for Federal Funding Accountability and Transparency Act (FFATA)	52.204-10
Certification Regarding Responsibility Matters	52.209-5
Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	52.209-6
Certification Regarding Knowledge of Child Labor for Listed End Products	52.222-18
Previous Contracts and Compliance Reports	52.222-22
Affirmative Action Compliance	52.222-25
Affirmative Action for workers with Disabilities	52.222-36
Bio-based Product Certification	52.223-1
Recovered Material Certification	52.223-4
Prohibition on Conducting Restricted Business Operations in Sudan Certification	52.225-20
Prohibition on Contracting with Entities Engaging in Certain Activities Relating to Iran	52.225-25
Cost Accounting Standards Notices and Certifications	52.230-1

**6. Clauses Applicable to all Orders.** The following clauses will be in full force and effect for all Aurora Flight Sciences awarded purchase orders / contracts:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Definitions	52.202-1	2.201
Security Requirements	52.204-2	4.404(b)
Annual Representations and Certifications	52.204-8	4.1202
Personal Identity Verification of Contractor Personnel	52.204-9	4.1303
Service Contract Reporting Requirements	52.204-14	4.1705(a)
Service Contract Reporting Requirements for Indefinite-Delivery Contracts	52.204-15	4.1705(b)
Basic Safeguarding of Covered Contractor Information Systems	52.204-21	4.1903
Material Requirements	52.211-5	11.304
Alternatives to Government-Unique Standards	52.211-7	11.107(b)
Defense Priority and Allocation Requirements	52.211-15	11.604(b)
Contract Terms and Conditions Required to Implement Statutes or Executive Orders- Commercial Items	52.212-5	12.301(b)(4)
Terms and Conditions--Simplified Acquisitions (Other Than Commercial Items)	52.213-4	13.302-5(d)
Small Business Program Representation	52.219-1	19.309(a)(2)
Post-Award Small Business Program Representation	52.219-28	19.309(c)
Notice to the Government of Labor Disputes	52.222-1	22.103-5 (a)
Convict Labor	52.222-3	22.202
Child Labor---Cooperation with Authorities and Remedies	52.222-19	22.1505(b)
Service Contract Labor Standards	52.222-41	22.1006(a)
Combating Trafficking in Persons	52.222-50	22.1705(a)(1)
Employment Eligibility Verification	52.222-54	22.1803

Establishing a Minimum Wage for Contractors	52.222-55	22.1906
Hazardous Material Identification and Material Safety Data	52.223-3	23.303
Encouraging Contractor Policies to Ban Text Messaging While Driving	52.223-18	23.1105
Privacy Act	52.224-2	24.104 (b)
Buy American -- Supplies	52.225-1	25.1101(a)(1)
Buy American Certificate	52.225-2	25.1101 (a)(2)
Trade Agreements	52.225-5	25.1101 (c)(1)
Trade Agreements- Certificates	52.225-6	25.1101 (c)(2)
Duty-Free Entry	52.225-8	25.1101 (e)
Restrictions on Certain Foreign Purchases	52.225-13	25.1103(a)
Place of Manufacture	52.225-18	25.1101 (f)
Contractors Performing Private Security Functions Outside the United States	52.225-26	25.302-6
Authorization and Consent - Alternate I	52.227-1	27.201-2(a)(2)
Royalty Information	52.227-6	27.202-5(a)(1)
Refund of Royalties	52.227-9	27.202-5 (c)
Filing of Patent Applications-Classified Subject Matter	52.227-10	27.203-2
Patent Rights--Retention by the Contractor (Short Form)	52.227-11	27.303 (b)(1)
Rights in Data-General	52.227-14	27.409 (b)(1)
Additional Data Requirements	52.227-16	27.409 (d)
Commercial Computer Software License	52.227-19	27.409 (g)
Workers' Compensation Insurance (Defense Base Act)	52.228-3	28.309(a)
Workers' Compensation and War-Hazard Insurance Overseas	52.228-4	28.309 (b)
Insurance-Work on a Government Installation	52.228-5	28.310
Limitation on Withholding of Payments	52.232-9	32.111(b)(2)
Progress Payments	52.232-16	32.502-4(a)
Performance-Based Payments	52.232-32	32.1005
Unenforceability of Unauthorized Obligations	52.232-39	32.706-3
Providing Accelerated Payments to Small Business Subcontractors	52.232-40	32.009-2
Protest after Award	52.233-3	33.106(b)
Applicable Law for Breach of Contract Claim	52.233-4	33.215(b)
Industrial Resources Developed Under Defense Production Act, Title III	52.234-1	34.104
Accident Prevention	52.236-13	36.513
Protection of Government Buildings, Equipment, and Vegetation	52.237-2	37.110(b)
Privacy or Security Safeguards	52.239-1	39.107
Stop-Work Order	52.242-15	42.1305(b)(1)
Government Delay of Work	52.242-17	42.1305 (c)
Changes--Fixed Price	52.243-1	43.205 (a)(1)
Competition in Subcontracting	52.244-5	44.204©
Subcontracts for Commercial Items	52.244-6	44.403
Government Property	52.245-1	45.107(a)
Government Property Installation Operation Services	52.245-2	45.107(b)
Use and Charges	52.245-9	45.107©
Preference for U.S.-Flag Air Carriers	52.247-63	47.405
Preference for Privately Owned U.S.-Flag Commercial Vessels	52.247-64	47.405

Termination for Convenience of the Government (Fixed-Price) (Short Form)	52.249-1	49.502(a)(2)
Computer Generated Forms	52.253-1	53.111

## 7. Clauses Applicable to Orders Exceeding the Simplified Acquisition Threshold.

In addition to the clauses specified in Articles 6, the following clauses are applicable for all Aurora Flight Sciences awarded purchase orders / contracts exceeding the Simplified Acquisition Threshold (or amounts specified) will also include the following:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Certificate of Independent Price Determination	52.203-2	3.103-1
Gratuities	52.203-3	3.202
Covenant Against Contingent Fees	52.203-5	3.404
Restrictions on Subcontractor Sales to the Government	52.203-6	3.503-2
Anti-Kickback Procedures	52.203-7	3.502-3
Cancellation, Recession, and Recovery of Funds for Illegal or Improper Activity	52.203-8	3.104-9 (a)
Price or Fee Adjustment for Illegal or Improper Activity	52.203-10	3.104-9 (b)
Limitation on Payments to Influence Certain Federal Transactions	52.203-12	3.808 (b)
Preventing Personal Conflicts of Interest	52.203-16	3.1106
Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights	52.203-17	3.908-9
Women-Owned Business (Other Than Small Business)	52.204-5	4.607(b)
Audit and Records- Negotiations	52.215-2	15.209(b)(1)
Integrity of Unit Prices	52.215-14	15.408 (f)(1)
Utilization of Small Business Concerns	52.219-8	19.708 (a)
Contract Work Hours and Safety Standards-Overtime Compensation	52.222-4	22.305
Non-displacement of Qualified Workers	52.222-17	22.1207
Equal Opportunity Veterans	52.222-35	22.1310 (a)(1)
Employment Reports on Veterans	52.222-37	22.1310 (b)
Compliance with Veterans' Employment Reporting Requirements	52.222-38	22.1310 (c)
Drug-Free Workplace	52.223-6	23.505
Estimate of Percentage of Recovered Material Content for EPA Designated Products	52.223-9	23.406 (d)
Authorization and Consent - Alternate I	52.227-1	27.201-2 (a)(2)
Notice and Assistance Regarding Patent and Copyright Infringement	52.227-2	27.201-2 (b)
Federal, State, and Local Taxes	52.229-3	29.401-3
Bankruptcy	52.242-13	42.903
Change Order Accounting	52.243-6	43.205 (f)
Subcontracts	52.244-2	44.204 (a)(1)
Inspection of Supplies--Fixed-Price	52.246-2	46.302
Inspection of Services--Fixed Price	52.246-4	46.304
Higher-Level Contract Quality Requirement	52.246-11	46.311
Responsibility for Supplies	52.246-16	46.316
Value Engineering	52.248-1	48.201
Termination for Convenience of the Government (Fixed-Price)	52.249-2	49.502 (b)(1)(i)

Default (Fixed- Price Supply and Service)	52.249-8	49.504(a)(1)
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**8. Clauses Applicable to Orders Over \$10,000.**

In addition to the clauses specified in Article 6 and 7, the following clauses are applicable for all Aurora Flight Sciences awarded purchase orders / contracts exceeding \$10,000 in total value:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Prohibition of Segregated Facilities	52.222-21	22.810(a)(1)
Previous Contracts and Compliance Reports	52.222-22	22.810 (a)(2)
Equal Opportunity	52.222-26	22.810 (e)
Equal Opportunity for Workers with Disabilities	52.222-36	22.1408 (a)
Notification of Employee Rights Under the National Labor Relations Act	52.222-40	22.1605
Buy American -- Free Trade Agreements -- Israeli Trade Act	52.225-3	25.1101
Buy American -- Free Trade Agreements -- Israeli Trade Act Certificate	52.225-4	25.1101

**9. Clauses Applicable to Orders Over \$15,000.**

In addition to the clauses specified in Articles 6, 7 and 8, the following clauses are applicable for all Aurora Flight Sciences awarded purchase orders / contracts exceeding \$15,000 in total value:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Equal Opportunity for Workers with Disabilities	52.222-36	22.1408(a)

**10. Clauses Applicable to Orders Over \$30,000.**

In addition to the clauses specified in Articles 6, 7, 8 and 9 the following clauses are applicable for all Aurora Flight Sciences awarded purchase orders / contracts exceeding \$30,000 in total value:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Reporting Executive Compensation and First-Tier Subcontract Awards	52.204-10	4.1403(a)

**11. Orders over \$700,000**

In addition to the clauses specified in Articles 6, 7, 8, 9 and 10 the following clauses are applicable for all Aurora Flight Sciences awarded purchase orders / contracts exceeding \$700,000 in total contract value:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Contractor Code of Business Ethics and Conduct	52.203-13	3.1004(a)
Display of Hotline Poster(s)	52.203-14	3.1004(b)
Pension Adjustments and Asset Reversions	52.215-15	15.408 (g)
Revision or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	52.215-18	15.408 (j)
Notification of Ownership Changes	52.215-19	15.408 (k)
Small Business Subcontracting Plan	52.219-9	19.708 (b)
		19.508 (e) or
Liquidated Damages – Subcontracting Plan	52.219-16	19.811-3 (e)
Pre-award On-Site Equal Opportunity Compliance Evaluation	52.222-24	22.810 (c)

## 12. Unless Otherwise Exempt

The following clauses shall apply unless they are otherwise exempt:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Audit and Records--Sealed Bidding	52.214-26	14.201-7(a)(1)
Price Reduction for Defective Certified Cost or Pricing Data-- Modifications--Sealed	52.214-27	14.201-7(b)(1)
Subcontractor Certified Cost or Pricing Data-Modifications-Sealed Bidding	52.214-28	14.201-(c)(1)
Price Reduction for Defective Certified Cost or Pricing Data	52.215-10	15.408(b)
Price Reduction for Defective Certified Cost or Pricing Data--Modifications	52.215-11	15.408 (c)
Subcontractor Certified Cost or Pricing Data	52.215-12	15.408 (d)
Subcontractor Certified Cost or Pricing Data-Modifications	52.215-13	15.408 (e)
Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data	52.215-20	15.408(l)
Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data - Modifications	52.215-21	15.408(m)
Limitations on Pass-Through Charges-Identification of Subcontract Effort	52.215-22	15.408(n)(1)
Limitations on Pass-Through Charges	52.215-23	15.408(n)(2)
Contract Definitization	52.216-25	16.603-4(b)(3)
Prospective Subcontractor Requests for Bonds	52.228-12	28.106-4 (b)
Earned Value Management System	52.234-4	34.203 (c)

## 13. Orders of a Cost Reimbursement, Time & Material or Labor Hour Nature

The following clauses shall apply to all contracts that include cost reimbursement, time and material, or labor hour type line items:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Facilities Capital Cost of Money	52.215-16	15.408 (h)
Waiver of Facilities Capital Cost of Money	52.215-17	15.408 (i)
Allowable Cost and Payment	52.216-7	16.307 (a)
Fixed Fee	52.216-8	16.307 (b)
Incentive Fee	52.216-10	16.307 (d)
Cost Contract-No Fee	52.216-11	16.307 (e)(1)
Cost-Sharing Contract-No Fee	52.216-12	16.307 (f)(1)
Payment for Overtime Premiums	52.222-2	22.103-5 (b)
Fair Labor Standards Act and Service Contract Labor Standards--Price Adjustment	52.222-43	22.1006 (c)(1)
Fair Labor Standards Act and Service Contract Labor Standards--Price Adjustment	52.222-44	22.1006 (c)(2)
State of New Mexico Gross Receipts and Compensating Tax	52.229-10	29.401-4(b)
Payments under Time and Materials and Labor Hour Contracts	52.232-7	32.111 (a)(7)
Limitation of Cost	52.232-20	32.706-2 (a)
Limitation of Funds	52.232-22	32.706-2 (b)

Stop-Work Order	52.242-15	42.1305 (b)(2)
Changes - Cost Reimbursement	52.243-2	43.205 (b)(1)
Changes - Time-and-Materials or Labor-Hours	52.243-3	43.205 (c)
Inspection of Supplies - Cost-Reimbursement	52.246-3	46.303
Inspection of Services - Cost-Reimbursement	52.246-5	46.305
Inspection – Time and Material and Labor Hour	52.246-6	46.306
Submission of Transportation Documents for Audit	52.247-67	47.103-2
Termination (Cost- Reimbursement) - (For T&M and Labor Hour use Alternate IV)	52.249-6	49.503 (a)(4)
Excusable Delays	52.249-14	49.505 (b)

**14. American Recovery and Reinvestment Act of 2009**

The following clauses shall apply to all contracts that are funded in whole or in part by the American Recovery and Reinvestment Act of 2009, commonly referred to as “Recovery Act”:

<b>TITLE OF CLAUSE</b>	<b>FAR</b>	<b>Prescribed in</b>
Whistleblower Protections under the Recovery Act	52.203-15	3.907-7
Audit and Records (Sealed Bidding)	52.214-26	14.201-7(a)(2)

**15. Disputes – Government Contracts**

(a) Any reference to the “Disputes clause” in any applicable FAR Clause shall mean this paragraph, Disputes – Government Contracts

(b) For any dispute that is a result of, or relates to, any decision made by the prime contract’s Contracting Officer:

(c) Notwithstanding any other provisions in this purchase order, any decision of the Contracting Officer under the prime contract which binds Aurora Flight Sciences shall bind both Aurora Flight Sciences and Seller to the extent that it relates to this contract –provided that:

- 1) Aurora Flight Sciences shall provide notification to Seller of the decision within a reasonable time.
- 2) Aurora Flight Sciences, at its sole discretion, by written authorization grants the Seller rights to appeal the decision in the name of Aurora Flight Sciences. Should Seller elect to seek such appeal, it will do so at its own expense and without contribution or reimbursement from Aurora Flight Sciences in any manner.
- 3) Should Aurora Flight Sciences make a determination that it is in the best interest of Aurora Flight Sciences to appeal such decision, Aurora Flight Sciences may, at its sole discretion, offer the Seller the opportunity (at Sellers own expense) to join Aurora Flight Sciences in such appeal.

Any decision upon such appeal, when final, shall be binding upon the Seller. The Seller shall keep Aurora Flight Sciences informed of any appeal it makes by providing copies of all pertinent documents to the Aurora Flight Sciences Subcontract Administrator.

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 misinterpretation of fact on the part of Seller.

(d) All other disputes will be resolved under the Article entitled, "DISPUTES", as found in Article 62 of the Aurora Flight Sciences Standard Terms and Conditions.

(e) Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this contract, the Seller shall proceed diligently, as directed by Aurora Flight Sciences, with the performance of this contract.

(f) Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgement by Aurora Flight Sciences of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way Aurora Flight Sciences from taking any actions, included available remedies, it deems appropriate to protect its own interests.

(g) As used in this clause, the word "appeal" means an appeal taken under the contract Disputes Act of 1978, as amended.

#### **16. Certified Cost or Pricing Data – Proposal Pricing**

To the extent this contract, or any modification thereof, exceeds the threshold for submission of certified cost or pricing data as set forth in FAR 15.403-4 and is not otherwise exempt from the certified cost or pricing data requirements in accordance with FAR 15.403-1(b), Seller shall provide Aurora Flight Sciences the certified cost or pricing data required by Table 15-2 of FAR 15.408. This requirement applies to contracts, or modifications of applicable contracts.

#### **17. Other Than Cost or Pricing Data**

To the extent this contract, or any modification thereof, does not exceed the threshold for submission of certified cost or pricing data in FAR 15.403-4 or is otherwise exempt from the certified cost or pricing data requirements in accordance with FAR 15.403-1(b), Seller shall support and demonstrate, to Aurora Flight Sciences, the reasonableness of any Seller proposals or pricing, in accordance with FAR 15.402 and FAR 15.404-3(c)(2). This requirement applies to contracts or modifications of applicable contracts. Seller shall provide to Buyer such information other than cost or pricing data and any other information necessary to satisfy obligations Aurora Flight Sciences may have to its customer demonstrating price reasonableness for proposals and pricing.

#### **18. Defective Cost or Pricing Data**

(a) If Seller, its subcontractor, or prospective subcontractor fails to submit accurate, complete and current cost or pricing data, and, as a result of that failure, the Government reduces the price of Aurora Flight Sciences prime contract, Aurora Flight Sciences may recover from Seller an amount equal to the price reduction of the prime contract.

(b) If, as a result of Seller's or its subcontractor's foregoing conduct, the Government imposes a penalty on or charges Aurora Flight Sciences interest, Aurora Flight Sciences may recover from Seller the amount of that interest or penalty.

(c) For the purposes of paragraphs, a and b of this Article, if Aurora Flight Sciences is a higher-tier subcontractor, "Government" means the higher-tier contractor and "prime contract" means the higher-tier subcontract.

(d) Seller will not raise as defenses the matters listed in FAR 52.215-10(c)(1) or FAR 52.215-11(d)(1).