

GENERAL PROVISIONS FOR CPFF ORDERS (NAVY)

This contract incorporates the following articles by reference, with the same force and effect as if they were printed in full text. The revision of each article will be the one in effect on the date of submission of your proposal. To purchase a copy of the Department of Defense Acquisition Regulations Supplement (DFAR-CFR Title 48, Chapter 2), contact the U.S. Government Printing Office, Superintendent of Documents, Mail Stop:SSOP, Washington, D.C. 20402-9328.

For purposes of this order, where the article says "Government", change it to read "Buyer"; where the article says "Contracting Officer", change it to read "Contract Administrator"; and when the article says "Contractor" or "Subcontractor", change it to read "Seller".

Articles pertaining to patent rights apply only to orders for research and development type work.

Based on the stated provisions, Seller is to determine what articles must be inserted in its subcontracts and purchase orders to implement its obligations to Bettis, KAPL or BPML (as identified in the order) and the Government, and must implement them in its lower-tier subcontracts and purchase orders.

<u>ARTICLE</u>	<u>REFERENCE</u>
The following articles apply to this purchase order (except as noted):	
ALLOWABLE COST AND PAYMENT	FAR 52.216-7
BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM	DFAR 252.225-7001
CHANGES-COST-REIMBURSEMENT (Delete Paragraph (d); use Alt. V for R&D orders)	FAR 52.243-2
DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS	FAR 52.211-15
DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE	DFAR 252.227-7027
DEFINITIONS	FAR 52.202-1
EQUAL OPPORTUNITY	FAR 52.222-26
EXCUSABLE DELAYS	FAR 52.249-14
FACILITIES CAPITAL COST OF MONEY	FAR 52.215-16
FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER	FAR 52.227-10
FIXED FEE	FAR 52.216-8
GOVERNMENT PROPERTY	FAR 52.245-1
HAZARD WARNING LABELS	DFAR 252.223-7001
IDENTIFICATION AND ASSERTION OF USE, RELEASE, OR DISCLOSURE RESTRICTIONS	DFAR 252.227-7017

<u>ARTICLE</u>	<u>REFERENCE</u>
INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III	FAR 52.234-1
INSPECTION OF SERVICES--COST REIMBURSEMENT	FAR 52.246-5
INSPECTION OF SUPPLIES--COST REIMBURSEMENT	FAR 52.246-3
INSPECTION OF RESEARCH AND DEVELOPMENT--COST REIMBURSEMENT	FAR 52.246-8
INSURANCE-LIABILITY TO THIRD PERSONS	FAR 52.228-7
LIMITATION OF COST	FAR 52.232-20
LIMITATION OF FUNDS	FAR 52.232-22
LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS	DFAR 252.227-7025
NOTICE OF INTENT TO DISALLOW COSTS	FAR 52.242-1
NOTICE OF RADIOACTIVE MATERIALS	FAR 52.223-7
NOTICE TO THE GOVERNMENT OF LABOR DISPUTES	FAR 52.222-1
NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION	DFAR 252.249-7002
NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA	DFAR 252.247-7024
PATENT RIGHTS-ACQUISITION BY THE GOVERNMENT	FAR 52.227-13
PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES	DFAR 252.225-7012
PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS	FAR 52.247-64
PRIVACY ACT NOTIFICATION	FAR 52.224-1
- PRIVACY ACT (Privacy Act Notification and Privacy Act apply if the purchase order requires the design, development, or operation of a system of records on individuals to accomplish work effort)	FAR 52.224-2
PROHIBITION OF SEGREGATED FACILITIES	FAR 52.222-21
RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS	DFAR 252.225-7016
RESTRICTION ON ACQUISITION OF FORGINGS	DFAR 252.225-7025
RESTRICTION ON ACQUISITION OF HAND OR MEASURING TOOLS	DFAR 252.225-7015

<u>ARTICLE</u>	<u>REFERENCE</u>
RESTRICTION ON ACQUISITION OF POLYACRYLONITRILE (PAN) CARBON FIBER	DFAR 252.225-7022
RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	FAR 52.225-13
RIGHTS IN BID OR PROPOSAL INFORMATION	DFAR 252.227-7016
RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION	DFAR 252.227-7014
RIGHTS IN TECHNICAL DATA - NONCOMMERCIAL ITEMS	DFAR 252.227-7013
SECURITY REQUIREMENTS	FAR 52.204-2
SERVICE CONTRACT ACT (SCA) OF 1965, AS AMENDED	FAR 52.222-41
THE FOLLOWING ADDITIONAL ARTICLES APPLY:	
FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT - PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS) (>\$100K)	FAR 52.222.43
FAIR LABOR STANDARDS ACT AND SERVICE - CONTRACT ACT - PRICE ADJUSTMENT (>\$100K)	FAR 52.222.44
SCA MINIMUM WAGES AND FRINGE BENEFITS APPLICABLE TO SUCCESSOR CONTRACT PURSUANT TO PREDECESSOR CONTRACTOR COLLECTIVE BARGAINING AGREEMENTS (CBA)	FAR 52.222.47
STOP-WORK ORDER (Alt. I)	FAR 52.242-15
SUBCONTRACTS FOR COMMERCIAL ITEMS	FAR 52.244-6
SUBCONTRACTS (Alt. I) (Ref. Paragraph (e). The subcontracts requiring Buyer approval are discussed in the purchase order.)	FAR 52.244-2
SUPPLEMENTAL COST PRINCIPLES	DFAR 252.231-7000
TECHNICAL DATA-WITHHOLDING OF PAYMENT	DFAR 252.227-7030
TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT	DFAR 252.227-7028
TERMINATION (COST-REIMBURSEMENT) (Delete the reference in paragraph j to the Disputes Article)	FAR 52.249-6
VALIDATION OF ASSERTED RESTRICTIONS-COMPUTER SOFTWARE	DFAR 252.227-7019
VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA	DFAR 252.227-7037

<u>ARTICLE</u>	<u>REFERENCE</u>
WAIVER OF FACILITIES CAPITAL COST OF MONEY	FAR 52.215-17
The following article applies if this purchase order exceeds \$10,000 (except as noted):	
AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	FAR 52.222-36
The following articles apply if this purchase order exceeds \$100,000 (except as noted):	
ACQUISITION FROM SUBCONTRACTORS SUBJECT TO ON-SITE INSPECTION UNDER THE INTERMEDIATE-RANGE NUCLEAR FORCES (INF) TREATY	DFAR 252.209-7000
ANTI-KICKBACK PROCEDURES	FAR 52.203-7
AUDIT AND RECORDS-NEGOTIATION	FAR 52.215-2
AUTHORIZATION AND CONSENT (With Alt I.)	FAR 52.227-1
BANKRUPTCY	FAR 52.242-13
CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION	FAR 52.222-4
DUTY-FREE ENTRY	DFAR 252.225-7013
EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	FAR 52.222-37
EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	FAR 52.222-35
GRATUITIES	FAR 52.203-3
INTEGRITY OF UNIT PRICES	FAR 52.215-14
INTEREST	FAR 52.232-17
LIMITATION OF LIABILITY	FAR 52.246-23
LIMITATION OF LIABILITY - HIGH VALUE ITEMS	FAR 52.246-24
LIMITATION OF LIABILITY - SERVICES	FAR 52.246-25
LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	FAR 52.203-12

<u>ARTICLE</u>	<u>REFERENCE</u>
NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	FAR 52.227-2
PAYMENT FOR OVERTIME PREMIUMS	FAR 52.222-2
PREFERENCE FOR DOMESTIC SPECIALTY METALS WITH ALTERNATIVE I	DFAR 252.225-7014
PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES	DFAR 252.203-7001
RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	FAR 52.203-6
TOXIC CHEMICAL RELEASE REPORTING (Delete Paragraph (e))	FAR 52.223-14
TRANSPORTATION OF SUPPLIES BY SEA	DFAR 252.247-7023
UTILIZATION OF SMALL BUSINESS CONCERNS	FAR 52.219-8

The following articles apply if this purchase order exceeds \$500,000 (except as noted):

REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA—SUBMISSION AFTER AWARD	DFAR 252.225-7004
SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)	DFAR 252.219-7003
UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS	DFAR 252.226-7001

The following articles apply if this purchase order exceeds \$550,000 (except as noted):

NOTIFICATION OF OWNERSHIP CHANGES	FAR 52.215-19
PENSION ADJUSTMENTS AND ASSET REVERSIONS	FAR 52.215-15
PRICING ADJUSTMENTS	DFAR 252.215-7000
REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS	FAR 52.215-18
SMALL BUSINESS SUBCONTRACTING PLAN (with Alt. II)	FAR 52.219-9

The following articles apply if this purchase order exceeds \$650,000 (except as noted):

ADMINISTRATION OF COST ACCOUNTING STANDARDS	FAR 52.230-6
COST ACCOUNTING STANDARDS (Delete Paragraph (b))	FAR 52.230-2
<u>ARTICLE</u>	<u>REFERENCE</u>
PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - MODIFICATIONS	FAR 52.215-10 FAR 52.215-11
SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS	FAR 52.215-12 FAR 52.215-13

The following article applies if this purchase order exceeds \$1,000,000 (except as noted):

ACQUISITION STREAMLINING **DFAR 252.211-7000**

In addition, the following articles are included in their entirety:

PUBLIC RELEASE OF INFORMATION

- (a) Information, data, photographs, sketches, advertising, displays, promotional brochures, or other materials related to work under this order, which Seller desires to publish, display, or release internally, to other contractors, to government agencies, or to the public, shall be submitted to Buyer for approval at least eight weeks prior to the desired printing or release date. This includes descriptive or promotional material which links or relates, directly or indirectly, Seller's product line, manufacturing facilities, or manufacturing capabilities to performance of naval nuclear propulsion work. As part of the approval request, Seller shall identify the specific media to be used as well as other pertinent details of the proposed release. All releases, regardless of tier of supplier, must have the prior approval of Buyer.
- (b) Should any information described in (a) above be requested, subpoenaed, or otherwise sought by a court or other judicial or administrative authority, this should be promptly brought to the attention of Buyer to permit appropriate measures to be taken to protect the information. Under no circumstances, should this information be released to such authority without prior notification and agreement of Buyer.
- (c) Seller agrees that this requirement of prior Buyer approval of any release shall survive the purchase order and that Seller shall not for a period of twenty years subsequent to the issuance of the purchase order either directly or indirectly issue any such release without the requisite approval of Buyer, its successor or assignee.
- (d) Seller shall include all provisions of this article including this sentence in all subcontracts under this order.

ASSIGNMENT AND SETOFF

Performance of this order shall not be assigned or transferred by Seller, except as expressly authorized in writing by Buyer. This order may be assigned by Buyer to the Government or any designee of the Government, provided that written notice thereof is given to Seller. Buyer shall be entitled at all times to set off against any amount payable at any time by Buyer under this order, any amount owing at any time from Seller to Buyer whether arising under this order or other contracts or orders with Seller.

TRANSMISSION ABROAD OF EQUIPMENT OR TECHNICAL DATA RELATING TO THE NUCLEAR PROPULSION OF NAVAL SHIPS

- (a) The supplies specified to be delivered under this order relate to the nuclear propulsion of naval ships.
- (b) Except with the prior written consent of Buyer, or its designated representative, Seller shall not, at any time during or after the performance of this order, transmit or authorize the transmittal of any equipment or technical data, as defined in paragraph (c) below.
 - (1) Outside the United States, or

- (2) Irrespective of location (i) to any foreign national not working on this order or on a lower-tier subcontract hereunder, (ii) to any foreign organization (including foreign subsidiaries and affiliates of Seller, (iii) to any foreign government, or (iv) to any international organization.
- (c) As used in this article, the following terms shall have the following definitions: (i) "United States" means the States, the District of Columbia, Puerto Rico, American Samoa, the Canal Zone, the Virgin Islands, Guam, and any area subject to the complete sovereignty of the United States; (ii) "equipment" means all supplies of the kind specified to be delivered under this order, all compound parts thereof, and all models of such supplies and components parts, but "equipment" does not include standard commercial supplies and component parts and models thereof; (iii) "technical data" means all professional, scientific, or technical information and data produced or prepared for the performance of this order, or for the operation, maintenance, evaluation, or testing of any order item, including, without limitations, all writings, sound recordings, pictorial reproductions, and drawings or other graphical representations, but "technical data" does not include such information and data on standard commercial supplies and component parts to the extent that the information and data do not relate to the use, operation, maintenance, evaluation and testing of such supplies and component parts in or in connection with any item, or component part thereof, specified to be delivered under this order.
- (d) Seller agrees to insert in all lower-tier subcontracts under this order provision which shall conform substantially to the language of this article, including this paragraph (d).
- (e) Notwithstanding any other provisions of this article, this article shall not apply (i) where the transmittal or authorization for the transmittal of equipment or technical data is to be made pursuant to a contract or agreement to which the United States is a party, and (ii) where the transmittal is to be of equipment or technical data which Buyer or its designated representative has declared in writing to Seller to be thereafter exempt from this article.

CONTRACT ACCEPTANCE

By acceptance of this order, Seller agrees that the scope of the work required is understood by Seller; that there are no informal commitments by Buyer that in any way affect the work under this order; that there are no open or unresolved issues related to this order except as explicitly stated herein; and that Seller therefore understands and agrees that this order states the complete agreement of the parties.

COST ACCOUNTING STANDARDS (CAS)

CAS requirements do not apply if the order does not exceed \$500,000 or if the Seller claims an exemption per the Proposal Representation and Certification, or if certified cost or pricing data was not provided.

VIRUS CHECK WARRANTY

Software and hardware provided by the Seller under this order shall not contain computer viruses or other malicious software.

In performing this order, the Seller agrees to take precautions to avoid conveying computer viruses or other malicious software to Buyer. Specifically, all computer files, disks, memories, or other media provided by the Seller to Buyer (other than third party supplied software in its original, unopened packing materials) shall be checked by the Seller prior to delivery to Buyer to detect and remove any computer virus or other known malicious software. The virus check that is performed by the Seller shall include checks with current, up-to-date anti-virus software and any virus problems that are found during the check (or later found by Buyer) shall be fixed by the Seller. A statement verifying that the check has been made shall be included by the Seller with the deliverable when it is delivered to Buyer.

INSURANCE (applies to work on Buyer's premises)

At all times during performance, the Seller shall maintain a current Certificate of Insurance evidencing insurance coverage not less than required by this article and providing for thirty (30) days written notice to the Contract Administrator by the insurance company prior to cancellation or material change in policy coverage. The period of coverage on the insurance certificate must coincide with the period of performance (term) of the Purchase Order. With respect to Work on Buyer or Government premises, the following sentence shall be incorporated on Seller's Certificate of Insurance:

"(Name of Buyer) is an additional insured with waiver of subrogation on any insurance policy."

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The Seller shall also require all first-tier subcontractors who will perform Work on Buyer or Government premises to procure and maintain the insurance specified below during the entire period of their performance and to furnish proof at Buyer's request.

Coverage:

- A. Workers' Compensation Insurance - This coverage shall be as required by the State in which the Work is to be performed.
- B. General Liability Insurance - Coverage of \$500,000 for bodily injury liability and \$100,000 per accident for property damage liability on the comprehensive policy form.
- C. Automobile Public Liability and Property Damage - Coverage of \$300,000 for bodily injury liability and \$100,000 for property damage liability on the comprehensive policy form covering all owned, non-owned and hired automobiles which will be used in connection with the Work of this Purchase Order.
- D. When applicable, Asbestos Liability Insurance - Coverage of \$1,000,000 per occurrence and an aggregate limit of \$1,000,000.

EXPORT CONTROL

- A. Seller agrees to comply with all applicable U.S. export control laws and regulations, specifically the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations 15 C.F.R., including the requirement for obtaining any export license, if applicable. Without limiting the foregoing, Seller agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by, or associated with, or under contract to Seller or Seller's lower-tier suppliers, without the authority of an export license or applicable license exemption.
- B. Seller agrees to notify the Buyer if any deliverable under this Purchase Order is restricted by export control laws or regulations.
- C. Seller shall immediately notify the Buyer if Seller is or becomes listed in any Denied Parties List, or if Seller's export privileges are otherwise denied, suspended, or revoked in whole or in part by any U.S. Government entity or agency.
- D. Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expenses, including attorney's fees, all expense of litigation and/or settlement, and court costs arising from any act or omission of the Seller, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this provision.

The following articles apply only if specifically called out in the Purchase Order document:

FRAUD OR FALSIFICATION

- a. This purchase order and activities hereunder are within the jurisdiction of the Department of Energy and/or the Navy. Any knowing and willful act to falsify, conceal or alter a material fact, or any false, fraudulent or fictitious statement or representation in connection with the performance of work under this purchase order may be punishable in accordance with applicable Federal Statutes.
- b. Seller agrees that all employees engaged in the performance of this purchase order will be, if they have not been previously, informed in writing prior to commencing performance of work under this purchase order that there is a risk of Federal criminal penalties associated with any falsification, concealment or misrepresentation in connection with work performed under this purchase order. Seller agrees that a signed statement shall be, if it has not been previously, obtained from said employees prior to their commencing performance of work under this purchase order that they have been so informed. Such statements shall be retained by the Seller for at least three years after final payment on this purchase order. An acceptable form for such a statement is substantially as follows:

"This company/division/department/branch performs work under contracts which are within the jurisdiction of departments of the United States Government. Some of the work performed under these contracts affects the national security of the United States and the requirements of these contracts are designed to ensure that essential attributes of the work are carefully checked or inspected and that records accurately reflect the results of all work. Any falsification, concealment or alteration of any material fact, or any false, fraudulent or fictitious statement or representation in connection with the work under any contract within the jurisdiction of the Government is not only prohibited by company policy, but may also be punishable under Federal Law. Please

acknowledge by your signature that you have read and understand the above."

- c. Seller must also agree to include the following statement preprinted on each manufacturing, inspection or test record used in conjunction with the subject subcontract:

Note: The recording of false, fictitious or fraudulent statements or entries on this document may be punishable as a felony under Federal Statute.

- d. Seller shall include all provisions of this Article including this sentence in all lower-tier contracts under this order. Any inability or unwillingness of a lower-tier supplier to comply with this provision should be documented in writing and submitted to the Prime Contractor.

CONTROL OF VISITORS

Except with the written consent of the Buyer, Seller shall not permit any Visitors to its plants, offices, or facilities to view or examine documents, components, assemblies, or major subassemblies provided for or delivered under this order, or to obtain information or data concerning such documents, components, assemblies, or major subassemblies.

"Visitor" as used herein means any person who visits Seller's plant, office or facility and does not represent either the Seller, the Buyer, or the Government in the performance of this Purchase Order. This includes Foreign Nationals, whose visits may require additional controls above and beyond those necessary for visits by U.S. Citizens.

Seller must establish and implement procedures that prevent the release of Classified and Unclassified Naval Nuclear Propulsion Information (NNPI) to Visitors. Seller must also notify the Buyer in advance of any visit to Seller's plant, office, or facility, to view or examine documents, components, assemblies, or major subassemblies provided for or delivered under this order and must ensure similar controls are in effect at all lower tier suppliers.