



**GENERAL PROVISIONS FOR FIXED PRICE ORDERS
(NAVY)**

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This purchase order 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 the solicitation. Titles of articles in this subcontract are for reference purposes only and carry no substantive weight.

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 "Supplier".

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

PART I. ARTICLES INCORPORATED BY REFERENCE

The following articles, as applicable, are incorporated by reference (except as noted):

ARTICLE	REFERENCE
CHANGES-FIXED PRICE (Delete Paragraph (e))	FAR 52.243-1
COMBATING TRAFFICKING IN PERSONS	FAR 52.222-50
DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (Delete reference in Paragraph (f) to the Disputes Article)	FAR 52.249-8
DUTY-FREE ENTRY	DFARS 252.225-7013
ENERGY EFFICIENCY IN ENERGY CONSUMING PRODUCTS	FAR 52.223-15
EQUAL OPPORTUNITY <ul style="list-style-type: none"> • Note: For this article, FAR 52-222-35 Equal Opportunity for Veterans, and FAR 52.222-36 Equal Opportunity for Workers with Disabilities the following additional language applies: This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans, or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that the Supplier take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. 	FAR 52.222-26
EXPORT-CONTROLLED ITEMS	DFARS 252.225-7048
FACILITIES CAPITAL COST OF MONEY	FAR 52.215-16
GOVERNMENT PROPERTY (With Alt 1) <ul style="list-style-type: none"> • <i>Note 1: Alternate I does not apply to the following purchase order types: cost-reimbursement, time-and-material, labor-hour, and fixed-price purchase orders awarded on the basis of submission of certified cost or pricing data</i> • <i>Note 2: The preamble on page 1 of these General Provisions does not apply to the Government Property article (FAR 52.245-1). The Government Property article is modified as follows: Where the article says "Contractor" change it to read "Supplier"; Where the article says "subcontractor" change it to read "sub-tier supplier"; Where the article says "contract" change it to read "purchase order"; Where the article says "Contracting Officer" change it to read "Contract Administrator"</i> 	FAR 52.245-1
FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER	FAR 52.227-10
INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III	FAR 52.234-1
INSPECTION OF SUPPLIES –FIXED PRICE	FAR 52.246-2
INSPECTION OF SERVICES –FIXED PRICE	FAR 52.246-4
NOTICE OF RADIOACTIVE MATERIALS <ul style="list-style-type: none"> • <i>Modified to include 48 hour notification prior to delivery</i> 	FAR 52.223-7
NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION	DFARS.252.249-7002
NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA	DFARS 252.247-7024
PATENT RIGHTS-OWNERSHIP BY THE GOVERNMENT (RESEARCH AND DEVELOPMENT ORDERS)	FAR 52.227-13
PREFERENCE FOR PRIVATELY OWNED U.S. – FLAG COMMERCIAL VESSELS	FAR 52.247-64
PRIVACY ACT NOTIFICATION <ul style="list-style-type: none"> • <i>Applies if the purchase order requires the design, development, or operation of a system of records on individuals to accomplish work effort</i> 	FAR 52.224-1



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ARTICLE	REFERENCE
PRIVACY ACT <ul style="list-style-type: none"> <i>Applies if the purchase order requires the design, development, or operation of a system of records on individuals to accomplish work effort</i> 	FAR 52.224-2
PROHIBITION OF SEGREGATED FACILITIES	FAR 52.222-21
PROHIBITION ON HEXAVALENT CHROMIUM	DFARS 252.223-7008
REQUIREMENTS TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS	DFARS 252.203-7002
RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS	DFARS 252.225-7016
RESTRICTION ON ACQUISITION OF FORGINGS	DFARS 252.225-7025
RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	FAR 52.225-13
RIGHTS IN BID OR PROPOSAL INFORMATION	DFARS 252.227-7016
RIGHTS IN TECHNICAL DATA - NONCOMMERCIAL ITEMS (see associated modifications in full text articles section)	DFARS 252.227-7013
RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (see associated modifications in articles "included in their entirety" section)	DFARS 252.227-7014
SAFEGUARDING OF UNCLASSIFIED CONTROLLED TECHNICAL INFORMATION	DFARS 252.204-7012
SECURITY REQUIREMENTS	FAR 52.204-2
SUBCONTRACTS	FAR 52.244-6
STOP WORK ORDER	FAR 52.242-15
SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD) CONTRACTS	DFARS 252.244-7000
SUPPLY CHAIN RISK <ul style="list-style-type: none"> <i>Applies if the purchase order involves the development or delivery of any information technology.</i> 	DFARS 252.239-7018
TRANSPORTATION OF SUPPLIES BY SEA	DFARS 252.247-7023
UTILIZATION OF SMALL BUSINESS CONCERNS	FAR 52.219-8
WAIVER OF FACILITIES CAPITAL COST OF MONEY	FAR 52.215-17
WARRANTY OF SERVICES <ul style="list-style-type: none"> <i>Reference subparagraph b: Notice will be made by Buyer within 90 calendar days from the date of performance of the service</i> 	FAR 52.246-20
WARRANTY OF SUPPLIES OF A NONCOMPLEX NATURE <ul style="list-style-type: none"> <i>Reference subparagraphs b and c of FAR 52.246-17: In subparagraph b, the warranty period is one year after delivery to Buyer and in subparagraph (c), notice will be made within 90 days after delivery to Buyer.</i> 	FAR 52.246-17
WARRANTY OF SUPPLIES OF A COMPLEX NATURE <ul style="list-style-type: none"> <i>Reference subparagraphs b and c of FAR 52.246-18: In subparagraph b, the warranty period is one year after delivery to Buyer. In subparagraph (c) (3), notice will be made by Buyer within 90 calendar days after delivery. Subsequent Seller recommendation shall be made within 45 calendar days, after which Buyer shall respond within 90 calendar days. In subparagraph (c) (4), notifications must be made within 90 calendar days.</i> 	FAR 52.246-18
VALIDATION OF ASSERTED RESTRICTIONS – COMPUTER SOFTWARE	DFARS 252.227-7019
VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA	DFARS 252.227-7037

PART II. ARTICLES INCORPORATED BY REFERENCE AT VARIOUS THRESHOLDS

The following articles, as applicable, are incorporated by reference (except as noted):

THRESHOLD	ARTICLE	REFERENCE
Less than \$150,000	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED PRICE) (SHORT FORM)	FAR 52.249-1
Greater than \$3,500	ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING	FAR 52.223-18
Greater than \$10,000	NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT	FAR 52.222-40



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Greater than \$15,000	EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES	FAR 52.222-36
Greater than \$150,000	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
	DEFINITIONS	FAR 52.202-1
	EMPLOYMENT REPORTS ON VETERANS	FAR 52.222-37
	EQUAL OPPORTUNITY FOR VETERANS	FAR 52.222-35
	FEDERAL, STATE AND LOCAL TAXES	FAR 52.229-3
	GRATUITIES	FAR 52.203-3
	INSURANCE - WORK ON A GOVERNMENT INSTALLATION	FAR 52.228-5
	INTEGRITY OF UNIT PRICES	FAR 52.215-14
	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
	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	FAR 52.227-2
	PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES	DFARS 252.203-7001
	RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS	DFARS 252.225-7009
	Greater than \$500,000	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT
TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED PRICE) (Delete paragraph (j))		FAR 52.249-2
Greater than \$700,000	UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS	DFARS 252.226-7001
	SMALL BUSINESS SUBCONTRACTING PLAN	FAR 52.219-9
	SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) (DEVIATION)	DFARS 252.219-7003
Greater than \$750,000	ADMINISTRATION OF COST ACCOUNTING STANDARDS	FAR 52.230-6
	COST ACCOUNTING STANDARDS (Delete Paragraph (b)) <ul style="list-style-type: none"> Applicable to all negotiated subcontracts, unless Supplier claims an exemption per the Proposal Representation and Certification in accordance with 48 CFR 9903.201-1 	FAR 52.230-2
	CONTRACTOR COUNTERFEIT ELECTRONICS PARTS DETECTION AND AVOIDANCE SYSTEM	DFARS 252.246-7007
	NOTIFICATION OF OWNERSHIP CHANGES	FAR 52.215-19
	PENSION ADJUSTMENTS AND ASSET REVERSIONS	FAR 52.215-15
	PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA	FAR 52.215-10
	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA	FAR 52.215-12
	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS	FAR 52.215-18
	RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS	DFARS 252.222-7006



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THRESHOLD	ARTICLE	REFERENCE
Greater than \$1,500,000	ACQUISITION STREAMLINING	DFARS 252.211-7000
Greater than \$5,500,000	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT	FAR 52.203-13
	DISPLAY OF FRAUD HOTLINE POSTER(S)	DFARS 252.203-7004

PART III. ARTICLES INCORPORATED IN FULL TEXT

The following articles, as applicable, are incorporated by full text:

ASSIGNMENT AND SET OFF

Performance of this order shall not be assigned or transferred by Supplier, 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 Supplier. 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 Supplier to Buyer whether arising under this order or other purchase orders with Supplier.

EXPORT CONTROL

- A. Supplier 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, Supplier 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 purchase order to Supplier or Supplier’s lower-tier suppliers, without the authority of an export license or applicable license exemption.
- B. Supplier agrees to notify the Buyer if any deliverable under this Purchase Order is restricted by export control laws or regulations.
- C. Supplier shall immediately notify the Buyer if Supplier is or becomes listed in any Denied Parties List, or if Supplier’s export privileges are otherwise denied, suspended, or revoked in whole or in part by any U.S. Government entity or agency.
- D. Supplier 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 Supplier, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this provision.

RIGHTS IN TECHNICAL DATA AND COMPUTER SOFTWARE

- A. DFARS 252.227-7013, Rights in Technical Data-Noncommercial Items (incorporated by reference) is modified as follows:
 - (1) Paragraphs (f), (f)(2) and (f)(3) are modified as follows:
 - (f) Marking Requirements. Absent Buyer agreement otherwise, the following are the only authorized markings:
 - (2) Government purpose rights markings. Data delivered or otherwise furnished with Government Purpose Rights shall be marked with the legend at DFARS 252.227-7013(f)(2) modified to specify the Purchase Order number.
 - (3) Limited rights markings. Data delivered or otherwise furnished with Limited Rights shall be marked with the legend at DFARS 252.227-7013(f)(3) modified to specify the Purchase Order number.
- B. DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (incorporated by reference) is modified as follows:
 - (1) Paragraph (f)(2) and (f)(3) are deleted and replaced as follows:
 - (f) Marking Requirements. Absent Buyer agreement otherwise, the following are the only authorized markings:
 - (2) Government purpose rights markings. Computer software and computer software documentation delivered or otherwise furnished with Government Purpose Rights shall be marked with the legend at DFARS 252.227- 7014(f)(2) modified to specify the Purchase Order number.
 - (3) Restricted rights markings. Computer software and computer software documentation delivered or otherwise furnished with Restricted Rights shall be marked with the legend at DFARS 252.227-7014(f)(3) modified to specify the Purchase Order number.
- C. Paragraphs (l) and (m) are inserted in DFARS 252.227-7013, Rights in Technical Data-Noncommercial Items, and DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation. References to “technical data” are deleted in 252.227-7014 and replaced with “computer software and computer software documentation.”
 - (l) Post Award Negotiation. If, after exhausting all reasonable efforts, the parties fail to agree on the apportionment of the rights



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in technical data furnished under this Purchase Order by the date established in the Purchase Order for agreement, or within any extension established by Buyer or the Government, then Buyer or the Government may establish the respective data rights of the parties. In any event, the Supplier shall proceed with completion of the Purchase Order.

(m) Rights in Technical Data Pertaining to Nuclear Propulsion Plant Systems.

- (1) Pursuant to subparagraph (b)(1), it is agreed that all technical data pertaining to nuclear propulsion plant systems generated under this Purchase Order, and all technical data required to meet order requirements shall be provided to the Government with unlimited rights. Nothing in the clause shall be deemed to require any Supplier of any tier under this Purchase Order to deliver or furnish with unlimited rights any technical data which the Supplier is entitled to deliver with other than unlimited rights pursuant to DFARS 252.227-7013 Rights in Technical Data-Noncommercial or DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Documentation.
- (2) It is further agreed that promptly after delivery of all Purchase Order deliverables, or after any termination of all Work under this Purchase Order, the Supplier shall submit a letter report to the Buyer listing and providing a brief description of all items of technical data, pertaining to the deliverables developed or prepared under this Purchase Order, which items of technical data were not specified to be delivered pursuant to this Purchase Order. The Supplier shall furnish in the Supplier's format, and at the cost of reproduction, with unlimited rights, copies of technical data so reported or which should have been reported, as the Buyer may require in writing from time to time and at any time. However, nothing in this requirement shall require the Supplier to retain any item of such technical data beyond the period provided for in this Purchase Order, including the specifications, and other documents incorporated by reference, applicable to the item or type of technical data involved.

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, Supplier 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 purchase order hereunder, (ii) to any foreign organization (including foreign subsidiaries and affiliates of Supplier, (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 component parts thereof, and all models of such supplies and component 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 limitation, 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) Supplier agrees to insert in all lower-tier purchase orders 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 purchase order 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 Supplier to be thereafter exempt from this article.

LIABILITY FOR UNCOMPLETED OR ERRONEOUS TRANSFERS

If the EFT information changes after submission of correct EFT information, the Buyer shall begin using the changed EFT information no later than 30 days after its receipt by the designated office to the extent payment is made by EFT. However, the Supplier may request that no further payments be made until the updated EFT information is implemented by the payment office. If such suspension would result in a late payment, the Supplier's request for suspension shall extend the due date for payment by the number of days of the suspension.

If an uncompleted or erroneous transfer occurs because the Buyer used the Supplier EFT information incorrectly, the Buyer remains responsible for-



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- Making a correct payment;
- Recovering any erroneously directed funds.

If an uncompleted or erroneous transfer occurs because the Supplier EFT information was incorrect, or was revised within 30 days of Buyer release of the EFT payment transaction instruction to the Federal Reserve System, and-

- If the funds are no longer under the control of the payment office, the Buyer is deemed to have made payment and the Supplier is responsible for recovery of any erroneously directed funds; or
- If the funds remain under the control of the payment office, the Buyer shall not make payment and the provisions of the first paragraph shall apply.

INDEPENDENT CONTRACTOR RELATIONSHIP AND SUPPLIER PERSONNEL

1. Supplier's relationship to Buyer shall be that of an Independent Contractor and this Purchase Order does not create an agency, partnership, or joint venture relationship between Buyer and Supplier or Buyer and Supplier personnel. Personnel supplied by Supplier hereunder shall be deemed employees of Supplier and shall not for any purposes be considered employees or agents of Buyer. Supplier assumes full responsibility for the actions and supervision of such personnel while performing services under this Purchase order. Buyer assumes no liability for Supplier personnel.
2. Supplier shall inform Buyer if a former employee of Buyer will be assigned Work under this Purchase order, and any such assignment shall be subject to Buyer approval.
3. Nothing contained in this Purchase Order shall be construed as granting to Supplier or any personnel of Supplier rights under any benefit plan of Buyer or its parent.
4. All persons, property, and vehicles entering or leaving Buyer's or Government's premises are subject to search.
5. Supplier will promptly notify Buyer and provide a report of any accidents or security incidents involving loss of or misuse or damage to Buyer's or Government's intellectual or physical assets, and all physical altercations, assaults, or harassment involving Seller's personnel performing work under this Purchase Order.
6. Supplier personnel: (i) will not remove Buyer or Government assets from Buyer's or Government's premises without Buyer authorization; (ii) will use Buyer or Government assets only for purposes of this Purchase Order; (iii) will only connect with, interact with or use computer resources, networks, programs, tools or routines that Buyer agrees are needed to provide services; and (iv) will not share or disclose user identifiers, passwords, cipher keys or computer dial port telephone numbers. Buyer may periodically audit Supplier's data residing on Buyer or Government's information assets.
7. Supplier shall indemnify and hold harmless Buyer from and against any actual or alleged liability, loss, costs, damages, fees of attorneys, and other expenses which Buyer may sustain or incur in consequence of (i) Supplier's failure to pay any employee for the Work rendered under this Purchase Order, or (ii) any claims made by Supplier's personnel against Buyer.
8. The Supplier will verify all Purchase Order workers that it provides to Buyer are authorized to work in the United States.
9. The Supplier will take appropriate action to remove its employees working on this Purchase Order who are later discovered not to be legally authorized to work in the United States and/or whose identity is in question.
10. The Supplier indemnifies Buyer from any and all liability, loss or damage it may suffer as a result of claims, demands, costs or judgments against it arising from the Supplier providing Purchase Order workers in violation of the requirements of the laws of the United States or the state in which the worker is working. Indemnity under this purchase order shall continue in full force throughout the term of this purchase order.

DISPUTES

Supplier shall not be entitled to claim and Buyer shall not be liable to Supplier or its Suppliers or Suppliers of any tier in tort (including negligence), or purchase order except as specifically provided in this purchase order.

Any claim arising out of or attributable to the interpretation or performance of this subcontract which cannot be resolved by negotiation shall be considered a dispute within the meaning of this clause.

If for any reason Supplier and Buyer are unable to resolve a claim for an adjustment, Supplier or Buyer shall notify the other party in writing that a dispute exists and request or provide a final determination regarding the claim. Any such request by Supplier shall clearly reference this clause and shall summarize the facts in dispute and Supplier's proposed resolution of the dispute.

Buyer shall, within sixty (60) calendar days of any request by Supplier, provide a written final determination setting forth the contractual basis for its decision and defining what purchase order adjustments it considers equitable. Upon Supplier's written acceptance of Buyer's determination the purchase order will be modified and the determination implemented accordingly.



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If Buyer's final determination is not accepted by Supplier, the matter shall, within thirty (30) calendar days, be referred to senior executives of the parties who shall have designated authority to settle the dispute. The parties shall promptly prepare and exchange memoranda stating the issues in dispute and their respective positions, summarizing the negotiations that have taken place and attaching relevant documents.

The senior executives will meet for negotiations at a mutually agreed time and place. If the matter has not been resolved within thirty (30) days of the commencement of such negotiations, the parties agree to consider resolution of the dispute through some form of Alternative Dispute Resolution (ADR) process which is mutually acceptable to the parties.

Should the parties agree to pursue an ADR process each party will be responsible for its own expenses incurred to resolve the dispute during the ADR process.

If the parties do not agree to an ADR process or are unable to resolve the dispute through ADR, either party shall then have the right to pursue any legal remedy consistent with other terms of the purchase order.

Pending final resolution of any performance issue, request for equitable adjustment, claim or dispute regarding this purchase order, the Supplier shall proceed diligently with the performance of this purchase order.

SUPPLIER LIABILITIES AND INDEMNIFICATIONS

This purchase order does not bind nor purport to bind the United States Government, its officers, employees, or agents. As to the Work to be done, or services to be performed by Supplier on Buyer premises, Government premises, or the premises of other Buyer Suppliers, Supplier assumes entire responsibility and liability for losses, expenses, damages, demands, and claims in connection with or arising out of any injury or alleged injury (including death), or damage or alleged damage to property, sustained or alleged to have been sustained in connection with or to have arisen out of performance of the Work. Supplier will indemnify and save harmless the Government and Buyer, or other Buyer Suppliers, from and against any and all claims, demands, actions, causes of actions, suits, damages, expenses (including attorneys' fees) and liabilities whatsoever resulting from or arising in any manner on account of or by reason of any injury to or death of any person or any damage to or loss of property which may occur or be alleged to have occurred as a result of or in connection with the performance of this purchase order. Supplier further agrees to indemnify Buyer and the Government against, and to save and hold harmless Buyer and the Government from any and all liability, and expense with respect to claims against Buyer or the Government which may result from the failure or alleged failure of Supplier or any of its lower-tier suppliers to comply with the requirements of this purchase order.

TITLE AND ADMINISTRATION

All site work performed in furtherance of this purchase order will be on real property owned by the U.S. Government. Title and all property rights and interests resulting from this purchase order shall pass directly from Supplier to the U.S. Government, upon acceptance, regardless of when or where the Government takes physical possession. Payments under this purchase order will be made by Buyer from funds advanced by the Government, not from Buyer's own assets. Administration of this Purchase Order may be transferred to DOE or its designee, and in case of such transfer and notice thereof to supplier, Buyer shall have no further responsibilities hereunder.

LOWER-TIER SUBCONTRACTS

- (a) If, at any time during the progress of the work under this purchase order, Buyer determines that any lower-tier supplier's performance is unacceptable for any reason, Buyer will notify the Supplier accordingly. The Supplier shall then take immediate steps to address the unsatisfactory performance up to and including termination of the lower-tier purchase order.
- (b) The Supplier agrees that it is responsible for the acts and omissions of its lower-tier suppliers and of all persons either directly or indirectly employed by its subcontractors or by the Supplier.
- (c) Nothing contained in this subcontract shall be construed to create any contractual relationship between any lower-tier supplier and the Buyer.

ANTI-VIRUS WARRANTY

Software and Hardware provided by the Supplier under this Purchase Order shall not contain computer viruses or other malicious software. In fulfilling the terms of this Purchase Order, the Supplier agrees to take precautions to avoid conveying computer viruses or other malicious software to the Buyer. Specifically, all computer files, disks, memories or other media provided by the Supplier to the Buyer (other than third party Supplier software in its original, unopened packaging materials) will be checked by the Supplier prior to delivery to the Buyer to detect and remove any computer virus or other malicious software. The virus check that is performed by the Supplier will include checks with current, up-to-date anti-virus software and any virus problems that are found during the check (or later found by the Buyer) will be fixed by the Supplier.



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MEMORY BEARING COMPONENTS

A memory bearing component is computer memory that can retain the stored information even when not powered. Examples include, but are not limited to, read-only memory, flash memory, most types of magnetic computer storage devices (e.g. hard disks, floppy disks, and magnetic tape), optical discs, and early computer storage methods such as paper tape and punched cards. Once a memory bearing component has been delivered, it will not be removed from the laboratory unless Buyer can conclude that the component is free from any classified or sensitive data and removal of the component is approved by the Buyer. Magnetic media is subject to Buyer Security Regulations and will not be allowed to be removed from Buyer's sites. Memory bearing components retained by Buyer, in accordance with Buyer Security Requirements, shall be replaced at Supplier's cost. Seller shall invoice for reimbursement for each part replaced or repaired.

WARRANT OF MANUFACTURER'S PRODUCT

The supplier shall source all products submitted in this offer as new products from the manufacturer or through the manufacturer's authorized distributors only, in accordance with all applicable laws and policies at the time of purchase.

CHOICE OF LAW

This subcontract and any and all matters of disputes between the parties to this subcontract whether arising from the subcontract itself or arising from alleged extra contractual facts, during or subsequent to the contract shall be governed by construed, and enforced in accordance with the law of U.S. Government contracts as set forth by statute and applicable regulations, and decisions by the appropriate courts and Board of Contract Appeals. To the extent that the law referred to in the foregoing sentence is not determinative on an issue, the issue shall be resolved in accordance with the laws of the Idaho or New York or Pennsylvania depending on the state in which the work is performed.

ORDER OF PRECEDENCE

In the event of any inconsistencies from this purchase order, the following order of precedence shall apply:

1. Purchase Order/Subcontract
2. General Provisions
3. Applicable Referenced Documents (including final proposal for Design Build)*
4. Detailed Specification / Workscope
5. Drawings

*all documents except the General Provisions, Specifications/Workscopes and Drawings

Any inconsistencies whatsoever shall be brought to the attention of the Contract Administrator prior to any action related

ORGANIZATIONAL CONFLICT OF INTEREST (NAVSEA) (JUL 2000)

- (a) "Organizational Conflict of Interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the Government, or the person's objectivity in performing the purchase order work is or might be otherwise impaired, or a person has an unfair competitive advantage. "Person" as used herein includes Corporations, Partnerships, Joint Ventures, and other business enterprises.
- (b) The Supplier warrants that to the best of its knowledge and belief, and except as otherwise set forth in the purchase order, the Supplier does not have any organizational conflict of interest(s) as defined in paragraph (a).
- (c) It is recognized that the effort to be performed by the Supplier under this purchase order may create a potential organizational conflict of interest on the instant purchase order or on a future acquisition. In order to avoid this potential conflict of interest, and at the same time to avoid prejudicing the best interest of the Government, the right of the Supplier to participate in future procurement of equipment and/or services that are the subject of any work under this purchase order shall be limited as described below in accordance with the requirements of FAR 9.5.
- (d)
 - (1) The Supplier agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the Government any information provided to the Supplier by the Government during or as a result of performance of this purchase order. Such information includes, but is not limited to, information submitted to the Government on a confidential basis by other persons. Further, the prohibition against release of Government provided information extends to cover such information whether or not in its original form, e.g., where the information has been included in Supplier generated work or where it is discernible from materials incorporating or based upon such information. This prohibition shall not expire after a given period of time.
 - (2) The Supplier agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the Government any information generated or derived during or as a result of performance of this purchase order. This prohibition shall expire after a period of three years after completion of performance of this purchase order.



**GENERAL PROVISIONS FOR FIXED PRICE ORDERS
(NAVY)**

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- (3) The prohibitions contained in subparagraphs (d)(1) and (d)(2) shall apply with equal force to any affiliate of the Supplier, any subcontractor, consultant, or employee of the Supplier, any joint venture involving the Supplier, any entity into or with which it may merge or affiliate, or any successor or assign of the Supplier. The term of paragraph (f) of this Special Contract Requirement relating to notification shall apply to any release of information in contravention of this paragraph (d).
- (e) The Supplier further agrees that, during the performance of this purchase order and for a period of three years after completion of performance of this purchase order, the Supplier, any affiliate of the Supplier, or any Supplier, consultant, or employee of the Supplier, or any joint venture involving the Supplier, any entity into or with which it may be subsequently merge or affiliate, or any other successor or assign of the Supplier, shall not furnish to the United States Government, either as a prime contractor or as a subcontractor, or as a consultant to a prime Supplier or subcontractor, any system, component or services which is the subject of the work to be performed under this purchase order. This exclusion does not apply to any re-competition for those systems, components or services furnished pursuant to this purchase order. As provided in FAR 9.505-2, if the Government procures the system, component, or services on the basis of work statements growing out of the effort performed under this purchase order, from a source other than the Supplier, subcontractor, affiliate, or assign of either, during the course of performance of this purchase order or before the three year period following completion of this purchase order has lapsed, the Supplier may, with the authorization of the cognizant Contracting Officer, participate in a subsequent procurement for the same system, component or service. In other words, the Supplier may be authorized to compete for procurement(s) for systems, components or services subsequent to an intervening procurement.
- (f) The Supplier agrees that, if after award, it discovers an actual or potential organizational conflict of interest, it shall make immediate and full disclosure in writing to the Contracting Officer. The notification shall include a description of the actual or potential organizational conflict of interest, a description of the action which the Supplier has taken or proposes to take to avoid, mitigate, or neutralize the conflict, and any other relevant information that would assist the Contracting Officer in making a determination on this matter. Notwithstanding this notification, the Government may terminate the purchase order for the convenience of the Government if determined to be in the best interest of the Government.
- (g) Notwithstanding paragraph (f), above, if the Supplier was aware, or should have been aware, of an organizational conflict of interest prior to the award of this purchase order or becomes, or should become, aware of an organizational conflict of interest after award of this purchase order and does not make an immediate and full disclosure in writing to the Contracting Officer, the Government may terminate this purchase order for default.
- (h) If the Supplier takes any action prohibited by this requirement or fails to take action required by this requirement, the Government may terminate this purchase order for default.
- (i) The Contracting Officer's decision as to the existence or nonexistence of an actual or potential organizational conflict of interest shall be final.
- (j) Nothing in this requirement is intended to prohibit or preclude the Supplier from marketing the selling to the United States Government its product lines in existence on the effective date of this purchase order; nor, shall this requirement preclude the Supplier from participating in any research and development or delivering any design development model or prototype of any such equipment. Additionally, sale of catalog or standard commercial items are exempt from this requirement.
- (k) The Supplier shall promptly notify the Contracting Officer, in writing, if it has been tasked to evaluate or advise the Government concerning its own products or activities or those of a competitor in order to ensure proper safeguards exist to guarantee objectivity and to protect the Government's interest.
- (l) The Supplier shall include these requirements in purchase orders of any tier which involve access to information or situations/conditions covered by the preceding paragraphs, substituting "Supplier" for "Supplier" where appropriate.
- (m) The rights and remedies described herein shall not be exclusive and are in addition to other rights and remedies provided by law or elsewhere included in this purchase order.
- (n) Compliance with this requirement is a material requirement of this purchase order.