

PRIME CONTRACT FLOW DOWN CLAUSES

I.1 CLAUSES INCORPORATED BY REFERENCE

This Purchase Order incorporates herein clauses by reference, with the same force and effect as if they were given in full text. If any such clause is inapplicable to this specific acquisition due to the clause's prescription, they are considered self-deleting. Upon Subcontractor request, the Prime Contractor will inform Subcontractor as to where the full text of the referenced clause may be found. The applicable version of these clauses is the version in effect on the date of the Subcontract award. To the extent that an earlier version of any such clause is included in the Prime Contract under which this Subcontract is issued, the date of the clause as it appears in such Prime Contract shall be controlling and said version shall be incorporated herein.

All provisions and clauses of the SeaPort NxG contract N0017819D8547 apply to this Task Order. <https://saalex.com/prime-contract-terms-and-conditions/>

Nothing in this Subcontract shall be construed as modifying or limiting the Government's right to authorize the subcontractor's use of any designs, drawings, special tooling, equipment, engineering data or other technical or proprietary information the Government owns or has the right use.

It is a material part of these Terms and Conditions that govern any purchase order/subcontract issued by Saalex pursuant to a Government contract, that the vendor/subcontractor shall include the appropriate FAR and DFARS flow down clauses in each lower-tier purchase order or subcontract. Failure to do so will constitute a material breach of these Terms and Conditions.

5252.247-9507 PACKAGING AND MARKING OF REPORTS (NAVAIR) (OCT 2005)

(a) All unclassified data shall be prepared for shipment in accordance with best commercial practice. Classified reports, data and documentation, if any, shall be prepared for shipment in accordance with the National Industry Security Program Operating Manual, DoD 5220.22-M.

(b) The contractor shall prominently display on the cover of each report the following information:

- (1) Name and business address of contractor.
- (2) Contract Number/Delivery/Task order number.
- (3) Contract/Delivery/Task order dollar amount.
- (4) Whether the contract was competitively or non-competitively awarded.
- (1) Name of sponsoring individual.
- (2) Name and address of requiring activity.

5252.247-9508 PROHIBITED PACKING MATERIALS(NAVAIR) (JUN 1998)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hydroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

5252.247-9514 TECHNICAL DATA PACKING INSTRUCTIONS (NAVAIR) (SEP 1999)

Technical Data and Information shall be packed and packaged for domestic shipment in accordance with best commercial practices. The package or envelope should be clearly marked with any special markings specified in this contract (or delivery/task order), e.g., Contract Number, CLIN, Device No., and document title must be on the outside of the package. Classified reports, data and documentation, if applicable, shall be prepared for shipment in accordance with Defense Industrial Manual for Safeguarding Classified Information, DoD 5520.22M.

5252.246-9514 INSPECTION AND ACCEPTANCE OF TECHNICAL DATA AND INFORMATION (NAVAIR) (FEB 1995)

Inspection and acceptance of technical data and information will be performed by the Procuring Contracting Officer (PCO) or his duly authorized representative. Inspection of technical data and information will be performed by ensuring successful completion of the requirements set forth in the DD Form 1423, Contract Data Requirements List (CDRL) and incorporation/resolution of Government review comments on the data items. Acceptance will be evidenced by execution of an unconditional DD Form 250, Material Inspection and Receiving Report, as appropriate, and/or upon receipt of a second endorsement acceptance by the PCO on the attachment to this contract entitled Inspection and Acceptance of Technical Data and Information (Attachment 003). The attached form will not be used for high cost data such as drawings, specifications, and technical manuals.

5252.204-9505 SYSTEM AUTHORIZATION ACCESS REQUEST NAVY (SAAR-N) REQUIREMENTS FOR INFORMATION TECHNOLOGY(IT) (NAVAIR)(NOV 2017)

(a) Contractor personnel assigned to perform work under this contract may require access to Navy Information Technology (IT) resources (e.g., computers, laptops, personal electronic devices/personal digital assistants (PEDs/PDAs), NMCI, RDT&E networks, websites such as MyNAVAIR, and Navy Web servers requiring Common Access Card (CAC) Public Key Infrastructure (PKI)). Contractor personnel (prime, subcontractor, consultants, and temporary employees) requiring access to Navy IT resources (including those personnel who previously signed SAAR DD Form 2875) shall submit a completed System Authorization Access Request Navy (SAAR-N), OPNAV 5239/14 (Jul 2008) form or latest version thereof, and have initiated the requisite background investigation (or provide proof of a current background investigation) prior to accessing any Navy IT resources. The form and instructions for processing the SAAR-N form are available at: <https://navalforms.documentservices.dla.mil/formsDir/ OPNAV 5239 14 763 1.pdf>. Instruction Note: SAAR-N forms are required to be downloaded and then completed. The "E-MAIL SUBMIT" button on the SAAR-N form is not to be used.

(c) SAAR-N forms will be submitted to the Government Sponsor or Technical Point of Contact (TPOC) via the contractor's Facility Security Officer (FSO). The designated SAAR-N Government Sponsor or TPCO for contractor employees requiring IT access, **the COR identified in NAVAIR Clause 5252.201-9501** shall be responsible for signing and processing the SAAR-N forms. For those contractors that do not have a FSO, SAAR-N forms shall be submitted directly to the designated SAAR-N Government Sponsor or TPOC. Copies of the approved SAAR-N forms may be obtained through the designated SAAR-N Government Sponsor or TPOC. Requests for access should be routed through the NAVAIR_SAAR.fct@navy.mil mailbox.

(d) In order to maintain access to Navy IT resources, the contractor shall ensure completion of initial and annual IA training, monitor expiration of requisite background investigations, and initiate re-investigations as required. If requested, the contractor shall provide to the designated SAAR-N Government Sponsor or TPOC documentation sufficient to prove that it is monitoring/tracking the SAAR-N requirements for its employees who are accessing Navy IT resources. For those contractor personnel not in compliance with the requirements of this clause, access to Navy IT resources will be denied/revoked.

(d) The SAAR-N form remains valid throughout contractual performance, inclusive of performance extensions and option exercises where the contract number does not change. Contractor personnel are required to submit a new SAAR-N form only when they begin work on a new or different contract.

5252.211-9510 CONTRACTOR EMPLOYEES (NAVAIR)(MAY 2011)

(a) In all situations where contractor personnel status is not obvious, all contractor personnel are required to identify themselves to avoid creating an impression to the public, agency officials, or Congress that such contractor personnel are Government officials. This can occur during meeting attendance, through written (letter or email) correspondence or verbal discussions (in person or telephonic), when making presentations, or in other situations where their contractor status is not obvious to third parties. This list is not exhaustive. Therefore, the contractor employee(s) shall:

(1) Not by word or deed give the impression or appearance of being a Government employee;

(0) Wear appropriate badges visible above the waist that identify them as contractor employees when in Government spaces, at a Government-sponsored event, or an event outside normal work spaces in support of the contract/order;

(1) Clearly identify themselves as contractor employees in telephone conversations and in all formal and informal written and electronic correspondence. Identification shall include the name of the company for whom they work;

(2) Identify themselves by name, their company name, if they are a subcontractor the name of the prime contractor their company is supporting, as well as the Government office they are supporting when participating in meetings, conferences, and other interactions in which all parties are not in daily contact with the individual contractor employee; and

(3) Be able to provide, when asked, the full number of the contract/order under which they are performing, and the name of the Contracting Officer's Representative.

(b) If wearing a badge is a risk to safety and/or security, then an alternative means of identification maybe utilized if endorsed by the Contracting Officer's Representative and approved by the Contracting Officer.

(c) The Contracting Officer will make final determination of compliance with regulations with regard to proper identification of contractor employees.

5252.216-9512 PAPERLESS CONTRACTING (NAVAIR) (JUN 2009)

(a) Orders and requests for proposals are hereby authorized to be issued by facsimile or by electronic commerce (including e-mail and paperless methods of delivery). Nothing in this contract should be read to prohibit these types of orders. In the event of a conflict with any other provision of this contract, this clause shall govern.

(b) To the extent the terms "written", "mailed", or "physically delivered" appear in other provisions of this contract, these terms are hereby defined to explicitly include electronic commerce, email, or paperless delivery methods.

5252.227-9511 DISCLOSURE, USE AND PROTECTION OF PROPRIETARY INFORMATION (NAVAIR) (FEB 2009)

- (a) During the performance of this contract, the Government may use an independent services contractor (ISC), who is neither an agent nor employee of the Government. The ISC may be used to conduct reviews, evaluations, or independent verification and validations of technical documents submitted to the Government during performance.
- (b) The use of an ISC is solely for the convenience of the Government. The ISC has no obligation to the prime contractor. The prime contractor is required to provide full cooperation, working facilities and access to the ISC for the purposes stated in paragraph (a) above.
- (c) Since the ISC is neither an employee nor agent of the Government, any findings, recommendations, analyses, or conclusions of such a contractor are not those of the Government.
- (d) The prime contractor acknowledges that the Government has the right to use ISCs as stated in paragraph (a) above. It is possible that under such an arrangement the ISC may require access to or the use of information (other than restricted cost or pricing data), which is proprietary to the prime contractor.
- (e) To protect any such proprietary information from disclosure or use, and to establish the respective rights and duties of both the ISC and prime contractor, the prime contractor agrees to enter into a direct agreement with any ISC as the Government requires. A properly executed copy (per FAR 9.505-4) of the agreement will be provided to the Procuring Contracting Officer.

CLAUSES INCORPORATED BY REFERENCE

52.204-24 -- Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment

52.204-25 -- Prohibition of Contracting for Certain Telecommunications and Video Surveillance Services or Equipment

52.217-8 -- Option to Extend Services. (Nov 1999)

52.217-9 -- Option to Extend the Term of the Contract. (Mar 2000)

52.222-62 Paid Sick Leave Under Executive Order 13706. (JAN 2017)

252.227-7026 Deferred Delivery of Technical Data or Computer Software (APR 1988)

CLAUSES INCORPORATED BY FULL TEXT

52.232-22 Limitation of Funds.

(a) The parties estimate that performance of this contract will not cost the Government more than (1)the estimated cost specified in the Task Order or, (2)if this is a cost-sharing contract, the Government's share of the estimated cost specified in the Task Order. The Contractor agrees to use its best efforts to perform the work specified in the Task Order and all obligations under this contract within the estimated cost, which, if this is a cost-sharing contract, includes both the Government's and the Contractor's share of the cost.

(b) The Task Order specifies the amount presently available for payment by the Government and allotted to this contract, the items covered, the Government's share of the cost if this is a cost-sharing contract, and the period of performance it is estimated the allotted amount will cover. The parties contemplate that the Government will allot additional funds incrementally to the contract up to the full estimated cost to the Government specified in the Task Order, exclusive of any fee. The Contractor agrees to perform, or have performed, work on the contract up to the point at which the total amount paid and payable by the Government under the contract approximates but does not exceed the total amount actually allotted by the Government to the contract.

(c) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next 60 days, when added to all costs previously incurred, will exceed 75 percent of (1)the total amount so far allotted to the contract by the Government or, (2)if this is a cost-sharing contract, the amount then allotted to the contract by the Government plus the Contractor's corresponding share. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the Task Order.

(d) Sixty days before the end of the period specified in the Task Order, the Contractor shall notify the Contracting Officer in writing of the estimated amount of additional funds, if any, required to continue timely performance under the contract or for any further period specified in the Task Order or otherwise agreed upon, and when the funds will be required.

(e) If, after notification, additional funds are not allotted by the end of the period specified in the Task Order or another agreed-upon date, upon the Contractor's written request the Contracting Officer will terminate this contract on that date in accordance with the provisions of the Termination clause of this contract. If the Contractor estimates that the funds available will allow it to continue to discharge its obligations beyond that date, it may specify a later date in its request, and the Contracting Officer may terminate this contract on that later date.

(f) Except as required by other provisions of this contract, specifically citing and stated to be an exception to this clause-

(1) The Government is not obligated to reimburse the Contractor for costs incurred in excess of the total amount allotted by the Government to this contract; and

(2) The Contractor is not obligated to continue performance under this contract (including actions under the Termination clause of this contract) or otherwise incur costs in excess of-

(i) The amount then allotted to the contract by the Government or;

() If this is a cost-sharing contract, the amount then allotted by the Government to the contract plus the Contractor's corresponding share, until the Contracting Officer notifies the Contractor in writing that the amount allotted by the Government has been increased and specifies an increased amount, which shall then constitute the total amount allotted by the Government to this contract.

(g) The estimated cost shall be increased to the extent that (1) the amount allotted by the Government or, (2) if this is a cost-sharing contract, the amount then allotted by the Government to the contract plus the Contractor's corresponding share, exceeds the estimated cost specified in the Task Order. If this is a cost-sharing contract, the increase shall be allocated in accordance with the formula specified in the Task Order.

(h) No notice, communication, or representation in any form other than that specified in paragraph (f)(2) of this clause, or from any person other than the Contracting Officer, shall affect the amount allotted by the Government to this contract. In the absence of the specified notice, the Government is not obligated to reimburse the Contractor for any costs in excess of the total amount allotted by the Government to this contract, whether incurred during the course of the contract or as a result of termination.

(i) When and to the extent that the amount allotted by the Government to the contract is increased, any costs the Contractor incurs before the increase that are in excess of-

(1) The amount previously allotted by the Government or;

(2) If this is a cost-sharing contract, the amount previously allotted by the Government to the contract plus the Contractor's corresponding share, shall be allowable to the same extent as if incurred afterward, unless the Contracting Officer issues a termination or other notice and directs that the increase is solely to cover termination or other specified expenses.

(j) Change orders shall not be considered an authorization to exceed the amount allotted by the Government specified in the Task Order, unless they contain a statement increasing the amount allotted.

(k) Nothing in this clause shall affect the right of the Government to terminate this contract. If this contract is terminated, the Government and the Contractor shall negotiate an equitable distribution of all property produced or purchased under the contract, based upon the share of costs incurred by each.

(l) If the Government does not allot sufficient funds to allow completion of the work, the Contractor is entitled to a percentage of the fee specified in the Task Order equaling the percentage of completion of the work contemplated by this contract.