General Terms and Conditions for Supply and Service Subcontracts

Supplement 1 – U.S. Government Contract Provisions from the Federal Acquisition Regulation Supplement (FAR)

- 1. When the Goods or Services furnished are for use in connection with a U. S. Government contract or subcontract, in addition to the L3 General Terms and Conditions for Supply and Services Subcontracts (Corporate Form CC008), the following Supplement 1 U.S. Government Contract Provisions from the Federal Acquisition Regulation (FAR) (Corporate Form CC009) shall apply, as required by the terms of the applicable clause, the terms of the Prime Contract, or by operation of law or regulation. Clauses not applicable for these reasons shall not be removed from this document and will be considered by all parties to be without force and effect. In the event of a conflict between these FAR provisions and the L3 General Terms and Conditions for Supply and Services Subcontracts (Corporate Form CC008), the FAR provisions shall control. The full text of a clause may be accessed electronically at this address: https://www.acquisition.gov/browserfar.
- 2. The following FAR clauses are incorporated herein by reference and shall have the same force and effect as if they were given in full text. If the current date or substance of any of the clauses listed below is different from the date or substance of the clause incorporated in the Prime Contract referenced herein, the date or substance of the clause incorporated in the Prime Contract shall apply instead. Dollar thresholds cited below are for guidance only and may vary based on the date of the Prime Contract. The Contracts Disputes Act shall have no application to this Agreement, and nothing in this Agreement grants SELLER a direct claim or cause of action against the U.S. government. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Agreement, as set forth in Corporate Form CC008, Section 23. SELLER shall include in each lower-tier subcontract the appropriate flow down clauses as required by the FAR clauses included in this Supplement.

3. U.S. GOVERNMENT SUBCONTRACT

- (a) This Contract is entered into by the parties in support of a U.S. Government contract.
- (b) As used in the FAR clauses referenced below:
 - (i) "Commercial Item" means a commercial item as defined in FAR 2.101.
 - (ii) "Contract" means this Agreement, as defined in Corporate Form CC008, section 1(a).
 - (iii) "Contracting Officer" means the U.S. government contracting officer for L3's government Prime Contract under which this Agreement is entered.
 - (iv) "Contractor" and "Offeror" means the SELLER, which is the party identified on the face of the Agreement with whom L3 is contracting, acting as the immediate subcontractor to L3.
 - (v) "FAR" means the Federal Acquisition Regulation, used as Chapter 1 of Title 48, Code of Federal Regulations.
 - (vi) "Prime Contract" means the contract between L3 and the U.S. government or between L3 and its higher-tier contractor who has a contract with the U.S. government.
 - (vii) "Subcontract" means any contract placed by SELLER or lower-tier subcontractors under this Agreement.
 - (viii) "Simplified Acquisition Threshold" has the same meaning as defined in the clause at FAR 2.101.
 - (ix) "Micro-Purchase Threshold" has the same meaning as defined in the clause at FAR 2.101.

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Supplement 1 – U.S. Government Contract Provisions from the Federal Acquisition Regulation Supplement (FAR)

- (x) "Commercially available Off-The-Shelf" or "COTS" has the same meaning as defined in the clause at FAR 2.101.
- (c) Unless otherwise indicated, substitute the following party names in all FAR clauses, as applicable:
 - (i) "L3" for "agency," "government," or "United States;"
 - (ii) "L3 Subcontracting Representative" for "Contracting Officer," "Administrative Contracting Officer," or "ACO;"
 - (iii) "SELLER" for "contractor" or "offeror."
- (d) Any communication/notification required under a FAR clause from/to the Contractor to/from the Contracting Officer shall be made through L3, unless otherwise indicated.

THE SELLER, BY SIGNING ITS OFFER, HEREBY CERTIFIES COMPLIANCE WITH THE FOLLOWING CLAUSES AND IS, THEREFORE, ELIGIBLE FOR AWARD. THE SELLER'S REPRESENTATIONS AND CERTIFICATIONS ARE INCORPORATED BY REFERENCE INTO THIS AGREEMENT.

TITLE OF CLAUSE	CLAUSE
DEFINITIONS (Applies if this Agreement exceeds the Simplified Acquisition Threshold.)	52.202-1
GRATUITIES (Applies if the value of this Agreement exceeds the Simplified Acquisition	52.203-3
Threshold.)	
COVENANTS AGAINST CONTINGENT FEES (Applies if this Agreement exceeds the Simplified	52.203-5
Acquisition Threshold, other than those for commercial items.)	
RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (Applies if this Agreement	52.203-6
exceeds the Simplified Acquisition Threshold. For the acquisition of commercial items, the	
clause with its Alternate I shall apply.)	
ANTI-KICKBACK PROCEDURES (Applies if this Agreement exceeds the Simplified Acquisition	52.203-7
Threshold, other than those for commercial items.)	
CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	52.203-8
(Applies if this Agreement exceeds the Simplified Acquisition Threshold, other than those for	
commercial items.)	
PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (Applies if this Agreement	52.203-10
exceeds the Simplified Acquisition Threshold, other than those for commercial items.)	
LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (Applies if this	52.203-12
Agreement is expected to exceed \$150,000.)	
CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (Applies if the value of this	52.203-13
Agreement is expected to exceed \$5,500,000 and the period of performance is more than 120	
days. Disclosures made under this clause shall be made directly to the government entities	
identified in the clause.)	
DISPLAY OF HOTLINE POSTER(S) (Applies if this Agreement exceeds \$5,500,000 or is funded	52.203-14
with disaster assistance funds unless it is for the acquisition of a commercial item or will be	
performed entirely outside the United States.)	
WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT	52.203-15
(Applies if this Agreement is funded in whole or in part with Recovery Act funds.)	
PREVENTING PERSONAL CONFLICTS OF INTEREST (Applies if this Agreement exceeds the	52.203-16
Simplified Acquisition Threshold and SELLER's employees will perform acquisition functions	

General Terms and Conditions for Supply and Service Subcontracts

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closely associated with inherently governmental functions for, or on behalf of, a Federal	
agency or department.)	
CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM	52.203-17
EMPLOYEES OF WHISTLEBLOWER RIGHTS (Applies if this Agreement exceeds the Simplified	
Acquisition Threshold.)	
PROHIBITION IN CONTRACTING WITH ENTITIES THAT REQUIRE CERTAIN INTERNAL	52.203-18
CONFIDENTIALITY AGREEMENTS OR STATEMENTS (Applies ONLY for a contract with an entity	
that requires employees or subcontractors to sign an internal confidentiality agreement that	
restricts such employees or subcontractors from lawfully reporting waste, fraud, or abuse to a	
designated Government representative authorized to receive such information.)	
PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR	52.203-19
STATEMENTS (Applies unless this Agreement is for personal service with an individual.)	
SECURITY REQUIREMENTS (Applies if this Agreement contemplates access to classified	52.204-2
information, unless contracting agency is not covered by the NISP and has prescribed a clause	
and alternate that are substantially the same as 52.204-2. If a cost contract for research and	
development with an educational institution is contemplated, Alternate I applies. If a	
construction or architect-engineer contract where employee identification is required for	
security reasons is contemplated, Alternate II applies.)	
PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (Applies where SELLER will	52.204-9
have physical access to a federally-controlled facility or access to a federal information	
system.)	
REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (Applies if	52.204-10
this Agreement exceeds \$30,000 unless this Agreement is not required to be reported in the	
Federal Procurement Data System (FPDS). (Subparagraph (d)(2) does not apply. If SELLER	
meets the thresholds specified in paragraphs (d)(3) and (g)(2) of the clause, SELLER shall report	
required executive compensation by posting the information to the Government's System For	
Acquisition Management (SAM) database. All information posted will be available to the	
general public.)	
SERVICE CONTRACT REPORTING REQUIREMENTS (Applies if this Agreement exceeds the	52.204-14
thresholds at FAR 4.1703, except for indefinite-delivery contracts. This clause is not required	
for actions entirely funded by DOD, contracts awarded with generic identifier, or in classified	
solicitations, contractors, or orders.)	
SERVICE CONTRACT REPORTING REQUIREMENTS FOR INDEFINITE-DELIVERY CONTRACTS	52.204-15
(Applies if this Agreement is for services (including construction) where one or more orders	
issued thereunder are expected to each meet or exceed the thresholds at FAR 4.1703. This	
clause is not required for actions entirely funded by DoD, contracts awarded with generic	
entity identifier, or in classified solicitations, contracts, or orders.)	
INCORPORATION BY REFERENCE OF REPRESENTATIONS AND CERTIFICATIONS	52.204-19
BASIC SAFEGUARDING OF COVERED CONTRACTOR INFORMATION SYSTEMS (Applies to this	52.204-21
Agreement if SELLER may have federal contract information residing in or transiting through its	
information system.)	
PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR	52.204-23
PROVIDED BY KASPERSKY LAB AND OTHER COVERED ENTITIES	
REQUIRED SOURCES FOR HELIUM AND HELIUM USAGE DATA (Applies if Agreement anticipates	52.208-8
that performance of the contract involves a major helium requirement.)	
PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS	52.209-6
DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (Applies if the value of this	
Agreement exceeds \$35,000. Consistent with subparagraph (e) of this clause, the notice	
requirement contemplated in this clause refers to notice that SELLER shall provide L3.)	

General Terms and Conditions for Supply and Service Subcontracts

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MATERIAL REQUIREMENTS (Applies if this Agreement contemplates and SELLER has proposed	52.211-5
the use of used, reconditioned, or remanufactured supplies or unused former government	
surplus property in contract performance.)	
DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS	52.211-15
CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE	52.212-5
ORDERS – COMMERCIAL ITEMS (DEVIATION) (INCLUDES ALL STATUTES OR ORDERS ISSUED)	
(See FAR 52.244-6 for flow-down of Commercial Items.)	
AUDIT AND RECORDS-NEGOTIATION (Applies if this Agreement exceeds the Simplified	52.215-2
Acquisition Threshold and if: (1) SELLER is required to furnish cost or pricing data; or (2) the	
Agreement requires SELLER to furnish cost, funding, or performance reports; or (3) this is an	
incentive or price re-determinable type contract. Alternate II applies if SELLER is an	
educational or non-profit institution. L3 may request a U.S. government audit to examine	
SELLER's proprietary financial books and records.)	
PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA (Applies if submission of	52.215-10
certified cost or pricing data is required of L3 by its customer. All rights and obligations under	
this clause shall survive completion of the work and final payment under this Agreement. L3	
may request a U.S. government audit to examine SELLER's proprietary financial books and	
records.)	
PRICE REDUCTION FOR DEFECTIVE CERTIFIED COST OR PRICING DATA - MODIFICATIONS	52.215-11
(Applies if submission of certified cost or pricing data is required (for modifications) of L3 by its	
customer. All rights and obligations under this clause shall survive completion of the work and	
final payment under this Agreement. L3 may request a U.S. government audit to examine	
SELLER's proprietary financial books and records.)	
SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (Applies when the clause at FAR 52.215-	52.215-12
10 applies.)	
SUBCONTRACTOR CERTIFIED COST OR PRICING DATA - MODIFICATIONS (Applies if this	52.215-13
Agreement exceeds the threshold for obtaining certified cost and pricing data under FAR	
15.403-4.)	
INTEGRITY OF UNIT PRICES (Applies if this Agreement exceeds the Simplified Acquisition	52.215-14
Threshold. Delete paragraph (b) of the clause.)	50.045.45
PENSION ADJUSTMENTS AND ASSET REVERSIONS (Applies if it is anticipated that certified cost	52.215-15
or pricing data will be required or for which any preaward or postaward cost determinations	
will be subject to FAR part 31.)	F2 24F 46
FACILITIES CAPITAL COST OF MONEY (Applies only if this Agreement is subject to the Cost	52.215-16
Principles at FAR Subpart 31.2 and SELLER proposed facilities capital cost of money in its offer.)	F2 24F 47
WAIVER OF FACILITIES CAPITAL COST OF MONEY (Applies if this Agreement is subject to the	52.215-17
Cost Principles at FAR Subpart 31.2 and SELLER did not propose facilities capital cost of money	
in its offer.)	F2 24F 40
REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN	52.215-18
PENSIONS (Applies if it is anticipated that certified cost or pricing data will be required or for	
which any preaward or postaward cost determinations will be subject to FAR part 31.) NOTIFICATION OF OWNERSHIP CHANGES (Applies if submission of certified cost or pricing data	E2 21E 10
will be required of L3 by its customer or if any preaward or postaward cost determination will	52.215-19
be subject to FAR subpart 31.2.)	
REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND INFORMATION OTHER THAN	52.215-20
COST OR PRICING DATA (OCT 2010) (Applies ONLY when certified cost or pricing data is not	32.213-20
required.)	
REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND INFORMATION OTHER THAN	52.215-21
COST OR PRICING DATA - MODIFICATIONS (Applies if this Agreement contemplates	J2.21J-21
COST ON FINICING DATA - MODIFICATIONS (Applies II this Agreement contemplates	

General Terms and Conditions for Supply and Service Subcontracts

modifications for which it is reasonably certain that certified cost or pricing data or data other	
than certified cost and pricing data will be required.)	
LIMITATIONS ON PASS-THROUGH CHARGES—IDENTIFICATION OF SUBCONTRACT EFFORT	52.215-22
LIMITATION ON PASS-THROUGH CHARGES (Applies if this Agreement is for a cost-	52.215-23
reimbursement contract that exceeds the Simplified Acquisition Threshold, except if the prime	
contract to which this contract relates is with DoD, then the clause applies to both cost-	
reimbursement subcontracts and fixed-price subcontracts, except those identified in	
15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance	
with FAR 15-403.)	
ALLOWABLE COST AND PAYMENT (The blank in paragraph (a)(3) is completed with "the 30th"	52.216-7
unless otherwise specified in this Agreement. Paragraphs (a)(2), (b)(4), (c) and (d)(4) are	
deleted. In paragraph (h) "6 years" is changed to "5 years." The references to government	
entities in paragraph (d) are unchanged. Does not apply to labor hour contracts. For time and	
materials contracts, applies only to the material portion of the contract.)	
FIXED FEE (Applies if this Agreement is for a fixed-fee contract. The last two sentences of the	52.216-8
clause do not apply. Does not apply if this is a labor hour or time and materials contract.)	
INCENTIVE FEE (Applies only if this Agreement includes an incentive fee. Subparagraph	52.216-10
(e)(4)(iv) and the last two sentences of paragraph (c)(2) are deleted. The amounts in paragraph	
(e) are set forth on the face of the Agreement. Does not apply if this is a labor hour or time and	
materials contract.)	
COST CONTRACT - NO FEE (Applies if this Agreement is placed on a cost reimbursement - no	52.216-11
fee basis. Does not apply if this is a labor hour or time and materials contract.)	
CONTRACT DEFINITIZATION (Applies if this Agreement is for an undefinitized letter contract or	52.216-25
"not-to-exceed" or unpriced action. This clause is applicable when time is of the essence and	
the normal procurement process will not support customer requirements. Use this clause with	
FAR 52.216-24, Limitation of Government Liability.)	
UTILIZATION OF SMALL BUSINESS CONCERNS	52.219-8
SMALL BUSINESS SUBCONTRACTING PLAN (Applies if this Agreement is expected to exceed	52.219-9
\$700,000 except the clause does not apply if SELLER is a small business concern. SELLER's	
subcontracting plan is incorporated herein by reference. NOTE - Alternate IV (DEVIATION	
2018-00007) (AUG 2018). When incorporating a subcontracting plan in orders against basic	
ordering agreements and blanket purchase agreements due to a modification as specified in	
19.708(b)(1)(iv), substitute the DEVIATION-specified language in paragraphs (c), (d), for	
paragraphs (c), (d) of the basic clause.)	
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9	52.219-16
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.)	
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES	52.219-16 52.222-1
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement	
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all	52.222-1
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.)	52.222-1 52.222-2
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.)	52.222-1 52.222-2 52.222-3
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies	52.222-1 52.222-2
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies if this Agreement may require or involve the employment of laborers and mechanics and is	52.222-1 52.222-2 52.222-3
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies if this Agreement may require or involve the employment of laborers and mechanics and is valued above \$150,000.)	52.222-1 52.222-2 52.222-3 52.222-4
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies if this Agreement may require or involve the employment of laborers and mechanics and is valued above \$150,000.) NONDISPLACEMENT OF QUALIFIED WORKERS (Applies if this Agreement (a) is for services, (b)	52.222-1 52.222-2 52.222-3
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies if this Agreement may require or involve the employment of laborers and mechanics and is valued above \$150,000.) NONDISPLACEMENT OF QUALIFIED WORKERS (Applies if this Agreement (a) is for services, (b) succeeds a contract for performance of the same or similar work at the same location, and (c)	52.222-1 52.222-2 52.222-3 52.222-4
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies if this Agreement may require or involve the employment of laborers and mechanics and is valued above \$150,000.) NONDISPLACEMENT OF QUALIFIED WORKERS (Applies if this Agreement (a) is for services, (b) succeeds a contract for performance of the same or similar work at the same location, and (c) is not exempted by the clause at FAR 22.1203-2 or waived in accordance with the clause at	52.222-1 52.222-2 52.222-3 52.222-4
LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (Applies when the clause at FAR 52.219-9 applies.) NOTICE TO THE GOVERNMENT OF LABOR DISPUTES PAYMENT FOR OVERTIME PREMIUMS (Applies if this Agreement is for a cost-reimbursement contract and the amount is expected to exceed the Simplified Acquisition Threshold. For all contracts and subcontracts insert "Zero" in the blank.) CONVICT LABOR (Applies if this Agreement exceeds the Micro-Purchase Threshold.) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (Applies if this Agreement may require or involve the employment of laborers and mechanics and is valued above \$150,000.) NONDISPLACEMENT OF QUALIFIED WORKERS (Applies if this Agreement (a) is for services, (b) succeeds a contract for performance of the same or similar work at the same location, and (c)	52.222-1 52.222-2 52.222-3 52.222-4

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FOLIAL OPPORTUNITY (April: a product de la companya	F2 222 26
EQUAL OPPORTUNITY (Applies unless this Agreement is exempt from the requirements of Executive Order 11246.)	52.222-26
EQUAL OPPORTUNITY FOR VETERANS (Applies if this Agreement is equal to or greater than \$150,000.)	52.222-35
AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (Applies if this Agreement exceeds or	52.222-36
is expected to exceed \$15,000.)	
EMPLOYMENT REPORTS ON VETERANS (Applies when the clause at FAR 52.222-35 applies.)	52.222-37
COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS (Applies ONLY if	52.222-38
52.222-37 is applicable.)	
NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (Applies if	52.222-40
this Agreement exceeds the Simplified Acquisition Threshold.)	
SERVICE CONTRACT LABOR STANDARDS (Applies if this Agreement is for services subject to the	52.222-41
Service Contract Act. The clause does not apply if this Agreement has been administratively	
exempted by the Secretary of Labor or by 41 U.S.C. § 356, as interpreted in 29 CFR subpart	
4(C).)	
FAIR LABOR STANDARDS ACT (FLSA) AND SERVICE CONTRACT LABOR STANDARDS PRICE	52.222-43
ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS) (Applies if this Agreement is for a	
fixed-price, time-and-materials, or labor-hour service contract and the clause at FAR 52.222-41	
applies.)	
FLSA AND SERVICE CONTRACT LABOR STANDARDS – PRICE ADJUSTMENT (Applies if this	52.222-44
Agreement is for a fixed-price, time-and-materials, or labor-hour service contract and the	
clause at FAR 52.222-41 applies.)	
COMBATING TRAFFICKING IN PERSONS	52.222-50
EMPLOYMENT ELIGIBILITY VERIFICATION (Applies if this Agreement has a value of more than	52.222-54
\$3,500.)	
MINIMUM WAGES UNDER EXECUTIVE ORDER 13658 (Applies if this Agreement is subject to	52.222-55
the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction)	
statute and is to be performed in whole or in part in the United States.)	
PAID SICK LEAVE UNDER EXECUTIVE ORDER 13706 (Applies if this Agreement is subject to the	52.222-62
Service Contract Labor Standards statute or the Wage Rate Requirements (Construction)	
statute and is to be performed in whole or in part in the United States.)	
HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (Applies if	52.223-3
this Agreement requires the delivery of hazardous material, as defined in the clause at FAR	
23.301.)	
DRUG-FREE WORKPLACE	52.223-6
NOTICE OF RADIOACTIVE MATERIALS (Applies to Goods containing covered radioactive	52.223-7
material. In the blank, insert "30".)	
ESTIMATE OF PERCENTAGE OF RECOVERED MATERIAL CONTENT FOR EPA-DESIGNATED ITEMS	52.223-9
(Applies if this Contract is equal to or greater than the Simplified Acquisition Threshold.)	
OZONE-DEPLETING SUBSTANCES AND HIGH GLOBAL WARMING POTENTIAL	52.223-11
HYDROFLUOROCARBONS (Applies if the Goods may contain or have been manufactured with	
ozone-depleting substances.)	
ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS (Applies if this Agreement	52.223-15
contemplates energy-consuming products listed in the ENERGY STAR® Program or the Federal	
Energy Management Program that will be (a) delivered; (b) acquired by SELLER for use in	
performing services at a federally-controlled facility; (c) furnished by SELLER for use by the	
government; or (d) specified in the design of a building or work, or incorporated during its	
construction, renovation, or maintenance.)	

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ACQUISITION OF EPEAT®-REGISTERED PERSONAL COMPUTER PRODUCTS (Applies if SELLER is	52.223-16
or will be required to deliver EPEAT Bronze (or higher) registered/rated personal computers as	
end items (deliverable at the prime level).)	
ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING (Applies if	52.223-18
this Agreement exceeds the Micro-Purchase Threshold.)	
PRIVACY ACT (Applies if this Agreement when the design, development, or operation of a	52.224-2
system of records on individuals is required to accomplish an agency function.)	
PRIVACY TRAINING (Applies if, in the performance of this Agreement, SELLER's employees will	52.224-3
have access to a systems of records on individuals or will handle personally identifiable	
information.)	
BUY AMERICAN ACT – SUPPLIES (Applies if the value of this Agreement exceeds the Micro-	52.225-1
Purchase Threshold but does not exceed \$250,000; or if the value of this Agreement exceeds	01.110 1
\$25,000 and neither the clause at FAR 52.225-3 nor FAR 52.225-5 applies.)	
BUY AMERICAN ACT –FREE TRADE AGREEMENTS – ISRAELI TRADE ACT (Applies if this	52.225-3
Agreement is for the acquisition of supplies, or for services involving the furnishing of supplies,	52.225-4
for use within the United States and the value is \$25,000 or more, but is less than \$180,000.	32.223-4
Use Alternate I if the value is \$25,000 or more, but less than \$50,000. Use Alternate II if the	
value is \$50,000 or more, but less than \$80,317. Use Alternate III if the value is \$80,317, but	
less than \$100,000.)	
BUY AMERICAN ACT NORTH AMERICAN FREE TRADE AGREEMENT – ISRAELI TRADE ACT	
CERTIFICATE (ONLY if 52.225-3 applies.)	
TRADE AGREEMENTS (Applies if (a) this Agreement is valued at \$180,000 or more, (b) this	52.225-5
Agreement is covered by the WTO GPA (see FAR subpart 25.4), and (c) the agency has	52.225-6
determined that the restrictions of the Buy American statute are not applicable to U.Smade	
end products. This clause does not apply to contracts issued by the DoD. For DoD issued	
contracts see DFARS 252.225-7021.)	
TRADE AGREEMENTS – CERTIFICATE (Applies ONLY if 52.225-5 applies.)	
DUTY FREE ENTRY (OCT 2010) (Applies if the Goods will be imported into the Customs	52.225-8
Territory of the United States for which duty-free entry may be obtained in accordance with	
the clause at FAR 25.903(a).)	
RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)	52.225-13
CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS OUTSIDE THE UNITED STATES	52.225-26
(OCT 2016) (Applies if performance of this Agreement will occur outside the United States in	
areas of combat operations or other significant military operations. This clause does not apply	
for contracts with the DoD. A contract with the DoD that will occur outside of the United	
States in areas of combat operations or other significant military operations is subject to	
DFARS 225.302-6.)	
AUTHORIZATION AND CONSENT (DEC 2007) (Applies if this Agreement is expected to exceed	52.227-1
the Simplified Acquisition Threshold.)	
NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (DEC 2007)	52.227-2
(Applies if this Agreement is expected to exceed the Simplified Acquisition Threshold.)	
ROYALTY INFORMATION (APR 1984) (Applies to suppliers charging more than \$250 for	52.227-6
royalties.)	32.227 0
REFUND OF ROYALTIES (APR 1984) (Applies if this Agreement contemplates a reported royalty	52.227-9
, ,,,,,	J2.221-3
that exceeds \$250.)	F2 227 40
FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (DEC 2007) (Applies if the	52.227-10
Goods or Services or any patent application may cover classified subject matter.)	

General Terms and Conditions for Supply and Service Subcontracts

Supplement 1 – U.S. Government Contract Provisions from the Federal Acquisition Regulation Supplement (FAR)

PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (MAY 2014) (Applies if this Agreement	52.227-11
includes, at any tier, experimental, developmental, or research work and SELLER is a small	
business concern or domestic nonprofit organization. Reports required by this clause shall be	
filed with the agency identified in this Contract. If no agency is identified, contact the L3	
Representative identified on the face of this Order. FAR 52.227-13 applies in lieu of this clause	
if SELLER is not located in the United States or does not have a place of business located in the	
United States or is subject to the control of a foreign government.)	
PATENT RIGHTS - OWNERSHIP BY THE GOVERNMENT (DEC 2007) (Applies if this Agreement is	52.227-13
for experimental, developmental, or research work and SELLER is not located in the United	32.227 13
States or does not have a place of business located in the United States or is subject to the	
control of a foreign government. Paragraph (g) is deleted.)	
	52 227 44
RIGHTS IN DATA - GENERAL (MAY 2014) (Does not apply if DFARS 252.227-7013 applies.	52.227-14
Alternates I–IV may apply as set forth in the text of this clause.)	
ADDITIONAL DATA REQUIREMENTS (Applies if (a) technical data provided by SELLER comprised	52.227-16
any part of the successful bid proposal upon which the Prime Contract award was based, and	
(b) the government desires to acquire unlimited rights in such technical data.)	
COMMERCIAL COMPUTER SOFTWARE LICENSE (Applies if this Agreement is for the acquisition	52.227-19
of commercial computer software. NOTE: SELLER is responsible for providing all information	
necessary for L3 to complete the notice specified in paragraph (c).)	
INSURANCE – WORK ON A GOVERNMENT INSTALLATION (Applies if this Agreement involves	52.228-5
work on a government installation. Unless otherwise specified by this Agreement, the	
minimum kinds and amount of insurance shall be as described in FAR 28.307-2.)	
ADMINISTRATION OF COST ACCOUNTING STANDARDS (Applies when the clauses at FAR	52.230-6
52.230-2, FAR 52.230-3, FAR 52.230-4 or FAR 52.230-5 apply.)	
PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS (Applies if this	52.232-7
Agreement is a labor hour or time and materials contract. The third sentence of paragraph	
(a)(8) is deleted. In paragraph (f) "120 days" is changed to "60 days," and in paragraph (g)(2) "6	
years" is changed to "five years." Paragraphs (c) and (i) are deleted.)	
LIMITATION ON WITHHOLDING OF PAYMENTS	52.232-9
PROGRESS PAYMENTS (Applies ONLY if L3 has been approved for progress payments from the	52.232-16
government or higher tier contractor.)	32.232-10
INTEREST (Applies if this Agreement will be in one or more of the following categories:	52.232-17
(a) contracts at or below the Simplified Acquisition Threshold; (b) contracts with government	J2.232-1/
agencies; (c) contracts with a state or local government or instrumentality; (d) contracts with a	
foreign government or instrumentality; (e) contracts without any provision for profit or fee	
with a nonprofit organization; (f) contracts described in Subpart 5.5, Paid Advertisements; or	
(g) any other exceptions authorized under agency procedures.)	F0 000 55
LIMITATION OF COST (Applies if this Agreement is a fully funded cost reimbursement	52.232-20
contract.)	
LIMITATION OF FUNDS (Applies if this Agreement is an incrementally funded cost	52.232-22
reimbursement contract.)	
PERFORMANCE-BASED PAYMENTS ((Applies ONLY if included in the Prime contract and the	52.232-32
Agreement is significant and such payments are linked to similar payment milestones that L3	
may have with the Government.)	
UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS	52.232-39
PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS (Applies if	52.232-40
SELLER is a small business concern. This clause does not apply if L3 does not receive	
SELLER is a small business concern. This clause does not apply if L3 does not receive	

General Terms and Conditions for Supply and Service Subcontracts

INDUSTRIAL RESOURCES DEVELOPED UNDER Title III, DEFENSE PRODUCTION ACT (Applies	52.234-1
ONLY If included in the Prime contract.)	50.007.0
PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (Applies if Goods and Services are performed on a government installation.)	52.237-2
CONTINUITY OF SERVICES (Applies if this Agreement (a) is for services considered vital to the	52.237-3
government and must be continued without interruption; (b) when, upon contract expiration,	J2.237-3
a successor, either the government or another contractor, may continue such services; and (c)	
the government anticipates difficulties during the transition from one contractor to another or	
to the government.)	
PRIVACY AND SECURITY SAFEGUARDS (Applies if this Agreement is for information technology	52.239-1
which requires security of information technology or is for the design, development, or	
operation of a system of records using commercial information technology services or support	
services.)	
STOP-WORK ORDER (Applies if this Agreement is a negotiated contract for supplies, services,	52.242-15
or research and development. Alternate I applies if this Agreement is for a cost reimbursement	
contract. The referenced "90 day" period may be less than 90 days.)	
CHANGES - FIXED PRICE (Applies is this Agreement is a fixed-price contract for supplies.	52.243-1
Alternate I applies if this Agreement is for services. Alternate II applies if this Agreement is for	
supplies and services.)	
CHANGES - COST REIMBURSEMENT (Applies if this Agreement is a cost-reimbursement	52.243-2
contract.)	
CHANGES – TIME AND MATERIAL OR LABOR-HOURS (Applies if this Agreement is a time and	52.243-3
material or labor hour contract.)	
CHANGE ORDER ACCOUNTING ((Applies if the Prime Contract requires Change Order	52.243-6
Accounting.)	
SUBCONTRACTS (Applies if this Agreement is for (a) a cost-reimbursement contract; (b) a letter	52.244-2
contract, time-and-materials contract, or labor-hour contract that exceeds the Simplified	
Acquisition Threshold; or (c) a fixed-price contract that exceeds the Simplified Acquisition	
Threshold, under which unpriced contract actions (including unpriced modifications or unpriced delivery orders) are anticipated.)	
COMPETITION IN SUBCONTRACTING (Applies if this Agreement is a negotiated contract whose	52.244-5
value is expected to exceed the Simplified Acquisition Threshold.)	32.244-3
SUBCONTRACTS FOR COMMERCIAL ITEMS	52.244-6
GOVERNMENT PROPERTY (Alternate I) ("Contracting Officer" means "L3" except in the	52.245-1
definition of Property Administrator and in paragraphs (h)(1)(iii) where it is unchanged, and in	
paragraphs (c) and (h)(4) where it includes L3. "Government" is unchanged in the phrases	
"Government property" and "Government furnished property" and where elsewhere used	
except in paragraph (d)(1) where it means "L3" and except in paragraphs (d)(2) and (g) where	
the term includes L3. The following is added as paragraph (n): "SELLER shall provide to L3	
immediate notice if the Government or other customers (i) revokes its assumption of loss	
under any direct contracts with SELLER, or (ii) makes a determination that SELLER's property	
management practices are inadequate, and/or present an undue risk, or that SELLER has failed	
to take corrective action when required.")	
GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES (Applies if this Agreement is a	52.245-2
fixed-price contract for services on a government installation and "as is" Government Property	
listed in paragraph (e) of this clause will be furnished to SELLER for initial provisioning and the	
government is not responsible for the repair or replacement for such Government Property.)	50.045.6
USE AND CHARGES (Applies when the clause at FAR 52.245-1 applies.)	52.245-9

General Terms and Conditions for Supply and Service Subcontracts

Supplement 1 – U.S. Government Contract Provisions from the Federal Acquisition Regulation Supplement (FAR)

	1
INSPECTION OF SUPPLIES - FIXED PRICE (Applies if this Agreement is a fixed-price contract	52.246-2
whose value is expected to exceed the Simplified Acquisition Threshold.)	
INSPECTION OF SUPPLIES - COST REIMBURSEMENT (Applies if this Agreement is a cost-	52.246-3
reimbursement contract.)	
INSPECTION OF SERVICES - FIXED PRICE (Applies if this Agreement is a fixed-price contract that	52.246-4
involves the furnishing of services and whose value is expected to exceed the Simplified	
Acquisition Threshold.)	
INSPECTION OF SERVICES - COST REIMBURSEMENT (Applies if this Agreement is a cost-	52.246-5
reimbursement contract.)	
INSPECTION TIME-AND-MATERIAL AND LABOR-HOUR (Applies if this Agreement is a labor hour	52.246-6
or time and material contract. Alternate I applies if inspection and acceptance are to be	
performed at SELLER's plant.)	
RESPONSIBILITY FOR SUPPLIES (Applies if this Agreement is a fixed-price contract whose value	52.246-16
is expected to exceed the Simplified Acquisition Threshold.)	
PREFERENCE FOR U.SFLAG AIR CARRIERS (Applies if this Agreement involves international air	52.247-63
transportation.)	
PREFERENCE FOR PRIVATELY OWNED U.S. FLAG COMMERCIAL VESSELS (Applies if this	52.247-64
Agreement involves delivery of supplies by ocean transportation.)	
SUBMISSION OF TRANSPORTATION DOCUMENTS FOR AUDIT (Applies if this Agreement is a	52.247-67
cost reimbursement contract and transportation will be reimbursed as a direct charge to the	
Contract.)	
VALUE ENGINEERING	52.248-1
TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (Applies if the amount	52.249-2
of this Agreement is expected to exceed the Simplified Acquisition Threshold.) (In paragraph	
(c) "120 days" is changed to "60 days." In paragraph (d) "15 days" is changed to "30 days," and	
"45 days" is changed to "90 days. In paragraph (e) "1 year" is changed to "6 months."	
Paragraph (j) is deleted. In paragraph (l) "90 days" is changed to "45 days." Settlements and	
payments under this clause may be subject to the approval of the Contracting Officer.)	
TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (EDUCATIONAL AND OTHER	52.249-5
NONPROFIT INSTITUTIONS (Applies in lieu of FAR 52.249-2 if this Agreement is a fixed-price or	
cost-reimbursement contract for research and development work with an educational or	
nonprofit institution on a no-profit or no-fee basis. In paragraph (c) "120 days" is changed to	
"60 days." In paragraph (d) "1 year" is changed to "6 months." In paragraph (e) "1 year" is	
changed to "6 months." Paragraph (h) is deleted. Settlements and payments under this clause	
may be subject to the approval of the Contracting Officer.)	50.040.0
DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (Applies if this Agreement is for a fixed-price	52.249-8
contract whose amount is expected to exceed the Simplified Acquisition Threshold. Timely	
performance is a material element of this Agreement.)	
EXCUSABLE DELAYS (Applies if this Agreement is a cost reimbursement contract with a fee or a	52.249-14
time & material or labor-hour contract.)	
CERTIFICATIONS REQUIRED TO BE ELIGIBLE FOR AWARD INCLUDE THE FOLLOWING:	50,000,43
Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	52.203-11
Reporting Executive Compensation and First-Tier Subcontract Awards	52.204-10
Certification Regarding Responsibility Matters	52.209-5
Protecting the Government's Interest when Subcontracting with Contractors Debarred,	52.209-6
Suspended, or Proposed for Debarment	
Certification Regarding Knowledge of Child Labor for Listed End Products	52.222-18
Previous Contracts and Compliance Reports	52.222-22

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Affirmative Action Compliance	52.222-25
Equal Opportunity for Workers with Disabilities	52.222-36
Bio-based Product Certification	52.223-1
Recovered Material Certification	52.223-4
Public Disclosure of Greenhouse Gas Emissions and Reduction Goals–Representation	52.223-22
Prohibition on Conducting Restricted Business Operations in Sudan–Certification	52.225-20
Prohibition on Contracting with Entities Engaging in Certain Activities or Transaction Relating	52.225-25
to Iran – Representation & Certification	
Cost Accounting Standards Notices and Certifications	52.230-1

ADDITIONAL CLAUSES:

TRUTH IN NEGOTIATIONS

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

1. Indemnification

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

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

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

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

2. Certified Cost or Pricing Data for Changes

Prior to the pricing of any change or other modification to this Order which involves, increases and/or decreases in costs plus applicable profit in excess of the contractually required threshold and resulting from a change in the Prime Contract, subcontractors shall submit cost or pricing data and shall certify that the data, as defined in Federal

General Terms and Conditions for Supply and Service Subcontracts

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Acquisition Regulation 15.406-2, submitted either actually or by specific identification in writing are accurate, complete, and current as of the date of completion of negotiations.

When required to obtain certified cost or pricing data or "Other Than Certified Cost and Pricing Data" from its subcontractors, pursuant to the provisions of this Order, SELLER shall provide such data.

SUBMISSION OF INCURRED COST PROPOSALS (T&M AND COST REIMBURSABLE ONLY)

SELLER shall submit its annual incurred cost proposal required by FAR 52.216-7 to SELLER's cognizant U.S. Government audit agency within six (6) months after the end of SELLER's fiscal year. SELLER shall confirm its submission in writing to BUYER, to include the date of its incurred cost proposal submission to the aforementioned audit agency, the point of contact name and address of audit agency. Such written notice shall be provided to BUYER within thirty (30) days of the SELLER's incurred cost submission. SELLER agrees that the audit results shall be reflected in timely adjustments to the prices paid by BUYER to SELLER under this Agreement as reflected in SELLER's invoices to BUYER. SELLER hereby grants its permission for SELLER's cognizant U.S. Government audit agency to provide a copy of any resultant audit report to BUYER.