



VERTEX AEROSPACE, LLC

U.S. GOVERNMENT CONTRACT PROVISIONS FROM THE FEDERAL ACQUISITION REGULATION (FAR) and Defense Federal Acquisition Supplement (DFARs) for Commercial Item Acquisition Revision TC002, SUPPLEMENT 3, REV. 0 DATED 11/20/2019

NOTE: These clauses are applicable to Purchase Orders or Subcontracts issued by Vertex Aerospace, LLC or its subsidiaries, Aerospace Defense Services, Vertex Global Aerospace, Vertex Aerospace Logistics and Aircraft Integration & Sustainment ("Vertex") in support of a U.S. Government Prime Contract.

- 1. When the materials or products furnished are for use in connection with a U.S. Government contract or subcontract, in addition to the VERTEX General Terms and Conditions for Supply and Services Subcontracts, the following provisions shall apply, as required by the terms of the prime contract, or by operation of law or regulation, for the acquisition of commercial items (FAR 2.101). Clauses not applicable under the prime contract 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 and DFAR provisions and L-3 General Terms and Conditions for Supply and Services Subcontracts, these FAR and DFAR provisions shall control.
2. The following clauses set forth in the FAR and DFAR in effect as of the date of the prime contract are incorporated herein by reference with the same force and effect as if they were in full text. In all clauses listed herein, the terms "Government", "Contracting Officer" and "Contractor" shall be revised to suitably identify the contracting parties herein and effect the proper intent of the provision except where further clarified or modified below. "Subcontractor", however, shall mean "Seller's Subcontractor" under this purchase order.

A. THE FOLLOWING FAR CLAUSES ARE APPLICABLE TO PURCHASE ORDERS FOR COMMERCIAL ITEMS UNDER ALL GOVERNMENT CONTRACTS:

1. "Anti-Kickback Procedures" (Excepting paragraph (c)(1))(Applicable to Purchase Orders that exceed \$250,000 or the dollar threshold in effect as of the date of the prime contract) 52.203-7
2. "Limitation on Payments to Influence Certain Federal Transactions" (Applicable to Purchase Orders exceeding \$150,000) 52.203-12
3. "Contractor Code of Business Ethics and Conduct" (Applicable to Purchase Orders (i) that have a value more than \$5,500,000; and (ii) that have a performance period of more than 120 days. (In Paragraph (b)(3)(i), the meaning of "agency office of the Inspector General" and "Contracting Officer" does not change, in Paragraph (b)(3)(ii) the meaning of "Government" does not change, and in Paragraphs (b)(3)(iii) and (c)(2)(ii)(F), the meaning of "OIG of the ordering agency", "IG of the agency" "agency OIG" and "Contracting Officer" do not change) 52.203-13
4. "Contractor Employee Whistleblower Rights and Requirement To Inform Employees of Whistleblower Rights" (Applicable to Purchase Orders over the simplified acquisition threshold under prime contracts awarded by civilian agencies other than NASA and the Coast Guard)..... 52.203-17
5. "Reporting Executive Compensation and First-Tier Subcontract Awards" (Applicable to Purchase Orders of \$30,000 or more and when Buyer is the Prime Contractor.) (The usual substitution of the parties is not applicable to this clause. Seller shall report to Buyer the information required under the clause)..... 52.204-10
6. "Basic Safeguarding of Contractor Information Systems" (Applicable to all Purchase Orders, including subcontracts for the acquisition of commercial items other than COTS) 52.204-21
7. "Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment" (Applicable to Purchase Orders of \$35,000 or more) (For non-COTS items) 52.209-6
8. Defense Priorities and Allocation Requirements 52.211-15
9. Offer Representations and Certifications, Commercial Items (Provides a single, consolidated list of representations and certifications for the acquisition of commercial items and is attached to the solicitation for offerors to complete) 52.212-3
10. Contract Terms and Conditions Required to Implement Statutes or Executive Orders – Commercial – Items (Provides by reference only those clauses required to implement provisions of law or Executive orders applicable to the acquisition of commercial items)..... 52.212-5



11. "Utilization of Small Business Concerns" (Applicable to Purchase Orders over the simplified acquisition threshold a personal services contract is contemplated (see 37.104); or (2) The contract, together with all of its subcontracts, will be performed entirely outside of the United States and its outlying areas) 52.219-8

12. "Non-displacement of Qualified Workers" (Applicable to Purchase Orders over the simplified acquisition threshold when services are to be performed by Seller (1) under service contracts, as defined at 22.001, (2) that succeed purchase orders for performance of the same or similar work at the same location and (3) that are not exempted by 22.1203-2 or waived in accordance with 22.1203-3. Seller to furnish information needed by Buyer to comply with paragraphs d and e of this clause) 52.222-17

13. "Prohibition of Segregated Facilities" (Applicable to Purchase Orders exceeding \$10,000) 52.222-21

14. "Equal Opportunity" (Applicable to Purchase Orders exceeding \$10,000) 52.222-26

15. "Equal Opportunity for Veterans" (Applicable to Purchase Orders exceeding \$150,000) 52.222-35

16. "Affirmative Action for Workers with Disabilities" (Applicable to Purchase Orders exceeding \$15,000) 52.222-36

17. "Employments Reports on Veterans", (applicable in solicitations and contracts containing the clause at 52.222-35, Equal Opportunity for Veterans) 52.222-37

18. "Notification of Employee Rights Under the National Labor Relations Act" (Applicable to Purchase Orders that exceed \$10,000 and are issued under prime contracts resulting from Solicitations issued after December 12, 2010) 52.222-40

19. "Service Contract Labor Standards" (Applicable to Purchase Orders that are subject to the Service Contract Act of 1965, as amended) 52.222-41

20. "Combating Trafficking in Persons" (Alternate I is applicable to Purchase Orders if it is included in the prime contract.) (Applicable to (1) all Purchase Orders, including all contracts with agents. The requirements of para (h) (Compliance Plan) of this clause apply only to that portion of the subcontract that - (i) is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and (ii) Has an estimated value that exceeds \$500,000. (2) If any subcontractor is required by this clause to submit a certification, the Contractor shall require submission prior to the award of the subcontract and annually thereafter. The certification shall cover the items in paragraph (h)(5) of this clause – See Reqs & Certs) 52.222-50 & Alt I

21. "Employment Eligibility Verification" (Applicable to Purchase Orders (i) for construction or commercial or noncommercial services (except commercial services that are part of a purchase of a COTS item, or an item that would be a COTS item, but for minor modifications, performed by the COTS provider, and that are normally provided for that COTS item); (ii) has a value more than \$3,000; and (iii) includes work performed in the United States) 52.222-54

22. "Minimum Wages Under Executive Order 13658" (Applicable to Purchase Orders regardless of dollar value, that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States) 52.222-55

23. "Contractors Performing Private Security Functions Outside the United States" (Applicable to Purchase Orders issued under (i) DoD contracts that that will be performed in areas of contingency operations, combat operations, as designated by the Secretary of Defense, or other significant military operations, as designated by the Secretary of Defense upon agreement of the Secretary of State or (ii) non-DoD contracts that will be performed in areas of Combat operations, as designated by the Secretary of Defense, or other significant military operations, upon agreement of the Secretaries of Defense and State that the clause applies in that area) 52.225-26

24. "Unenforceability of Unauthorized Obligations" (Applicable to all Purchase Orders when any supply or service acquired that includes any clause requiring the Government to indemnify the Contractor or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation) 52.232-39

25. "Providing Accelerated Payments to Small Business Subcontractors" (Applicable to Purchase Orders awarded after December 26, 2013 to small business when Buyer receives Accelerated Payments under its prime contract) 52.232-40

26. "Subcontracts for Commercial Items" (Applicable to all Purchase Orders invoking the requirements of 52.203-13, Contractor Code of Business Ethics and Conduct (Dec 2008) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009, 52.219-8, Utilization of Small Business Concerns. 52.222-26, Equal Opportunity; 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans; 52.222-36, Affirmative Action for Workers with Disabilities; 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004), 52.222-50, Combating Trafficking in Persons (Feb 2009) and, 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels) 52.244-6

27. "Preference for Privately Owned U.S.-Flag Commercial Vessels" (Applicable to Purchase Orders ONLY at \$100,000 when the subcontractor will be required to deliver prime contract end items by ocean transportation) ALT 1 52.247-64

B. THE FOLLOWING DFARS CLAUSES ARE APPLICABLE TO PURCHASE ORDERS FOR COMMERCIAL ITEMS UNDER ALL DoD CONTRACTS:

1. "Requirement to Inform Employees of Whistleblower Rights" (Applicable to Subcontractors at all tiers to inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41



USC 4712).....252.203-7002

2. “Compliance with Safeguarding Covered Defense Information Controls (Applicable in all Purchase Orders using FAR Part 12 Procedures for the acquisition of commercial items)..... 252.204-7008

3. “Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information ” (Applicable to Purchase Orders in subcontracts, or similar contractual instruments, for services that include support for the Government’s activities related to safeguarding covered defense information and cyber incident reporting, including subcontracts for commercial items, without alteration, except to identify the parties) 252.204-7009

4. “Safeguarding Covered Defense Information and Cyber Incident Reporting” (for Operationally Critical Support or where performance involves a covered contractor information system) (applicable to contracts awarded after 30 Dec 2015) and CDI will be flowed down to or processed by Seller 252.204-7012

5. “Disclosure Of Information To Litigation Support Contractors”(Applicable to those subcontractors that wish to have further protection of proprietary information.) 252.204-7015

6. “Item Identification and Valuation” (Seller’s obligations under this clause are limited to cooperating with Buyer’s efforts to comply with this clause, including granting Buyer access to Seller’s deliverables at its facilities and to appropriate property records) 252.211-7003

7. “Prohibition of Hexavalent Chromium” (Applicable to all Purchase Orders for supplies, maintenance and repair services, or construction materials) 252.223-7008

8. “Restriction on Acquisition of Specialty Metals” (Applicable to Purchase Orders for the delivery of specialty metals as end items to Buyer or Seller to the extent necessary to ensure compliance of the end products that Buyer will deliver to the Government when DFARS clause 252.225-7009 is in the prime contract) 252.225-7008

9. “Restriction on Acquisition of Certain Articles Containing Specialty Metals” (excluding paragraph (d) which is deleted from this clause). (Applicable to Purchase Orders for items containing specialty metals to the extent necessary to ensure compliance of the end products that Buyer will deliver to the Government under prime contracts awarded, or modified to include the clause, after July 28, 2009)..... 252.225-7009

10. “Commercial Derivative Military Article – Specialty Metals Compliance Certificate” (Applicable to solicitations for Purchase Orders that will incorporate DFARS clause 252.225-7009) 252.225-7010

11. “Export-Controlled Items” (Applicable to Purchase Orders Requires subcontractors at all tiers to comply with all applicable laws and regulations regarding export controlled items, including, but not limited to the requirement for contractors to register with the Department of State in accordance with the ITAR. "Export-controlled items" as used in this clause means items subject to the Export Administration Regulations (EAR) or to the International Traffic in Arms Regulations (ITAR))..... 252.225-7048

12. “Rights in Technical Data Noncommercial Items” (Applicable whenever any technical data for commercial items developed in part at Government expense will be provided for delivery to the Government under this Purchase Order) 252.227-7013

13. “Technical Data – Commercial Items” (Applicable whenever any technical data related to commercial items developed in any part at private expense will be provided under this Purchase Order for delivery to the Government) 252.227-7015

14. “Validation of Restrictive Markings on Technical Data” (Applicable to Purchase Orders requiring the delivery of technical data) 252.227-7037

15. “Taxes – Foreign Contracts in Afghanistan” (Applicable ALL Tiers, including those subcontracts for commercial items with performance in Afghanistan, unless the clause at 252.229–7015 is used. exempts the Department of Defense (DoD), and its contractors and subcontractors (other than those that are Afghan legal entities or residents), from paying any tax or similar charge assessed on activities associated with this contract within Afghanistan. The Agreement also exempts the acquisition, importation, exportation, re-exportation, transportation, and use of supplies and services in Afghanistan, by or on behalf of DoD, from any taxes, customs, duties, fees, or similar charges in Afghanistan. The Contractor shall exclude any Afghan taxes, customs, duties, fees, or similar charges from the contract price, other than those charged to Afghan legal entities or residents. Does not exempt Afghan employees of DoD contractors and subcontractors from Afghan tax laws. To the extent required by Afghan law, the Contractor shall withhold tax from the wages of these employees and remit those payments to the appropriate Afghanistan taxing authority. These withholdings are an individual’s liability, not a tax against the Contractor) 252.229-7014

16. “Cloud Computing Services”(Applicable ONLY in subcontracts that involve or may involve cloud services, including subcontracts for commercial items)..... 252.239-7010

17. “Supply Chain Risk” (Applicable to Purchase Orders involving the development or delivery of any information technology under DoD contracts awarded after November 18, 2013) 252.239-7018

18. “Subcontracts for Commercial Items” (Applicable ONLY in subcontract acquisitions for commercial items. In addition to the clauses listed in FAR 52.244-6, requires the flow-down of 10 applicable DFAR clauses including but not limited to 252.225-7014 Preference for Domestic Specialty Metals, Alternate I (\$100,000), 252.236-7013 Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers (for construction contracts) 252.247-7023 Transportation of Supplies by Sea and 252.247-7024 Notification of Transportation of Supplies by Sea.) 252.244-7000



19. "Notification of Potential Safety Issues" (Applicable to Purchase Orders for (i) parts defined as critical safety items in accordance with this clause; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; and (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies, and parts integral to a system) 252.246-7003
20. "Contractor Counterfeit Electronic Part Detection and Avoidance System" (Applicable to Purchase Orders when the goods or services include electronic parts or assemblies containing electronic parts. This clause applies to all Sellers, at all tiers, without regard to whether the Seller itself is subject to CAS)..... 252.246-7007
21. "Transportation of Supplies by Sea" (Applicable ONLY to first tier subcontractors for construction, non-commercial items and commercial items that are drop shipped directly to the Government or that are in direct support of specific military operations. Requires transportation by US flag vessels. Any request for use of other than U.S.-flag vessels must be submitted in writing to the Government at least 45 days prior to the sailing date necessary to meet delivery schedules. ALT I applicable to commercial items shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations. ALT II applicable to commercial items that are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643. 252.247-7023
22. "Notification of Transportation of Supplies by Sea" (Applicable ONLY to first tier subcontractors for construction, non-commercial items and commercial items that are drop shipped directly to the Government or that are in direct support of specific military operations. The subcontractor is required to notify the prime, when there are unanticipated (post award) transportation requirements by sea) 252.247-7024

End of Section

The Parties have executed this Agreement as of the last date signed below.

Vertex Aerospace, LLC

Signed:

Signed:

Name:		Name:	
Title:		Title:	
Date:		Date:	