

ESAM, INC Supplemental Terms and Conditions

FEDERAL ACQUISITION REGULATIONS (FAR), DEPARTMENT OF DEFENSE FAR SUPPLEMENT (DFARS), NATIONAL AERONAUTICS and SPACE ADMINISTRATION (NASA) FAR SUPPLEMENT. The following clauses set forth in the FAR and DFARS as in effect on the date of this purchase order are incorporated herein by reference. Where necessary to make the clauses applicable to this purchase order, "Contractor" shall mean "Seller," "Contracting Officer" shall mean "Buyer," and the "Government" shall mean "Buyer" or the "Government" whenever appearing in the clauses. Seller shall include the following clauses in its lower-tier purchase orders as required. If any of the following FAR or DFARS clauses do not apply to a particular purchase order, such clauses are considered to be self-deleting.

1. All Orders

52.203-3	Gratuities
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity
52.204-2	Security Requirements
52.211-5	Material Requirements
52.215-15	Pension Adjustment and Asset Reversions
52.215-18	Reversions or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions
52.215-19	Notification of Ownership Changes
52.219-8	Utilization of Small Business Concerns
52.222-21	Prohibition of Segregated Facilities
52.222-26	Equal Opportunity
52.222-41	Service Contract Act of 1965, As Amended
52.222-50	Combating Trafficking in Persons
52.223-3	Hazardous Material Identification and Material Safety Data (Alt I applies if this order is for other than DoD)
52.223-7	Notice of Radioactive Materials
52-223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving
52.224-2	Privacy Act (Applicable only if the order requires the design, development, or operation of a system of records subject to the Privacy Act of 1974.)
52.225-1	Buy American Act – Supplies
52.225-3	Buy American Act – Free Trade Agreements – Israeli Trade Act
52.225-5	Trade Agreements
52.225-8	Duty-free Entry
52.225-13	Restrictions on Certain Foreign Purchases
52.227-1	Authorization and Consent
52.227-9	Refund of Royalties
52.227-10	Filing of Patent Applications - Classified Subject Matter
52.227-11	Patent Rights – Ownership by the Contractor (references to "Government", "Contracting Officer" and "Contractor" as contained in this clause remain unchanged)
52.227-14	Rights in Data –General
52.229-3	Federal, State, and Local Taxes

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52.233-3	Protest After Award
52.234-1	Industrial Resources Developed Under Defense Production Act Title III
52.236-13	Accident Prevention
52.244-6	Subcontracts for Commercial Items
52.245-1, Alt. I	Government Property
52.245-9	Use and Charges
52.246-2	Inspection of Supplies – Fixed Price
52.246-16	Responsibility for Supplies
52.247-63	Preference for U.S. Flag Air Carriers
52.247-64	Preference for Privately Owned U.S. Flag Commercial Vessels
52.249-2	Termination for Convenience of the Government (Fixed-Price)
52.249-8	Default (Fixed-Price Supply and Service)
252.204-7000	Disclosure of Information
252.204-7008	Export-Controlled Items
252.222-7000	Restrictions On Employment of Personnel
252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials
252.223-7008	Prohibition of Hexavalent Chromium
252.225-7001	Buy American Act and Balance of Payments Program
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals
252.225-7013	Duty-Free Entry
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings
252.225-7025	Restrictions on Acquisition of Forgings
252.225-7028	Exclusionary Policies and Practices of Foreign Governments
252.225-7030	Restriction on Acquisition of Carbon Alloy and Armor Steel Plate
252.225-7036	Buy American Act – Free Trade Agreements – Balance of Payments Program
252.227-7013	Rights in Technical Data - Noncommercial Items (the term “Government” shall remain throughout this clause, the term “Contracting Officer” shall mean both “Contracting Officer and Buyer”)
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (the term “Government” shall remain throughout this clause, the term “Contracting Officer” shall mean both “Contracting Officer and Buyer”)
252.227-7015	Technical Data - Commercial Items
252.227-7016	Rights in Bid or Proposal Information
252.227-7019	Validation of Asserted Restrictions - Computer Software
252.227-7025	Limitations on the Use or Disclosure of Government Furnished Information Marked with Restrictive Legends
252.227-7030	Technical Data - Withholding of Payment

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- 252.227-7037 Validation of Restrictive Markings of Technical Data (the terms throughout this clause shall remain unchanged)
- 252.228-7001 Ground and Flight Risk
- 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles
- 252.246-7001, Alt I Warranty of Data
- 252.246-7003 Notification of Potential Safety Issues
- 252.247-7023 Transportation of Supplies by Sea (paragraphs (a) through (e) apply to all orders; all paragraphs apply to transactions greater than \$100,000)
- 252.247-7024 Notification of Transportation of Supplies by Sea

2. All Orders of \$3,000 or Greater

- 52.222-54 Employment Eligibility Verification
- 52.223-18 Contractor Policy to Ban Text Messaging While Driving

3. All Orders Greater than \$10,000

- 52.222-40 Notification of Employee Rights Under the National Labor Relations Act

4. All Orders Greater than \$15,000

- 52.222-20 Walsh-Healey Public Contracts Act
- 52.222-36 Affirmative Action for Workers With Disabilities

5. All Orders of \$25,000 or Above

- 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards

6. All Orders of \$25,000 or Greater (Greater than \$30,000 if Prime Contract dated on or after September 28, 2006.)

- 52.209-6 Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment

7. All Orders of \$50,000 or Greater

- 52.211-15 Defense Priority and Allocation Requirements

8. All Orders of \$100,000 or Greater

- 52.203-6 Restrictions on Subcontractor Sales to the Government
- 52.203-7 Anti-Kickback Procedures
- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
- 52.215-2 Audit and Records – Negotiation

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- 52.215-14 Integrity of Unit Prices (except for paragraph (b) of this clause)
- 52.219-8 Utilization of Small Business Concerns
- 52.222-4 Contract Work Hours and Safety Standards Act – Overtime Compensation
- 52.222-35 Equal Opportunity for Veterans
- 52.222-37 Employment Reports on Special Veterans
- 52.223-14 Toxic Chemical Release Reporting
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement
- 52.248-1 Value Engineering
- 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies
- 252.249-7002 Notification of Anticipated Contract Termination or Reduction

9. All Orders Greater than \$500,000

- 52.209-7 Information Regarding Responsibility Matters
- 252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns

10. All Orders of \$500,000 or Greater (\$550,000 or Greater if Prime Contract dated on or after September 28, 2006)

- 52.219-9 Small Business Subcontracting Plan
- 252.219-7003 Small Business Subcontracting Plan (DoD Contracts)

11. All Orders of \$500,000 or Greater (\$650,000 or Greater if Prime Contract dated on or after June 14, 2007)

- 52.230-2 Cost Accounting Standards (except its subparagraph (b))
- 52.230-3 Disclosure and Consistency of Cost Accounting Practices
- 52.230-5 Cost Accounting Standards – Educational Institution
- 52.230-6 Administration of Cost Accounting Standards

12. All Orders of \$550,000 or Greater (\$650,000 or Greater if Prime Contract dated on or after September 28, 2006)

- 52.214-26 Audit and Records – Sealed Bidding (\$700K or greater if Prime Contract dated on or after October 1, 2010)
- 52.214-27 Price Reduction for Defective Cost or Pricing Data – Modifications – Sealed Bidding (\$700K or greater if Prime Contract dated on or after October 1, 2010)
- 52.214-28 Subcontractor Cost or Pricing Data – Modifications – Sealed Bidding
- 52.215-10 Price Reduction for Defective Cost or Pricing Data
- 52.215-11 Price Reduction for Defective Cost or Pricing Data – Modifications
- 52.215-12 Subcontractor Cost or Pricing Data
- 52.215-13 Subcontractor Cost or Pricing Data – Modifications

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- 52.215-20 Requirements for Cost or Pricing Data Other Than Cost or Pricing Data
 - 52.215-22 Limitations on Pass-Through Charges – Identification of Subcontract Effort
 - 52.215-23 Limitations on Pass-Through Charges
 - 252-215-7003 Excessive pass-through charges--identification of subcontract effort (DoD contracts only)
 - 252.215-7004 Excessive pass-through charges (DoD contracts only)
13. **All Orders of \$550,000 or Greater (\$650,000 or Greater if Prime Contract dated on or after October 1, 2010)**
- 252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States
14. **All Orders of \$1 Million or Greater**
- 252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements
15. **All Orders Greater than \$1.5 Million**
- 252.211-7000 Acquisition Streamlining
16. **All Orders of \$5 Million or Greater**
- 52.203-14 Display of Hotline Poster(s)
17. **Orders of \$5 Million or Greater and a Period of Performance of 120 days or greater**
- 52.203-13 Contractor Code of Business Ethics and Conduct (Notwithstanding any alterations to this clause to reflect the relationship between Buyer and Seller, all disclosures of violation of the civil False Claims Act or of federal criminal law shall be directed to the Office of the Inspector General of the agency issuing the prime contract, with a copy to the Contracting Officer of the prime contract.)