

Airborne Systems North America - Federal Acquisition Regulation (FAR) Flowdown Provisions for Subcontracts Under a United States Government Prime Contract

A. INCORPORATION OF FAR CLAUSES

The Federal Acquisition Regulation (FAR) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Contract, and nothing in this Contract grants Seller a direct claim or cause of action against the U.S. Government. Any reference to a "Disputes" clause means the "Disputes" clause of this Contract. Seller shall include in each lower-tier subcontract the appropriate flow down clauses as required by the FAR and FAR Supplemental clauses included in this Contract.

B. 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 and otherwise in this Contract:
 - 1. "Commercial Item" means a commercial item as defined in FAR 2.101.
 - 2. "Commercially available off-the-shelf (COTS) Item" means a COTS item as defined in FAR 2.101.
 - 3. "Contract" means this Contract.
 - 4. "Contracting Officer" means the U.S. Government Contracting Officer for ASNA's government prime contract under which this Contract is entered.
 - 5. "Contractor" and "Offeror" means Seller, which is the party identified on the face of the Contract with whom ASNA is contracting, acting as the immediate subcontractor to ASNA.
 - 6. "Prime Contract" means the contract between ASNA and the U.S. Government or between ASNA and its higher-tier contractor who has a contract with the U.S. Government.
 - 7. "Subcontract" means any contract placed by the Seller or lower-tier subcontractors under this Contract.

C. NOTES

- (a) The following notes apply to the clauses incorporated by reference below only when specified in the parenthetical phrase following the clause title and date.
 - 1. Substitute "ASNA" for "Government" or "United States" throughout this clause.
 - 2. Substitute "ASNA Procurement Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout this clause.
 - 3. Insert "and ASNA" after "Government" throughout this clause.
 - 4. Insert "or ASNA" after "Government" throughout this clause.
 - 5. Communication/notification required under this clause from/to Seller to/from the Contracting Officer shall be through ASNA.
 - 6. Insert "and ASNA" after "Contracting Officer" throughout this clause.
 - 7. Insert "or ASNA Procurement Representative" after "Contracting Officer" throughout this clause.
 - 8. If Seller is an international contractor, this clause applies to this Contract only if Work under the Contract will be performed in the United States or Contractor is recruiting employees in the United States to Work on the Contract.
- (b) See also the clause of this Contract entitled Communication with ASNA Customer with respect to communications between Seller and the Government.

D. AMENDMENTS REQUIRED BY PRIME CONTRACT

Seller agrees that upon the request of ASNA it will negotiate in good faith with ASNA relative to amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as ASNA may reasonably deem necessary in order to

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comply with the provisions of the applicable Prime Contract or with the provisions of amendments to such Prime Contract. If any such amendments to this Contract causes an increase or decrease in the cost of, or the time required for, performance of any part of the Work under this Contract, an equitable adjustment shall be made pursuant to the "Changes" clause of this Contract.

E. PRESERVATION OF THE GOVERNMENT'S RIGHTS

If ASNA furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) which the U.S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that ASNA, acting on its own behalf, may modify or limit any rights the Government may have to authorize Seller's use of such Furnished Items in support of other U.S. Government prime contracts.

F. PROVISIONS OF THE FEDERAL ACQUISITION REGULATION INCORPORATED BY REFERENCE

The following FAR clauses apply to this Contract:

FAR 52.203-2 Certificate of Independent Price Determination (Apr. 1985)

FAR 52.203-6 Restrictions on Subcontractor Sales to the Government (June 2020) (Applies if this Contract exceeds \$250,000.)

FAR 52.203-7 Anti-Kickback Procedures (June 2020) (Applies if this Contract exceeds \$150,000. Paragraph (c)(1) does not apply.)

FAR 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (May 2014) (Applies if this Contract exceeds \$250,000.)

FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Oct. 2010) (Applies if this Contract exceeds \$150,000.)

FAR 52.203-13 Contractor Code of Business Ethics and Conduct (June 2020) (Applies if this Contract exceeds \$6 million 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.)

FAR 52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (June 2020) (Applies if this Contract exceeds \$250,000.)

FAR 52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Jan. 2017)

FAR 52.204-2 Security Requirements (Aug. 1996) (Applies if the Work requires access to classified information.)

FAR 52.204-9 Personal Identity Verification of Contractor Personnel (Jan. 2011) (Applies where Seller will have physical access to a federally-controlled facility or access to a Federal information system.)

FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (Oct. 2018) (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 Award Management (SAM) database. All information posted will be available to the general public.)

FAR 52.204-21 Basic Safeguarding of Covered Contractor Information Systems (June 2016) (Applies unless Seller is furnishing commercially available off-the-shelf items.)

FAR 52.204-23 Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (July 2018) (Seller shall provide ASNA copies of any request provided under this clause which relate to the performance of this Contract.)

FAR 52.204-25 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Aug. 2020) (Paragraph (b)(2) does not apply. Note 4 applies in paragraph (b). Reports required by this clause will be made to ASNA.)

FAR 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Disbarred, Suspended, or Proposed for Debarment (June 2020) (Applies if this Contract exceeds \$35,000 but does not apply if this Contract is for commercially available off-the-shelf items. Copies of notices provided by Seller to the Contracting Officer shall be provided to ASNA.)

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FAR 52.215-2 Audit and Records - Negotiation (June 2020) (Alternate III, June 1999) (Applies if this Contract exceeds \$250,000. Notes 3 and 6 apply throughout this clause.)

FAR 52.215-10 Price Reduction for Defective Certified Cost or Pricing Data (Aug. 2011) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required.)

FAR 52.215-11 Price Reduction for Defective Certified Cost or Pricing Data—Modifications (June 2020) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required.)

FAR 52.215-12 Subcontractor Certified Cost or Pricing Data (June 2020) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required.)

FAR 52.215-13 Subcontractor Certified Cost or Pricing Data - Modifications (June 2020) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required.)

FAR 52.215-14 Integrity of Unit Prices (June 2020) (Paragraph (b) does not apply. This clause applies if this Contract exceeds \$250,000 except it does not apply if this Contract is for construction or architect-engineer services, utility services, services where supplies are not required, commercial items, or petroleum products.)

FAR 52.215-15 Pension Adjustments and Asset Reversions (Oct. 2010) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required or any preaward of postaward cost determinations will be subject to FAR Part 31.)

FAR 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions (July 2005) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required or any preaward of postaward cost determinations will be subject to FAR Part 31.)

FAR 52.215-19 Notification of Ownership Changes (Oct. 1997) (Applies if this Contract exceeds \$2 million and certified cost or pricing data is required or any preaward of postaward cost determinations will be subject to FAR Part 31.)

FAR 52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data (Oct. 2010) (Applies if certified cost or pricing data or data other than certified cost or pricing data will be required. Note 2 applies in paragraph (a)(1).)

FAR 52.215-21 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data - Modifications (June 2020) (Applies if certified cost or pricing data or data other than certified cost or pricing data will be required. Note 2 applies in paragraphs (a)(1) and (b).)

FAR 52.215-23 Limitations on Pass-Through Charges (June 2020) (Applies if this Contract is cost-reimbursable and exceeds \$250,000 except if this Contract supports a DoD Prime Contract, in which case this clause applies if this Contract is cost-reimbursable or fixed-price contract, except those identified in FAR 15.408(n)(2)(i)(B)(2) that exceed \$2 million.)

FAR 52.219-8 Utilization of Small Business Concerns (Oct. 2018) (Note 8 applies.)

FAR 52.222-4 Contract Work Hours and Safety Standards - Overtime Compensation (Mar. 2018) (Paragraphs (a) through (d) apply if this Contract exceeds \$150,000 and requires employment of laborers or mechanics. Seller must include paragraphs (a) through (d) of this clause in any lower tier subcontracts.)

FAR 52.222-21 Prohibition of Segregated Facilities (Apr. 2015) (Note 8 applies.)

FAR 52.222-26 Equal Opportunity (Sept. 2016) (Note 8 applies.)

FAR 52.222-35 Equal Opportunity for Veterans (Oct. 2015) (Applies if this Contract is for \$150,000 or more. Note 8 applies.)

FAR 52.222-36 Equal Opportunity for Workers with Disabilities (June 2020) (Applies if this Contract exceeds \$15,000. Note 8 applies.)

FAR 52.222-37 Employment Reports on Veterans (June 2020) (Applies if this Contract is for \$150,000 or more. Note 8 applies.)

FAR 52.222-40 Notification of Employee Rights Under the National Labor Relations Act (Dec. 2010) (Applies if this Contract exceeds \$10,000 and will be performed wholly or in part in the United States. Note 8 applies.)

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FAR 52.222-41 Service Contract Labor Standards (Aug. 2018) (Applies if this Contract is for services subject to the Service Contract Act. The clause does not apply if this Contract has been administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. § 6702, as interpreted in Subpart C of 29 CFR Part 4. Note 8 applies.)

FAR 52.222-50 Combating Trafficking in Persons (Jan. 2019) (Note 2 applies. In paragraph (e) Note 3 applies.)

FAR 52.222-51 Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment - Requirements (May 2014)

FAR 52.222-53 Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services - Requirements (May 2014)

FAR 52.222-54 Employment Eligibility Verification (Oct. 2015) (Applies if this Contract exceeds \$3,500 except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item. Note 8 applies.)

FAR 52.222-55 Minimum Wages Under Executive Order 13658 (Nov. 2020) (Applies if this Contract is subject to 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. "Contracting Officer" means "ASNA.")

FAR 52.222-62 Paid Sick Leave Under Executive Order 13706 (Jan. 2017) (Applies if this Contract is 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.)

FAR 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving (June 2020) (Applies if this Contract exceeds the micro-purchase threshold.)

FAR 52.224-2 Privacy Act (Apr. 1984)

FAR 52.224-3 Privacy Training (Jan. 2017) (Applies if Seller will (1) have access to a system of records; (2) create, collect, use, process, store, maintain, disseminate, disclose, dispose, or otherwise handle personally identifiable information; or (3) design, develop, maintain, or operate a system of records. In paragraph (d), Note 6 applies.)

FAR 52.225-8 Duty-Free Entry (Oct. 2010) (Applies if (1) supplies to be accorded duty-free entry will be imported into the customs territory of the United States; or (2) other foreign supplies exceeding \$15,000 may be imported into the customs territory of the United States.)

FAR 52.225-13 Restrictions on Certain Foreign Purchases (June 2008)

FAR 52.227-1 Authorization and Consent (June 2020) (Applies if this Contract exceeds \$250,000.)

FAR 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (June 2020) (Applies if this Contract exceeds \$250,000.)

FAR 52.227-6 Royalty Information (Apr. 1984)

FAR 52.227-9 Refund of Royalties (Apr. 1984)

FAR 52.227-11 Patent Rights - Ownership by the Contractor (May 2014)

FAR 52.227-14 Rights in Data - General (May 2014)

FAR 52.227-19 Commercial Computer Software License (Dec. 2007)

FAR 52.228-3 Workers' Compensation Insurance (Defense Base Act) (July 2014) (Applies if this Contract is subject to the Defense Base Act.)

FAR 52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (Apr. 1984) (Applies if Seller employs any person who would be subject to the War Hazards Compensation Act.)

FAR 52.228-5 Insurance - Work on a Government Installation (Jan. 1997) (Applies if this Contract requires Seller to perform on a Government installation. Seller shall maintain the insurance required in the Schedule or this Contract and shall provide ASNA proof of such insurance.)

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FAR 52.230-2 Cost Accounting Standards (June 2020) (Applies if this Contract was negotiated and in excess of the lower CAS threshold specified in FAR 30.201-4(b) on the date of subcontract award, except that the requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1. Paragraph (b) shall not apply. Seller shall include this clause in all other subcontracts of any tier.)

FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices (June 2020) (Applies if this Contract was negotiated and in excess of the lower CAS threshold specified in FAR 30.201-4(b) on the date of subcontract award, except that the requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1. Paragraph (b) shall not apply. Seller shall include this clause in all other subcontracts of any tier.)

FAR 52.230-6 Administration of Cost Accounting Standards (June 2010) (Applies if FAR 52.230-2 or FAR 52.230-3 applies.)

FAR 52.232-40 Providing Accelerated Payments to Small Business Subcontractors (Dec. 2013) (Applies if Seller is a small business concern. Note 1 applies. This clause does not apply if ASNA does not receive accelerated payments under the prime contract. Not all agencies provide accelerated payments.)

FAR 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act (Sept. 2016)

FAR 52.244-6 Subcontracts for Commercial Items (Aug. 2020)

FAR 52.245-1 Government Property (Jan. 2017) ("Contracting Officer" means "ASNA" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) where it is unchanged, and in paragraphs (c) and (h)(4) where it includes ASNA. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "ASNA" and except in paragraphs (d)(2) and (g) where the term includes ASNA. The following is added as paragraph (n): "Seller shall provide to ASNA 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.")

FAR 52.246-11 Higher-Level Contract Quality Requirement (Dec. 2014) (Applies if this Contract (1) is for critical and complex items; or (2) requires (i) control of design, work operations, in-process control, testing, and inspection; or (ii) attention to organization, planning, work instructions, documentation control, and advanced metrology.)

FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb. 2006)

FAR 52.248-1 Value Engineering (June 2020) (Applies if this Contract exceeds \$250,000.)

FAR 52.249-2 Termination for Convenience of the Government (Fixed-Price) (Apr. 2012) (Note 1 applies.)

FAR 52.249-8 Default (Fixed-Price Supply and Service) (Apr. 1984) (Notes 1 and 2 apply.)

The following clauses apply if this is a Cost Reimbursement, Time & Material, or Labor Hour Contract:

FAR 52.215-16 Facilities Capital Cost of Money (June 2003)

FAR 52.216-7 Allowable Cost and Payment (Aug. 2018) (Notes 1 and 2 apply. Seller shall execute Assignment documents in order to meet paragraph (h).)

FAR 52.216-8 Fixed Fee (June 2011) (Applies if this is a cost plus fixed fee Contract. Notes 1 and 2 apply.)

FAR 52.216-10 Incentive Fee (June 2011) (Applies if this is a cost plus incentive fee Contract. Notes 1 and 2 apply.)

FAR 52.216-11 Cost Contract - No Fee (Apr. 1984) (Applies if this is a cost no fee Contract. Notes 1 and 2 apply.)

FAR 52.216-12 Cost Sharing Contract - No Fee (Apr. 1984) (Applies if this is a cost sharing no fee Contract. Notes 1 and 2 apply.)

FAR 52.222-2 Payment for Overtime Premiums (July 1990) (Insert "0%" in paragraph (a) unless indicated. Notes 1 and 2 apply.)

FAR 52.232-20 Limitation of Cost (Apr. 1984) (Applies if this Contract is fully funded. Notes 1 and 2 apply.)

FAR 52.232-22 Limitation of Funds (Apr. 1984) (Applies if this Contract is incrementally funded. Notes 1 and 2 apply.)

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FAR 52.243-2 Changes - Cost-Reimbursement (Aug. 1987) (Applies if this is a Cost-Reimbursement Contract. Note 2 applies.)

FAR 52.243-3 Changes - Time-and-Material or Labor-Hours (Sept. 2000) (Applies if this is a time and material or labor hour Contract.)

FAR 52.246-3 Inspection of Supplies - Cost-Reimbursement (May 2001) (Notes 2 and 3 apply, except Note 4 applies where "Government" first appears in paragraph (k). An inspection system accepted by the Government will be deemed accepted by ASNA. The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to ASNA and the Government.)

FAR 52.246-5 Inspection of Services - Cost-Reimbursement (Apr. 1984) (Notes 2 and 3 apply, except Note 4 applies where "Government" first appears in paragraph (k). An inspection system accepted by the Government will be deemed accepted by ASNA. The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to ASNA and the Government.)

FAR 52.246-6 Inspection - Time-and-Material and Labor-Hour (May 2001) (Notes 2 and 3 apply, except Note 4 applies where "Government" first appears in paragraph (k). An inspection system accepted by the Government will be deemed accepted by ASNA. The provisions in this clause for access, right to inspect, safety protection, and relief from liability apply equally to ASNA and the Government.)

FAR 52.249-6 Termination (Cost-Reimbursement) (May 2004) (Notes 1 and 2 apply. In paragraph (d) change "15 days" and "45 days" to "30 days" and "90 days," respectively. In paragraph (e) change "1 year" to "six months." Alternate IV applies to time and material or labor-hour orders only.)

FAR 52.249-14 Excusable Delays (Apr. 1984)

G. CERTIFICATIONS AND REPRESENTATIONS

Seller acknowledges that ASNA will rely upon Seller certifications and representations, including representations as to business size and socio-economic status as applicable, contained in this clause and in any written offer, proposal or quote, or company profile submission, which results in award of a contract to Seller. By entering into this Contract, Seller republishes the certifications and representations submitted with its written offer, including company profile information, and oral offers/quotations made at the request of ASNA, and Seller makes those certifications and representations set forth below. Seller shall immediately notify ASNA of any change of status regarding any certification or representation.

1. FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sept. 2007) (Applicable to solicitations and contracts exceeding \$150,000)

(a) Definitions. As used in this provision--

"Lobbying contract" has the meaning provided at 2 U.S.C. § 1602(8).

The terms "agency," "influencing or attempting to influence," "officer or employee of an agency," "person," "reasonable compensation," and "regularly employed" are defined in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12).

(b) Prohibition. The prohibition and exceptions contained in the FAR clause of this solicitation entitled "Limitation on Payments to Influence Certain Federal Transactions" (52.203-12) are hereby incorporated by reference in this provision.

(c) Certification. Seller hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this contract.

(d) Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the offeror with respect to this contract, Seller shall complete and submit, with its offer, to ASNA a disclosure of lobbying activities providing the name of the registrants. Seller need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.

(e) Penalty. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by 31 U.S.C. § 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the

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disclosure required to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

2. FAR 52.209-5 Certification Regarding Responsibility Matters (Aug. 2020)

(a)(1) Seller certifies, to the best of its knowledge and belief, that--

(i) Seller and/or any of its Principals--

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property;

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision; and

(ii) Seller has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(D) Have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied.

(1) Federal taxes are considered delinquent if both of the following criteria apply:

(i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(2) Examples. (i) The taxpayer has received a statutory notice of deficiency, under I.R.C. § 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(ii) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. § 6320 entitling the taxpayer to request a hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. § 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.

(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collective action is stayed under 11 U.S.C. § 362 (the Bankruptcy Code).

(2) Principal, for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division, or business segment; and similar positions).

(b) Seller shall provide immediate written notice to ASNA if, at any time prior to contract award, Seller learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

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(c) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that Seller knowingly rendered an erroneous certification, in addition to other remedies available, ASNA may terminate this contract for default.

3. FAR 52.222-22 Previous Contracts and Compliance Reports (Feb. 1999)

(a) Seller represents that if Seller has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26): (1) Seller has filed all required compliance reports, and (2) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(b) Paragraph (a) applies only to the extent (1) Seller performs work in the United States, or (2) recruits employees in the United States to Work on this Contract.

4. FAR 52.222-25 Affirmative Action Compliance (Apr. 1984)

(a) Seller represents: (1) that Seller has developed and has on file at each establishment, Affirmative Action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (2) that in the event such a program does not presently exist, Seller will develop and place in operation such a written Affirmative Action Compliance Program within one-hundred twenty (120) days from the award of this Contract.

(b) Paragraph (a) applies only to the extent (1) Seller performs work in the United States, or (2) recruits employees in the United States to Work on this Contract.

5. FAR 52.230-1 Cost Accounting Standards Notices and Certifications (June 2020) (Must be filled out and submitted if this Contract is subject to the Cost Accounting Standards as specified at 48 C.F.R. § 9903.201.)

Note:

This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

I. Disclosure Statement - Cost Accounting Practices and Certification

(a) Any contract in excess of the lower CAS threshold specified in Federal Acquisition Regulation (FAR) 30.201-4(b) resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

(1) Certificate of Concurrent Submission of Disclosure Statement. The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant Federal auditor.

Airborne Systems North America - Federal Acquisition Regulation (FAR) Flowdown Provisions for Subcontracts Under a United States Government Prime Contract

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official.)

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

(2) Certificate of Previously Submitted Disclosure Statement. The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

(3) Certificate of Monetary Exemption. The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

(4) Certificate of Interim Exemption. The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. Cost Accounting Standards - Eligibility for Modified Contract Coverage

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. Additional Cost Accounting Standards Applicable to Existing Contracts

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

Yes No

Airborne Systems North America - Federal Acquisition Regulation (FAR) Flowdown Provisions for Subcontracts Under a United States Government Prime Contract

(a) Seller certifies: (1) Seller submitted, as part of the offer, copies of the Disclosure Statement as follows: (i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable; and (ii) one copy to the cognizant Federal auditor; (2) the required Disclosure Statement was filed and further certifies that the practices used in estimating costs in pricing its proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement; and (3) Seller, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted, and further certifies if such status changes, Seller will advise ASNA and the Contracting Officer immediately.

(b) Seller further certifies: (1) Seller first exceeded the monetary exemption for disclosure, as defined in (a)(3) of this subsection, in the cost accounting period immediately preceding the period in which its offer was submitted; and (2) in accordance with 48 CFR 9903.202-1, Seller is not yet required to submit a Disclosure Statement.

(c) If Seller is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, Seller certifies that Seller is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this Contract was entered into, Seller received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. Seller further certifies that if such status changes, Seller will advise ASNA and the Contracting Officer immediately.

(d) Seller shall indicate whether this Contract will require a change in established cost accounting practices affecting existing contracts and subcontracts.

H. DISPUTES - GOVERNMENT CONTRACTS

Any reference to the "Disputes clause" in any applicable FAR Clause under paragraph 2 above shall mean this paragraph 5, Disputes - Government Contracts.

(i) Any dispute arising under this purchase order relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance with paragraph (ii) below.

(ii) Notwithstanding any other provisions in this purchase order, any decision of the Contracting Officer under the prime contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to this purchase order--provided that:

(a) The Buyer notifies with reasonable promptness the Seller of such decision, and

(b) The Buyer, at its sole discretion, authorizes in writing the Seller to appeal in the name of the Buyer such decision at its own expense, or

(1) If Buyer should appeal such decision, Buyer at its sole discretion offers to the Seller the opportunity at its own expense to join Buyer in such appeal.

(2) Any decision upon such appeal, when final, shall be binding upon the Seller.

(3) The Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer.

(c) The Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5, "Fraudulent Claims," of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.

(iii) Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this purchase order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this purchase order.

(iv) Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment by Buyer of the validity of Seller's claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, including available remedies, it deems appropriate to protect its own interests.

(v) As used in this clause, the word "appeal" means an appeal taken under the Contract Disputes Act of 1978, as amended.