



DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS) FLOWDOWN PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS FOR COMMERCIAL ITEMS UNDER A U.S. GOVERNMENT PRIME CONTRACT

A. INCORPORATION OF DFARS CLAUSES

The Defense Federal Acquisition Regulation Supplement (DFARS) 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, during the performance of this Contract. When a DFARS clause uses a word or term that is defined in the DFARS, the word or term shall have the same meaning as in the definition in DFARS 202.101 in effect on the date of this Contract unless (i) a different definition is expressly set forth in this Contract; or (ii) the part, subpart, or section of the DFARS where the clause is prescribed provides a different meaning; or (iii) the word or term is defined in FAR Part 31, for use in the cost principles and procedures. If the date or substance of any of the clauses listed below is different than 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 of 1978, as amended, shall have no application to this Contract. Any reference to "Disputes" clause shall mean the "Disputes/Jury Waiver" clause contained in SRCTec, Inc.'s TC2.

B. GOVERNMENT SUBCONTRACT

This Contract is entered into by SRCTec, Inc. and SELLER in support of a U.S. Government contract.

As used in the clauses referenced below and otherwise in this Contract:

1. "Commercial Item" means a commercial item as defined in FAR 2.101.
2. "Contract" means this Contract.
3. "Contractor" means SELLER, as defined in this document, acting as the immediate (first-tier) subcontractor to SRCTec, Inc.
4. "Prime Contract" means the contract between SRCTec, Inc. and the U.S. Government or between SRCTec, Inc. and its higher-tier contractor in support of a contract with the U.S. Government.
5. "Subcontract" means any contract placed by Contractor or lower-tier subcontractors under this Contract.

C. NOTES

1. Substitute "SRCTec, Inc." for "Government" or "United States" throughout this clause.
2. Substitute "SRCTec, Inc. Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.
3. Insert "and SRCTec, Inc." after "Government" throughout this clause.
4. Insert "or SRCTec, Inc." after "Government" throughout this clause.
5. Communication/notification required under this clause from/to the Contractor to/from the Contracting Officer shall be through the SRCTec, Inc. Procurement Representative.

6. "Contracting Officer" shall mean the U.S. Government Contracting Officer for SRCTec, Inc.'s government prime contract under which this Contract is entered.

D. AMENDMENTS REQUIRED BY PRIME CONTRACT

Contractor shall, at the request of SRCTec, Inc., accept amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as SRCTec, Inc. may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract or with the provisions of amendments to such Prime Contract. If any such amendment to this Contract causes an increase or decrease in the estimated 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 SRCTec, Inc. furnishes designs, drawings, special tooling, equipment, engineering data or other technical or proprietary information (Furnished Items) to which the U.S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that SRCTec, Inc., acting on its own behalf, may modify or limit any rights the Government may have to authorize the Contractor's use of such Furnished Items in support of other U.S. Government prime contracts.

F. DoD FAR SUPPLEMENT (DFARS) FLOWDOWN CLAUSES

REFERENCE TITLE

1. **The following DFARS clauses apply to this Contract only if the stipulation in the relevant parenthetical applies:**
 - (a) 252.209-7001 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (OCT 2006) (Applicable to Contracts over \$100,000.)
 - (b) 252.211-7003 ITEM IDENTIFICATION AND VALUATION (JUN 2005) (Applicable if Prime Contract requires UID.)
 - (c) 252.212-7001 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (APR 2007) (Paragraph (c) is applicable to subcontractors at all tiers.)
 - (d) 252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS) (APR 2007) (Applicable if FAR 52.219-9 applies and Contract exceeds \$500,000. Paragraph (g) is deleted.)
 - (e) 252.223-7001 HAZARD WARNING LABELS (DEC 1991) (Applicable if Contract requires the delivery of hazardous materials as defined in the clause.)
 - (f) The following provision has been superseded by Class Deviation 2008-002 under the Federal Acquisition Regulation (FAR). Upon the

- issuance of new regulations applicable to this provision, the parties agree to incorporate into this Contract any contract provision required by such new regulations.
[252.225-7014] PREFERENCE FOR DOMESTIC SPECIALTY METALS (JUN 2005) ALTERNATE I (APR 2003)
(Applicable if the Work to be furnished hereunder contains specialty metals.)
- (g) 252.227-7015 TECHNICAL DATA - COMMERCIAL ITEMS (NOV 1995) (Applicable only if technical data is to be delivered under this Contract. Note 3 applies.)
- (h) 252.237-7019 TRAINING FOR CONTRACTOR PERSONNEL INTERACTING WITH DETAINEES (SEP 2006) (Applicable if this Contract requires Contractor personnel to interact with detainees in the course of their duties.)
- (i) 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002) (Alternate I) (MAR 2000) Alternate II) (MAR 2000) (Alternate III) (MAY 2002) (Applicable if this Contract meets the criteria set forth in subparagraph (b) (2) of the clause. In the first sentence of paragraph (g), insert a period after "Contractor" and delete the balance of the sentence. Paragraphs (f) and (g) shall not apply if this Contract is at or below \$100,000. Notes 1 and 2 apply, except for paragraph (c).)
- (j) 252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (MAR 2000) (Applicable if this Contract meets the criteria set forth in subparagraph (b) (2) (ii) of the clause. Note 2 applies.)
- (k) 252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (DEC 2006) (Applicable if this Contract equals or exceeds \$500,000. Delete subparagraph (d) (1) and the first five words of subparagraph (d) (2). Note 2 applies.)