



Attachment II

“FLOW-DOWN” CLAUSES APPLICABLE TO PURCHASE ORDERS OR CONTRACTS INVOLVING FUNDS FROM A FEDERAL GOVERNMENT CONTRACT OR GRANT

Effective Date 08/12/2012

If the Order involves funds from a Federal government contract—or funds from a subcontract at any tier relating to a Federal government contract—the following clauses from the Federal Acquisition Regulation (“FAR”) and the Defense Federal Acquisition Regulation Supplement (“DFARS”) are incorporated into the Order by reference where applicable and form a part of the terms and conditions of the Order. The full text of the FAR clauses may be found at <http://www.arnet.gov/far/>. The full text of the DFARS clauses may be found at <http://farsite.hill.af.mil/VFDFARa.htm>. Seller agrees to flow down all applicable FAR and DFARS clauses to lower-tier subcontractors.

Where necessary to make the language of the FAR and DFARS clauses applicable to the Order, the term “contractor” shall mean “Seller,” the term “contract” shall mean “the Order,” and the terms “government,” “contracting officer,” and equivalent terms and phrases shall mean “NWUAV, INC.”

CLAUSES APPLICABLE TO PURCHASES OF “COMMERCIAL ITEMS”

The following clauses apply to Orders involving “commercial items,” a term defined at FAR 52.202-1. In general, a “commercial item” is a product or service that is available to the general public in the commercial marketplace. Only the following clauses are required for purchases of “commercial items.”

FAR 52.202-1 Definitions (Dec. 2001) In general, a “commercial item” is a product or service that is available to the general public in the commercial marketplace. Only the following clauses are required for purchases of “commercial items.”

FAR 52.219-8 Utilization of Small Business Concerns (Oct. 2000)

FAR 52.222-26 Equal Opportunity (Apr. 2002) (subparagraphs (b)(1)-(b)(11) only)

FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec. 2001)

FAR 52.222-36 Affirmative Action for Workers with Disabilities (June 1998) FAR 52.244-6 Subcontracts for Commercial Items (Apr. 2003)

FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr. 2003)

DFARS 252.225-7014 Preference for Domestic Specialty Metals, Alternate I (Apr. 2003)

DFARS 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DOD Contracts) (March 2000)

DFARS 252.247-7023 Transportation of Supplies by Sea (May 2002)

DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (March 2000)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS REGARDLESS OF DOLLAR VALUE



FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Apr. 1991)

FAR 52.204-2 Security Requirements (Aug. 1996) (applies when the subcontract or Order involves access to information classified Confidential, Secret, or —Top Secret)

FAR 52.208-8 Required Sources for Helium and Helium Usage Data (Apr. 2002)

FAR 52.215-15 Pension Adjustments and Asset Reversions (Dec. 1998) (applies when it is anticipated that the subcontract or Order will require either the submission of cost or pricing data OR preaward or postaward cost determinations subject to FAR Part 31)

FAR 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Oct. 1997) (applies when it is anticipated that the subcontract or Order will require either the submission of cost or pricing data OR preaward or postaward cost determinations subject to FAR Part 31)

FAR 52.215-19 Notification of Ownership Changes (Oct. 1997) (applies when it is anticipated that the subcontract or Order will require either the submission of cost or pricing data OR preaward or postaward cost determinations subject to FAR subpart 31.2)

FAR 52.222-21 Prohibition of Segregated Facilities (Feb. 1999)

FAR 52.222-26 Equal Opportunity (Apr. 2002) (subparagraphs (b)(1) through (b)(11) only)

FAR 52.222-41 Service Contract Act of 1965, As Amended (May 1989)

FAR 52.223-7 Notice of Radioactive Materials (Jan. 1997) (applies when radioactive material is involved)

FAR 52.224-2 Privacy Act (Apr. 1984) (applies when the design, development, or operation of any system of records on individuals is required to accomplish an agency function)

FAR 52.225-8 Duty-Free Entry (Feb. 2000) (applies when supplies entitled to duty-free entry will be imported into the customs territory of the United States OR when other foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States)

FAR 52.225-13 Restrictions on Certain Foreign Purchases (June 2003)

FAR 52.227-9 Refund of Royalties (Apr. 1984) (applies when the amount of royalties reported during the negotiation of the subcontract or Order exceeds \$250)

FAR 52.225-13 Restrictions on Certain Foreign Purchases (June 2003)

FAR 52.227-9 Refund of Royalties (Apr. 1984) (applies when the amount of royalties reported during the negotiation of the subcontract or Order exceeds \$250)

FAR 52.227-10 Filing of Patent Applications—Classified Subject Matter (Apr. 1984) (applies when the subcontract or Order is likely to involve classified subject matter)

FAR 52.227-11 Patent Rights—Retention by the Contractor (Short Form) (June 1997) (applies when the subcontract or Order involves experimental, developmental, or research work to be performed by a small



business firm or domestic nonprofit organization)

FAR 52.227-12 Patent Rights—Retention by the Contractor (Long Form) (Jan. 1997) (applies when the subcontract or Order involves experimental, development, or research work NOT to be performed by a small business firm or domestic nonprofit organization)

FAR 52.227-13 Patent Rights—Acquisition by the Government (Jan. 1997) (applies when the subcontract or Order involves experimental, developmental, or research work)

FAR 52.228-3 Workers' Compensation Insurance (Defense Base Act) (Apr. 1984)

FAR 52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (Apr. 1984)

FAR 52.228-5 Insurance—Work on a Government Installation (Jan. 1997) (applies when the subcontract or Order requires work on a Federal government installation)

FAR 52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec. 1994)

FAR 52.237-7 Indemnification and Medical Liability Insurance (Jan. 1997)

FAR 52.244-6 Subcontracts for Commercial Items (Apr. 2003) (applies when the subcontract or Order involves the acquisition of —commercial items as that term is defined in FAR 52.202-1)

FAR 52.245-18 Special Test Equipment (Feb. 1993) (applies when the subcontract or Order involves —special test equipment as defined in the clause)

FAR 52.247-63 Preferences for U.S.-Flag Air Carriers (June 2003) (applies when the subcontract or Order may involve international air transportation)

FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr. 2003) (excluding (e)(4)) (applies when the subcontract or Order involves the transport of equipment, materials, or commodities in ocean vessels)

DFARS 252.204-7000 Disclosure of Information (Dec. 1991)

DFAR 252.211-7003 Item Identification and Valuation (Aug 2008). **Limited to Items with a priced value of \$2,000 or more.** Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components and parts specified elsewhere in this contract. Such identification and marking shall be a high-capacity 2D machine readable code to comply with the version of MIL-STD-130, Identification Marking of U.S. Military Property, set forth elsewhere in this contract or it not so stated. Then the Seller shall comply with MIL-STD-130N. The code may include, if space is available, linear bar code and human readable characters. Unless otherwise specified in Insitu or NWUAV product drawings and specifications, the Seller may use either Construct #1 or Construct #2. The Seller shall not be required to furnish item valuations as set forth in this clause.

DFARS 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials (Apr. 1993) OR Alternate I (Nov. 1995) (applies when the subcontract or Order requires, may require, or permits the subcontractor to treat or dispose of non- DOD-owned toxic or hazardous materials)

DFARS 252.225-7014 Preference for Domestic Specialty Metals (Apr. 2003) (applies to subcontracts or Orders involving —specialty metal as defined in the clause)



DFARS 252.227-7013 Rights in Technical Data—Noncommercial Items (Nov. 1995) (applies when the subcontract or Order involves technical data for noncommercial items that is to be delivered to the government)

DFARS 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (June 1995) (applies when the subcontract or Order involves noncommercial computer software or computer software documentation that is to be delivered to the government)

DFARS 252.227-7016 Rights in Bid or Proposal Information (June 1995)

DFARS 252.227-7019 Validation of Asserted Restrictions—Computer Software (June 1995) (applies only when the subcontract or Order involves furnishing computer software to the government)

DFARS 252.227-7034 Patents—Subcontracts (Apr. 1984) (applies when the subcontract or Order involves experimental, developmental, or research work to be performed by other than a small business firm or nonprofit organization)

DFARS 252.227-7037 Validation of Restrictive Markings on Technical Data (Sept.1999) (applies when the subcontract or Order involves the delivery of technical data, except when the purchase relates to—commercial items as defined in FAR 52.202-1)

DFARS 252.235-7003 Frequency Authorization (Dec. 1991) (applies when the subcontract or Order involves the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required)

DFARS 252.247-7023 Transportation of Supplies by Sea (May 2002) (paragraphs (a) through (e) and (h))

DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (March 2000)

CLAUSES APPLICABLE TO CONSTRUCTION WORK WITHIN THE UNITED STATES REGARDLESS OF VALUE

FAR 52.222-6 Davis-Bacon Act (Feb. 1995)

FAR 52.222-7 Withholding of Funds (Feb. 1988)

FAR 52.222-8 Payrolls and Basic Records (Feb. 1988)

FAR 52.2229 Apprentices and Trainees (Feb. 1988)

FAR 52.222-10 Compliance with Copeland Act Requirements (Feb. 1988)

FAR 52.222-11 Subcontracts (Labor Standards) (Feb. 1988)

FAR 52.222-12 Contract Termination—Debarment (Feb. 1988)

FAR 52.222-13 Compliance with Davis-Bacon and Related Act Regulations (Feb. 1988)

FAR 52.222-14 Disputes Concerning Labor Standards (Feb. 1988)

FAR 52.222-15 Certification of Eligibility (Feb. 1988)

FAR 52.222-17 Labor Standards for Construction Work—Facilities Contracts (Feb. 1988)



FAR 52.222-27 Affirmative Action Compliance Requirements for Construction (Feb.1999) (for subcontracts in excess of \$10,000 involving the construction trade)

DFARS 252.222-7000 Restrictions on Employment of Personnel (March 2000)

DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (March 2000)

ADDITIONAL CLAUSES APPLICABLE TO THE ORDER

FAR 52.202-1 Definitions (Dec. 2001) FAR 52.211-5 Material Requirements (Aug. 2000)

FAR 52.211-15 Defense Priority and Allocation Requirements (Sept. 1990)

FAR 52.214-27 Price Reduction for Defective Cost or Pricing Data—Modifications—Sealed Bidding (Oct. 1997)

FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data (Oct. 1997)

FAR 52.215-11 Price Reduction for Defective Cost or Pricing Data—Modifications (Oct. 1997)

FAR 52.219-8 Utilization of Small Business Concerns (Oct. 2000)

FAR 52.222-20 Walsh-Healey Public Contracts Act (Dec. 1996)

FAR 52.225-1 Buy American Act—Supplies (June 2003)

FAR 52.225-3 Buy American Act—North American Free Trade Agreement—Israeli Trade Act (June 2003)

FAR 52.225-5 Trade Agreements (June 2003)

FAR 52.225-11 Buy American Act—Construction Materials Under Trade Agreements (June 2003)

FAR 52.225-15 Sanctioned European Union Country End Products (Feb. 2000)

FAR 52.227-14 Rights in Data—General (June 1987)

DFARS 252.219-7003 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DOD Contracts) (Apr. 1996)

DFARS 252.225-7001 Buy American Act and Balance of Payments Program (Apr. 2003)

DFARS 252.225-7036 Buy American Act—North American Free Trade Agreement

Implementation Act—Balance of Payments Program (Apr. 2003)

CONFLICTS AMONG CLAUSES APPLICABLE TO THE ORDER

In the event of any conflict among the clauses applicable to the Order or Contract, including those not applicable solely to federal grants and/or contracts, the most stringent clause will apply.