



## **Appendix 1: Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) FLOWDOWN PROVISIONS**

### **A. INCORPORATION OF FAR CLAUSES**

The Federal Acquisition Regulation (FAR) and 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 FAR or DFARS clause uses a word or term that is defined in the FAR/DFARS, the word or term shall have the same meaning as in the definition in FAR 2.101 or 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 FAR 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 paragraph 8 "Disputes/Jury Waiver" in Section I of these terms and conditions.

### **B. GOVERNMENT SUBCONTRACT**

This Contract is entered into by BUYER 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 the Agreement, to which this Exhibit 1B is attached.
3. "Contractor" means SELLER, as defined in this Contract, acting as the immediate (first-tier) subcontractor to BUYER.
4. "Prime Contract" means the Contract between BUYER and the U.S. Government or between BUYER 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 "BUYER" for "Government" or "United States" throughout this clause.
2. Substitute "BUYER" Purchasing Representative" for "Contracting Officer", "Administrative Contracting Officer" and "ACO" throughout this clause.
3. Insert "and BUYER" after "Government" throughout this clause.
4. Insert "or BUYER" 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 BUYER Procurement Representative.

### **D. AMENDMENTS REQUIRED BY PRIME CONTRACT**

Contractor shall, at the request of BUYER, accept amendments to this Contract to incorporate additional provisions herein or to change provisions hereof, as BUYER 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 contained in this Contract.

### **E. PRESERVATION OF THE GOVERNMENT'S RIGHTS**

If BUYER 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 BUYER, 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. CERTIFICATIONS AND REPRESENTATIONS:**

This Subsection contains certifications and representations that are material representations of fact upon which RH Laboratories Inc. will rely in making awards to Contractor. By submitting its written offer, or providing oral offers/quotations at the request of RH Laboratories Inc., or accepting any Contract, Contractor certifies to the representations and certifications as set forth below in this Subsection .These certifications and representations shall apply whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by RH Laboratories Inc.. Contractor shall immediately notify RH Laboratories Inc. of any change of status with regard to these certifications and representations.

**G. Federal Acquisition Regulation (FAR) FLOWDOWN CLAUSES:**

Executive Order 13496: Employee Rights Under Federal Labor Law Terms and Conditions Notice. Notice Effective June 21, 2010. The following clause is additive to RH Laboratories Terms and Conditions and effective for new Purchase Orders and Subcontracts valued at \$10,000 and greater, which are performed in the United States.

Obligation of Federal Contractors to Notify Employees of Their Rights Under Federal Labor Laws  
 Pending release of covering FAR clause; Executive Order 13496 Notification of Employee Rights Under Federal Labor Laws and the requirements therein, are incorporated into this Contract by reference with full force and effect of the full text.

Federal contractors and subcontractors must notify employees about their rights under the National Labor Relations Act (NLRA). See 29 C.F.R. Part 471.

FAR Clause	Description	FAR Clause	Description	FAR Clause	Description
52.203-6	Restrictions on Subcontractor Sales to the Government.	52.215-11	Price Reduction for Defective Certified Cost or Pricing Data—Modifications.	52.222-1	Notice to the Government of Labor Disputes.
52.203-7	Anto-Kickback Procedures.	52.215-12	Subcontractor Certified Cost or Pricing Data.	52.222-4	Contract Work Hours and Safety Standards Act—Overtime Compensation.
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.	52.215-13	Subcontractor Certified Cost or Pricing Data - Modifications.	52.222-20	Walsh - Healey Public Contracts Act.
52.203-12	Limitation on Payments to Influence Certain Federal Transactions.	52.215-14	Integrity of Unit Prices.	52.222-21	Prohibition of Segregated Facilities.
52.203-13	Contractor Code of Business Ethics and Conduct.	52.215-15	Pension Adjustments and Asset Reversions.	52.222-22	Previous Contracts and Compliance Reports.
52.203-14	Display of Hotline Poster(s).	52.215-16	Facilities Capital Cost of Money.	52.222-25	Affirmative Action Compliance.
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.	52.215-17	Waiver of Facilities Capital Cost of Money.	52.222-26	Equal Opportunity.
52.204-2	Security Requirements.	52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions.	52.222-35	Equal Opportunity for Veterans.
52.204-9	Personal Identity Verification of Contractor Personnel.	52.215-19	Notification of Ownership Changes.	52.222-36	Affirmative Action for Workers with Disabilities.
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards.	52.215-20	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data.	52.222-37	Employment Reports on Veterans.
52.208-8	Required Sources for Helium and Helium Usage Data.	52.215-21	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data - Modifications.	52.222-40	Notification of Employee Rights Under the National Labor Relations Act.
52.209-5	Certification Regarding Responsibility Matters.	52.215-22	Limitations on Pass-Through Charges—Identification of Subcontract Effort.	52.222-41	Service Control Act of 1965.
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment.	52.215-23	Limitations of Pass-Through Charges.	52.222-50	Combating Trafficking in Persons.
52.211-5	Material Requirements.	52.216-5	Price Redetermination - Prospective.	52.222-54	Employment Eligibility Verification.
52.211-15	Defense Priority and Allocation Requirements.	52.216-6	Price Redetermination - Retroactive.	52.222.56	Certification Regarding Trafficking in Persons Compliance Plan
52.214-26	Audit and Records - Sealed Bidding.	52.216-16	Incentive Price Revision - Firm Target.	52.223-3	Hazardous Material Identification and Material Safety Data.
52.214-27	Price Reduction for Defective Certified Cost or Pricing Data—Modifications—Sealed Bidding.	52.216-17	Incentive Price Revision - Successive Targets.	52.223-7	Notice of Radioactive Materials.
52.214-28	Subcontractor Certified Cost or Pricing Data—Modifications—Sealed Bidding.	52.219-8	Utilization of Small Business Concerns.	52.223-11	Ozone - Depleting Substances.
52.215-2	Audit and Records - Negotiation.	52.219-9	Small Business Subcontracting Plan.	52.224-2	Privacy Act.
52.215-10	Price Reduction for Defective Certified Cost or Pricing Data.	52.219-16	Liquidated Damages - Subcontracting Plan.	52.225-1	Buy American Act - Supplies.

FAR Clause	Description	FAR Clause	Description	FAR Clause	Description
52.225-3	Buy American Act—Free Trade Agreements—Israeli Trade Act.	52.230-3	Disclosure and Consistency of Cost Accounting Practices.	52.247-63	Preference for U.S.-Flag Air Carriers.
52.225-5	Trade Agreements.	52.230-5	Cost Accounting Standards—Educational Institution.	52.247-64	Preference for Privately Owned U.S.-Flag Commercial vessels.
52.225-8	Duty-Free Entry.	52.230-6	Administration of Cost Accounting Standards.	52.248-1	Value Engineering.
52.225-13	Restrictions on Certain Foreign Purchases.	52.233-3	Protest after Award.	52.249-2	Termination for Convenience of the Government (Fixed-Price)(Short Form).
52.227-1	Authorization and Consent.	52.234-1	Industrial Resources Developed Under Defense Production Act Title III.	52.249-8	Default (Fixed-Price Supply and Service).
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement.	52.237-2	Protection of Government Buildings, Equipment, and Vegetation.		
52.227-3	Patent Indemnity.	52.239-1	Privacy or Security Safeguards.		
52.227-9	Refund of Royalties.	52.242-13	Bankruptcy.		
52.227-10	Filing of Patent Applications—Classified Subject Matter.	52.242-15	Stop-Work Order.		
52.227-11	Patent Rights—Ownership by the Contractor.	52.243-1	Changes - Fixed-Price.		
52.227-13	Patent Rights—Ownership by the Government.	52.243-6	Change Order Accounting.		
52.227-14	Rights in Data - General.	52.244-5	Competition in Subcontracting.		
52.228-3	Workers' Compensation Insurance (Defense Base Act).	52.244-6	Subcontracts for Commercial Items.		
52.228-4	Workers' Compensation and War-Hazard Insurance Overseas.	52.245-1	Government Property.		
52.228-5	Insurance—Work on a Government Installation.	52.245-17	Special Tooling.		
52.229-10	State of New Mexico Gross Receipts and Compensating Tax.	52.245-18	Special Test Equipment.		
52.229-3	Federal, State, and Local Taxes.	52.245-2	Government Property Installation Operation Services.		
52.229-6	Taxes—Foreign Fixed-Price Contracts.	52.245-9	Use and Charges		
52.229-7	Taxes—Fixed-Price Contracts with Foreign Governments.	52.246-2	Inspection of Supplies—Fixed-Price.		
52.230-2	Cost Accounting Standards.	52.246-4	Inspection of Services—Fixed-Price.		

**G. Defense Federal Acquisition Regulation Supplement (DFARS) FLOWDOWN CLAUSES:**

DFARS Clause	Description	DFARS Clause	Description	DFARS Clause	Description
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense Contract-Related Felonies.	252.225-7006	Quarterly Reporting of Actual Contract Performance Outside the United States.	252.227-7026	Deferred Delivery of Technical Data or Computer Software.
252.204-7000	Disclosure of Information	252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies.	252.227-7027	Deferred Ordering of Technical Data or Computer Software.
252.204-7008	Export Controlled Items	252.225-7008	Restriction on Acquisition of Specialty Metals.	252.227-7028	Technical Data or Computer Software Previously Delivered to the Government.
252.204-7012	Safeguarding of Unclassified Controlled Technical Information	252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals.	252.227-7030	Technical Data—Withholding of Payment.
252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material.	252.225-7010	Commercial Derivative Military Article-Specialty Metals Compliance Certificate	252.227-7037	Validation of Restrictive Markings on Technical Data.
252.211-7000	Acquisition Streamlining.	252.225-7012	Preference for Certain Domestic Commodities.	252.227-7038	Patent Rights—Ownership by the Contractor (Large Business).
252.211-7003	Item Unique Identification and Valuation.	252.225-7013	Duty-Free Entry.	252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles.
252.211-7007	Reporting of Government-Furnished Property.	252.225-7016	Restriction on Acquisition of Ball and Roller Bearings.	252.231-7000	Supplemental Cost Principles.
252.215-7000	Pricing Adjustments.	252.225-7021	Trade Agreements.	252.235-7003	Frequency Authorization.
252.215-7002	Cost Estimating System Requirements.	252.225-7027	Restriction on Contingent Fees for Foreign Military Sales	252.237-7019	Training for Contractor Personnel Interacting with Detainees.
252.215-7004	Requirement for Submission of Data Other Than Certified Cost or Pricing Data—Modifications—Canadian Commercial Corporation.	252.225-7028	Exclusionary Policies and Practices of Foreign Governments	252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services.
252.219-7003	Small Business Subcontracting Plan (DoD Contracts).	252.225-7032	Waiver of United Kingdom Levies—Evaluation of Offers.	252.239-7017	Notice of Supply Chain Risk
252.222-7000	Restrictions on Employment of Personnel.	252.225-7033	Waiver of United Kingdom Levies.	252.239-7018	Supply Chain Risk
252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements.	252.225-7043	Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States.	252.242-7004	Material Management and Accounting System.
252.222-7007	Representation Regarding Combating Trafficking in Persons	252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises—DoD Contracts	252.242-7005	Contractor Business Systems.
252.223-7001	Hazard Warning Labels.	252.227-7013	Rights in Technical Data—Noncommercial Items.	252.243-7001	Pricing of Contract Modifications.
252.223-7002	Safety Precautions for Ammunition and Explosives.	252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation.	252.243-7002	Requests for Equitable Adjustment
252.223-7003	Change in Place of Performance—Ammunition and Explosives.	252.227-7015	Technical Data—Commercial Items	252.244-7000	Subcontracts for Commercial Items.
252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials.	252.227-7016	Rights in Bid or Proposal Information.	252.245-7001	Tagging, Labeling, and Marking of Government-Furnished Property
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives.	252.227-7018	Rights in Noncommercial Technical Data and Computer Software—Small Business Innovation Research (SBIR) Program.	252.246-7001	Warranty of Data.
252.225-7001	Buy American and Balance of Payments Program.	252.227-7019	Validation of Asserted Restrictions—Computer Software.	252.246-7003	Notification of Potential Safety Issues.
252.225-7004	Report of Intended Performance Outside the United States and Canada—Submission after Award.	252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends.	252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System.

DFARS Clause	Description	DFARS Clause	Description	DFARS Clause	Description
252.246-7008	Sources of Electronic Parts				
252.247-7023	Transportation of Supplies by Sea.				
252.247-7024	Notification of Transportation of Supplies by Sea.				
252.249-7002	Notification of Anticipated Contract Termination or Reduction.				