



America's Ride to Space

**DOC 7 T&M
TIME AND MATERIAL SUBCONTRACTS/PURCHASE ORDERS FOR FLIGHT HARDWARE**

SECTION I: GENERAL PROVISIONS

DEFINITIONS

As used herein, the following terms shall have the meanings set forth below:

- (a) "Background Intellectual Property" means all Intellectual Property Made by or for a party apart from the performance of Work under this Contract.
- (b) "Contract" means the instrument of contracting, such as "Purchase Order", "PO", "Subcontract", or other such type designation, that includes these General Provisions, all referenced documents, exhibits, and attachments. If these terms and conditions are incorporated into a "master" agreement that provides for releases, (in the form of a Purchase Order or other such document) the term "Contract" shall also mean the release document for the Work to be performed.
- (c) "CONTRACTOR" means the party identified on the face of this Contract with whom ULA is contracting. CONTRACTOR shall mean the same as supplier, seller, vendor or other such type designation.
- (d) "FAR" means the Federal Acquisition Regulation, issued as Chapter 1 of Title 48, Code of Federal Regulations.
- (e) "Foreground Intellectual Property" means all Intellectual Property Made by or for a party in the performance of Work under this Contract.
- (f) "Intellectual Property" means all (i) inventions, discoveries and improvements, (ii) all documented information in whatever form such as information embodied in drawings, test data, specifications, process documents, technical reports, and computer software (e.g., object code and source code) and related computer software documentation, and (iii) all domestic and foreign legal and statutory rights to the foregoing, including but not limited to, patents, trade secrets, copyrights, mask work registrations, and the like.
- (g) "Made" means conceived, developed, first produced, or created.
- (h) "Procurement Representative" means the person authorized by ULA's cognizant procurement organization to administer and/or execute this Contract.
- (i) "Subcontractor" means CONTRACTOR's subcontractors at any tier.
- (j) "ULA" means United Launch Alliance, LLC as identified on the face of this Contract.
- (k) "ULA's Customer" means any Government or commercial customer ULA is under contract to support.
- (l) "Work" means all required labor, articles, materials, supplies, goods, services and deliverable information and records embodying such information constituting the subject matter of this Contract.

1. ACCEPTANCE, MERGER AND SEVERABILITY

- (a) CONTRACTOR's acknowledgment, acceptance of payment, or commencement of performance, shall constitute CONTRACTOR's unqualified acceptance of this Contract.
- (b) Unless expressly accepted in writing by ULA, additional or differing terms or conditions proposed by CONTRACTOR or included in CONTRACTOR's acknowledgment are objected to by ULA and have no effect.
- (c) This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the Parties.

(d) Each clause, paragraph and subparagraph of this Contract is severable, and if one or more of them are declared invalid, the remaining provisions of this Contract will remain in full force and effect.

2. CHANGES

(a) Only the Procurement Representative has authority to make changes to this Contract. All changes must be in writing and executed by the parties.

(b) Within the general scope of this Contract, the Procurement Representative may at any time, by written notice, and without notice to sureties or assignees, make changes within the general scope of this Contract in any one or more of the following: (i) drawings, designs, or specifications; (ii) description of services; (iii) method of shipping or packing; (iv) place of inspection, acceptance, or point of delivery; (v) time of performance; (vi) place of performance; and (vii) delivery schedule. If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of this Contract, ULA shall make an equitable adjustment in the Contract price and/or delivery schedule, and modify this Contract accordingly. Changes to the delivery schedule or time of performance will be subject to a price adjustment only. CONTRACTOR must request any equitable adjustment under this clause within thirty (30) days from the date of receipt of the written change order from ULA. If the CONTRACTOR's proposed equitable adjustment includes the cost of property made obsolete or excess by the change, ULA shall have the right to prescribe the manner of disposition of the property. Failure to agree to any adjustment shall be resolved in accordance with the "Disputes" clause of this Contract. However, nothing contained in this "Changes" clause shall excuse CONTRACTOR from proceeding without delay in the performance of this Contract as changed.

(c) ULA may require additional contract scope to meet ULA's Customer contract requirements. CONTRACTOR agrees to negotiate any additional scope necessary to meet ULA customer contract objectives.

(d) ULA personnel other than the Procurement Representative may from time to time render assistance or give technical advice or discuss or effect an exchange of information with CONTRACTOR's personnel concerning the Work hereunder. No such action shall be deemed to be a change and shall not be the basis for equitable adjustment.

(e) The parties shall mutually agree to any other changes.

3. DISPUTES, GOVERNING LAW AND LEGAL NOTIFICATION

(a) All disputes under this Contract that are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, CONTRACTOR shall diligently proceed with the performance of this Contract as directed by ULA.

(b) This Contract, and all claims relating to or arising out of this Contract, or the breach thereof, whether sounding in contract, tort or otherwise, shall be governed in accordance with the laws of the State of Colorado, excluding that State's choice-of-law principles. Any lawsuit filed regarding this Contract shall be filed in either the Colorado District Court located in Arapahoe County, Colorado or the United States District Court located in Denver, Colorado. CONTRACTOR hereby consents to the jurisdiction and venue of both the Colorado District Court located in Arapahoe County, Colorado and the United States District Court located in Denver, Colorado. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Contract.

(c) Any provision in this Contract that is (i) incorporated in full text or by reference from the Federal Acquisition Regulation (FAR); or (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or; (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contract appeals, and quasijudicial agencies of the Federal Government.

(d) CONTRACTOR agrees to provide ULA with prompt written notification of any legal action, subpoena, claim, notice, demand or other legal proceeding brought against CONTRACTOR relating to or arising out of the Work performed under this Contract.

4. RIGHTS AND REMEDIES

(a) Except as otherwise limited in this Contract, the rights and remedies set forth herein are cumulative and in addition to any other rights or remedies that the parties may have at law or in equity. Any failures, delays or forbearances of either party in insisting upon or enforcing any provisions of this Contract, or in exercising any rights or remedies under this Contract, shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.

(b) ULA's approval of documents shall not relieve CONTRACTOR of its obligations to comply with the requirements of this Contract.

5. COMPLIANCE WITH LAWS

(a) In performing this Contract, CONTRACTOR agrees to comply with all applicable local, state, and federal laws, orders, rules, regulations, codes and ordinances ("Laws") that may affect performance of this Contract. CONTRACTOR shall indemnify, defend and hold harmless ULA against any liability, fine or penalty that may be imposed upon ULA as a result of CONTRACTOR's failure to comply with such Laws.

(b) CONTRACTOR represents that each chemical substance constituting or contained in Work sold or otherwise transferred to ULA hereunder is on the approved list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.

(c) CONTRACTOR shall provide to ULA, with each delivery, any Material Safety Data Sheet applicable to the Work in conformance with and containing such information as required by the Occupational Safety and Health Act of 1970 and regulations promulgated thereunder, or its State approved counterpart.

(d) CONTRACTOR represents and warrants that it is not included on the Excluded Parties List System (EPLS) and agrees to notify ULA immediately upon learning that it or any of its affiliates and/or Subcontractors has been proposed for inclusion in the Excluded Parties List System (EPLS).

6. EXPORT CONTROL

(a) Technical data, defense services, software and/or hardware furnished under or in connection with this Contract may be subject to U.S. export or import control laws and regulations and may be subject to export or import laws and regulations of other countries. All Parties agree to comply with all such laws and regulations, including obtaining the appropriate USG authorization prior to exporting to a Foreign Person within the U.S. or abroad, as applicable.

(b) CONTRACTOR certifies that only U.S. Persons, as defined in 22 CFR 120.15, will participate directly in telecons, meetings and/or email with ULA. If direct participation by Foreign Persons is required, prior notice must be provided by CONTRACTOR and prior written approval received from ULA for Foreign Person participation to ensure that the appropriate export authorizations are in place.

(c) CONTRACTOR is required to be registered with the State Department, Directorate of Defense Trade Controls, if it engages in the business of either exporting or manufacturing (whether exporting or not) defense articles (i.e. ITAR-controlled parts, technical data) or furnishing of defense services, and represents that it maintains an effective export and import compliance program.

(d) The exporter of record, who directly exports to a Foreign Person, has the ultimate responsibility to determine export jurisdiction, applicable license requirements, and to meet the applicable export laws and regulations.

(e) The CONTRACTOR agrees to reasonably cooperate with ULA for assessments, audits and other fact-finding required to ensure compliance to U.S. export/import laws and regulations or as part of an investigation or corrective action related to a potential or actual violation of U.S. export/import laws and regulations. The CONTRACTOR will provide input for such activities in a timely and accurate manner. This subparagraph shall be flowed down to any authorized Subcontractors, as applicable.

(f) The CONTRACTOR agrees to provide timely and accurate reporting of fees and commissions paid related to Part 130 of the ITAR, when applicable. This subparagraph shall be flowed down to any authorized Subcontractors, as applicable.

(g) For any shipment exported from the United States in which ULA is the U.S. Principal Party in Interest (USPPI), ULA prohibits the filing of Electronic Exporter Information (EEI) via the Automated Export System (AES) by any party except ULA or a ULA-approved forwarder.

(h) When CONTRACTOR is responsible for clearing the Work through United States Customs, CONTRACTOR will neither cause nor permit ULA's name to be shown as "Importer of Record" on any customs declaration form or other documentation.

(i) CONTRACTOR shall indemnify and hold harmless ULA, its officers, employees, and agents from any losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorney fees, all expenses of litigation and/or settlement, and court costs caused in whole or in part by the actions or omissions of CONTRACTOR, its officers, employees, agents, suppliers, or subcontractors in relation to its export/import activities.

7. FORCE MAJEURE

(a) Except for a default of CONTRACTOR's subcontractor at any tier, CONTRACTOR shall be excused from, and shall not be liable for, failure of performance due to one or more of the following qualifying events (such list being exclusive): War; warlike operation; insurrection; riot; fire; flood; explosion; accident; act of God; act of a public enemy; terrorism; acts of the government in its sovereign

or contractual capacity; epidemic; and quarantine restriction, and further provided that such event was beyond CONTRACTOR's control and not occasioned by its negligence or default. This Contract will be extended for that period of time attributable to such event upon written confirmation from ULA, subject to subparagraph (b) below. ULA shall be excused from, and shall not be liable for failure to perform due to any of the causes identified above.

(b) In order to be excused from performance under subparagraph (a) above, CONTRACTOR shall submit, within ten (10) calendar days of the start of the qualifying event, a written notice providing a complete and detailed description of such event, the date of commencement, an estimate of the probable period of delay, and explanation indicating how such event was beyond the control of the CONTRACTOR and not due to its negligence or fault and what efforts CONTRACTOR will make to minimize the length of delay. CONTRACTOR shall submit within ten (10) calendar days of the end of the event a written notice stating the impact to the schedule and evidence justifying the length of the delay. If the delay extends for thirty (30) days or more this Contract may be terminated by ULA without additional cost except for payment for Work completed prior to the commencement of the delay.

8. DEFAULT

(a) ULA, by written notice, may terminate this Contract for default, in whole or in part, if CONTRACTOR (i) fails to comply with any of the terms of this Contract; (ii) fails to make progress so as to endanger performance of this Contract; (iii) fails to provide adequate assurance of future performance; (iv) files or has filed against it a petition in bankruptcy; or (v) fails to deliver the Work within the time specified by this Contract or any written extension from the Procurement Representative. CONTRACTOR shall have ten (10) days (or such longer period as ULA may authorize in writing) to cure any such failure after receipt of notice from ULA. ULA may also terminate this Contract in whole or in part in the event of CONTRACTOR's suspension of business, insolvency, material adverse change in financial condition, appointment of a receiver for CONTRACTOR's property or business, or any assignment, reorganization or arrangement by CONTRACTOR for the benefit of its creditors. Default involving delivery schedule delays, bankruptcy or adverse change in financial condition shall not be subject to the cure provision.

(b) ULA may require CONTRACTOR to deliver and transfer title to ULA any supplies and materials, manufacturing materials or drawings, reports or other Contract deliverables that CONTRACTOR has specifically produced or acquired for the terminated portion of this Contract. Upon direction from ULA, CONTRACTOR shall also protect and preserve property in its possession in which ULA or ULA's Customer has an interest.

(c) Following a termination for default of this Contract, CONTRACTOR shall be compensated only for Work actually delivered and accepted. Payment for Manufacturing Materials accepted by ULA and for the protection and preservation of property shall be at a price determined by both parties, except that CONTRACTOR shall not be entitled to profit on such materials or property protection activities. ULA may withhold from any amount due under this Contract any sum ULA determines to be necessary to protect ULA or ULA's Customer against loss because of outstanding liens or claims of former lien holders. CONTRACTOR shall be liable for ULA's excess re-procurement costs. ULA shall pay the Contract price for Work accepted.

(d) Upon the occurrence and during the continuation of a default, ULA may exercise any and all rights and remedies available to it under applicable law and equity including, without limitation, cancellation of this Contract. If after termination for default under this Contract, it is determined that CONTRACTOR was not in default, such termination shall be deemed a termination for convenience and CONTRACTOR's remedies shall be limited to those contained in the "Termination for Convenience" clause.

(e) CONTRACTOR shall continue all Work not terminated or cancelled.

9. TERMINATION FOR CONVENIENCE

(a) ULA may terminate part or all of this Contract for its convenience by giving written notice to CONTRACTOR. Such termination shall not constitute default.

(b) Upon termination, in accordance with ULA's written direction, CONTRACTOR will immediately: (i) Cease work; (ii) Prepare and submit to ULA an itemization of all completed and partially completed deliverables and services; (iii) Deliver to ULA any and all Work completed up to the date of termination at the agreed upon prices; and (iv) Deliver upon request any Work in process. In the event ULA terminates for its convenience after performance has commenced, ULA will compensate CONTRACTOR for the actual, allowable, and reasonable, allocable and substantiated costs, plus a reasonable profit for Work performed up to and including the date of termination provided CONTRACTOR uses reasonable efforts to mitigate ULA's liability under this clause, except where such other provision governing termination liability has been agreed to between the parties and incorporated into this Contract.

(c) Any termination settlement proposal shall be submitted to ULA promptly, but in no event later than sixty (60) days from the effective date of the termination, unless otherwise authorized in writing by the Procurement Representative. In no event shall the amount of any settlement be in excess of the Contract value.

(d) CONTRACTOR shall continue all Work not terminated. In no event shall ULA be liable for lost or anticipated profits, unabsorbed indirect costs or overhead, or for any sum in excess of the total Contract price.

10. STOP WORK

(a) CONTRACTOR shall stop Work for up to one hundred (100) days in accordance with any written notice received from ULA, or for such longer period of time as the parties may agree and shall take all reasonable steps to minimize the incurrence of costs allocable to the Work during the period of Work stoppage.

(b) Within such period, ULA shall either terminate in accordance with the provisions of this Contract or continue the Work by written notice to CONTRACTOR. In the event of a continuation, an equitable adjustment in accordance with the principles of the "Changes" clause shall be made to the price, delivery schedule, performance schedule, or other provision(s) affected by the Work stoppage, if applicable, provided that the claim for equitable adjustment is made within thirty (30) days after date of notice to continue.

11. ASSIGNMENT

CONTRACTOR shall not assign any of its rights or interest in this Contract or subcontract all or substantially all of its performance of this Contract, without ULA's prior written consent. CONTRACTOR may assign rights to be paid amounts due, or to become due, to a financing institution if ULA is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned shall be subject to setoff or recoupment for any present or future claims of ULA against CONTRACTOR. ULA shall have the right to make settlements and/or adjustments in price without notice to any assignee financing institution.

12. BANKRUPTCY

In the event the CONTRACTOR enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the CONTRACTOR agrees to furnish written notification of the bankruptcy to the Procurement Representative. This notification shall be furnished within five (5) days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, the case number, and a listing of all Contracts with ULA. This obligation remains in effect until final payment under this Contract.

13. COMMUNICATION WITH ULA'S CUSTOMER

ULA shall be solely responsible for all liaison and coordination with ULA's Customer unless explicitly required in another clause, including the U. S. Government, as it affects the applicable prime contract, this Contract, and any related contract. If another clause requires direct communication with ULA's Customer, CONTRACTOR shall notify ULA immediately and provide ULA a copy of the communication.

14. TIMELY PERFORMANCE

(a) CONTRACTOR's timely performance is of the essence and is a material element of this Contract. No acts of ULA, including without limitation, modifications of this Contract or acceptance of late deliveries, shall constitute waiver of this clause.

(b) Unless advance shipment has been authorized in writing by ULA, ULA may store at CONTRACTOR's expense, or return, shipping charges collect, all Work received in advance of the scheduled delivery date.

(c) If CONTRACTOR becomes aware of difficulty in performing the Work, CONTRACTOR shall timely notify ULA, in writing, giving pertinent details. This notification shall not change any performance or delivery schedule.

(d) If CONTRACTOR has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, CONTRACTOR shall immediately give notice, including all relevant information, to the Procurement Representative.

(e) In the event of a termination for convenience or Contract change, no claim will be allowed for any manufacture or procurement in advance of CONTRACTOR's normal flow time unless there has been prior written consent by ULA.

(f) Throughout the Contract's period of performance, CONTRACTOR shall notify ULA of any planned obsolescence of the Work in this Contract.

15. PACKING AND SHIPMENT

(a) CONTRACTOR shall be responsible for ensuring the proper packaging of goods hereunder in accordance with best commercial practice in accordance with ASTM D3951 "Commercial Packaging", unless specific packing instructions are provided. Except as included in this Contract, CONTRACTOR shall not charge ULA for packing, crating, freight, local cartage, and/or any other related packaging and shipment services. CONTRACTOR shall comply with ULA's written shipping instructions at all times.

(b) A complete packing list shall be enclosed with all shipments. CONTRACTOR shall mark containers or packages with necessary lifting, loading, and shipping information, including the ULA Contract number, item number, dates of shipment, and the names and addresses of consignor and consignee. Bills of lading shall include this Contract number.

(c) Unless otherwise specified, delivery shall be FOB Place of Origin.

16. ACCEPTANCE

(a) ULA's final inspection and acceptance shall be at destination.

(b) If CONTRACTOR delivers non-conforming Work, ULA may, in addition to any other remedies available at law or at equity: (i) accept all or part of such Work at an equitable price reduction; or (ii) reject such Work.

(c) CONTRACTOR shall not re-tender rejected Work without disclosing the corrective action taken.

(d) Work shall not be supplied in excess of quantities specified in this Contract. CONTRACTOR shall be liable for handling charges and return shipment costs for any excess quantities. If the Work is manufactured with reference to ULA's proprietary information or materials, CONTRACTOR agrees that, pursuant to the "Information of ULA" and, as appropriate the "Intellectual Property and Indemnity" clause of this Contract, it will not sell or offer such Work for sale to anyone other than ULA without ULA's prior written consent.

17. QUALITY CONTROL SYSTEM

(a) CONTRACTOR shall provide and maintain a quality control system to an industry-recognized Quality Standard and in compliance with any other specific quality requirements identified in this Contract.

(b) All quality records to Work performed under this Contract shall be kept complete and available to ULA. Quality records include receiving and inspection records consisting of reports reflecting receipt and inspection of supplies, equipment, and materials; and production records of quality control, reliability, and inspection. The CONTRACTOR shall contact ULA for approval prior to disposal of quality records.

(c) CONTRACTOR shall promptly notify ULA of any violation of or deviation from CONTRACTOR's approved quality control system. CONTRACTOR shall notify ULA of any Work delivered to ULA during the period of any such violation or deviation.

(d) If CONTRACTOR becomes aware of any nonconformance in the Work purchased under this Contract, CONTRACTOR shall notify the Procurement Representative immediately.

(e) In the event CONTRACTOR receives a Supplier Corrective Action Request (SCAR), CONTRACTOR shall respond within fifteen (15) days from receipt.

18. MAINTENANCE OF RECORDS

(a) CONTRACTOR shall maintain complete and accurate records relating to its performance of the Work to substantiate that CONTRACTOR performed all tasks required by the Contract. CONTRACTOR shall maintain all financial records pertaining to its performance of the Work. CONTRACTOR shall retain such records for three (3) years from final payment of this Contract.

(b) ULA shall have access to such records, and any other records CONTRACTOR is required to maintain under this Contract, for the purpose of audit during normal business hours, upon reasonable notice for so long as such records are required to be retained.

19. INFORMATION OF ULA

CONTRACTOR agrees to comply with the terms of any Confidentiality Agreement entered into by the parties and respect any proprietary and other restrictive markings that may be applied by ULA to anything provided hereunder to CONTRACTOR. Information provided by ULA to CONTRACTOR remains the property of ULA and such information, including tangible items conveying or embodying such information, is deemed the proprietary, confidential and/or trade secret information of ULA. Such information may be used by CONTRACTOR solely in accordance with the terms of any Confidentiality Agreement and for the purposes of this Contract. CONTRACTOR may not disclose such information to any third party without prior written consent of ULA.

20. INFORMATION OF CONTRACTOR

ULA personnel are not authorized to receive any information in confidence from CONTRACTOR. All communications of any kind from CONTRACTOR to ULA, accordingly, shall be deemed to be on a non-confidential basis unless CONTRACTOR and ULA have executed a Confidentiality Agreement protecting CONTRACTOR information. Except as otherwise agreed in writing between the

parties, all specifications, information, data, drawings, software and other items supplied to ULA by CONTRACTOR shall be disclosed to ULA on a non-proprietary basis and may be used and/or disclosed by ULA without restriction.

21. RELEASE OF INFORMATION

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, will be made by CONTRACTOR without the prior written approval of ULA.

22. INTELLECTUAL PROPERTY AND INDEMNITY

(a) All Foreground Intellectual Property Made by or for CONTRACTOR, either alone or with others, in the performance of this Contract will be (i) the exclusive property of ULA, (ii) delivered to ULA promptly upon request, and (iii) protected and used in accordance with the "Information of ULA" clause.

(b) CONTRACTOR will (i) promptly disclose in writing all inventions conceived, developed or first reduced to practice in the performance of this Contract to ULA and (ii) execute all papers, cooperate with ULA and perform all acts necessary in connection with the filing, prosecution or assignment of related patents or patent applications on behalf of ULA.

(c) To the extent permitted under United States or foreign copyright law, all works of authorship, including documents, drawings, test data, software, software documentation, photographs, videotapes, sound recordings and images, created by or for CONTRACTOR, either alone or with others in the performance of this Contract, will be works made for hire, with the copyrights therein vesting in ULA. The copyrights in all other such works that fall under this paragraph, including the exclusive rights therein, will be promptly transferred and formally assigned free of charge to ULA.

(d) CONTRACTOR grants to ULA, and to ULA's Customers and subcontractors, an irrevocable, nonexclusive, royalty-free, fully paid-up, transferable, worldwide license under any Background Intellectual Property owned or controlled by CONTRACTOR, but only to the extent that such Background Intellectual Property of CONTRACTOR is necessary to facilitate ULA's or ULA's Customers', subcontractors', or suppliers' use or enjoyment of the Work being delivered under this Contract or the Foreground Intellectual Property.

(e) CONTRACTOR warrants that the Intellectual Property and/or Work performed or delivered under this Contract will not infringe or otherwise violate the Intellectual Property rights of any third party.

(f) All authorizations with respect to the provision and sharing of Foreground Intellectual Property, Background Intellectual Property and/or the Work performed under this Contract shall be governed by (i) this Paragraph (f), (ii) the terms of the Confidentiality Agreement executed by and between CONTRACTOR and ULA which Confidentiality Agreement is incorporated by reference and made a part of this Contract, and (iii) the regulatory data rights clauses incorporated into and made a part of this Contract.

(g) CONTRACTOR shall indemnify, defend and hold harmless ULA, its customers, agents, employees, and subcontractors from and against any loss, damage or liability including attorney's fees and costs, based on a claim of infringement or misappropriation of any third party's Intellectual Property rights by the Work or Intellectual Property performed or delivered hereunder. ULA shall notify CONTRACTOR promptly of any such claim and, at CONTRACTOR's option and expense, shall provide to CONTRACTOR reasonable and necessary information, assistance (at CONTRACTOR's expense) and authority to defend or settle said claim. If required by ULA, CONTRACTOR shall provide proof of having sufficient resources or insurance to support this indemnification obligation. In case any Work or Intellectual Property provided hereunder in any suit is held to constitute a violation of such third party's Intellectual Property rights and its use is enjoined, CONTRACTOR shall at its option and expense (i) procure for ULA the right to continue using the Work and/or Intellectual Property, or (ii) modify the same to make it non-infringing, or (iii) replace the same with Work and/or Intellectual Property that is non-infringing and acceptable to ULA. CONTRACTOR shall not have any liability for infringement or misappropriation if the alleged infringement or misappropriation would not have occurred except for ULA's unauthorized modification of the Work and/or Intellectual Property or unauthorized combination with other articles, materials, supplies, goods or Intellectual Property.

23. FURNISHED PROPERTY

(a) ULA may provide to CONTRACTOR property owned by either ULA or ULA's Customer (Furnished Property). Furnished Property shall be used only for the performance of this Contract.

(b) Title to Furnished Property shall remain in ULA or ULA's Customer. CONTRACTOR shall clearly mark (if not so marked) all Furnished Property to show its ownership.

(c) Except for reasonable wear and tear, CONTRACTOR shall be responsible for, and shall promptly notify ULA of, any loss or damage. Without additional charge, CONTRACTOR shall manage, maintain, and preserve Furnished Property in accordance with good commercial practice.

(d) At ULA's request, and/or upon completion of this Contract, the CONTRACTOR shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by ULA.

24. PROHIBITED SOFTWARE

(a) This clause only applies to Work that includes the delivery of software.

(b) As used herein, "Prohibited License" means the General Public License ("GPL") or Lesser/Library GPL, the Artistic License (e.g., PERL), the Mozilla Public License, the Netscape Public License, the Sun Community Source License, the Sun Industry Standards License, or variations thereof, including without limitation licenses referred to as "GPL Compatible, Free Software License."

(c) As used herein, "Prohibited Software" means software that incorporates or embeds software in, or uses software in connection with, as part of, bundled with, or alongside any (1) open source, publicly available, or "free" software, library or documentation, or (2) software that is licensed under a Prohibited License, or (3) software provided under a license that (a) subjects the delivered software to any Prohibited License, or (b) requires the delivered software to be licensed for the purpose of making derivative works or be redistributable at no charge, or (c) obligates ULA to sell, loan, distribute, disclose or otherwise make available or accessible to any third party (i) the delivered software, or any portion thereof, in object code and/or source code formats, or (ii) any products incorporating the delivered software, or any portion thereof, in object code and/or source code formats.

(d) Unless CONTRACTOR has obtained ULA's prior written consent, which ULA may withhold in its sole discretion, CONTRACTOR shall not provide or otherwise deliver to ULA, any Prohibited Software.

25. CONTRACTOR IDENTIFICATION

(a) CONTRACTOR personnel and its Subcontractors working within ULA or ULA's Customer's site(s) must identify themselves as contractors or subcontractors during meetings, telephone conversations, in electronic messages, or correspondence related to this Contract and shall not hold themselves out as ULA employees.

(b) CONTRACTOR-occupied facilities within ULA or ULA's Customer's site(s) such as offices, separate rooms, or cubicles must be clearly identified with CONTRACTOR supplied signs, name plates or other identification, showing that these are work areas for CONTRACTOR or Subcontractor personnel.

26. GRATUITIES/KICKBACKS

(a) No gratuities (in the form of entertainment, gifts, or otherwise) for the purpose of obtaining or rewarding favorable treatment as a supplier, and no kickbacks, shall be offered or given by CONTRACTOR to any employee of ULA.

(b) CONTRACTOR shall contact ULA's Office of Internal Governance, at 1-800-511-4173, if any employee of ULA requests a gratuity and/or kickback.

(c) **By accepting this Contract, CONTRACTOR certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (41 USC 51-58), both of which are incorporated herein by this specific reference, except that paragraph (c)(1) of FAR 52.203-7 shall not apply.**

27. INDEPENDENT CONTRACTOR RELATIONSHIP

CONTRACTOR is an independent contractor for all purposes. CONTRACTOR shall have complete control over the performance of, and the details for accomplishing, the Work. In no event shall CONTRACTOR or its agents, representatives or employees be deemed to be agents, representatives or employees of ULA. CONTRACTOR shall be solely responsible for its employees to include payment of all compensation and benefits for all Work performed. CONTRACTOR shall comply with all requirements and obligations relating to such employees under employment contracts and federal, state and local laws. Should a CONTRACTOR employee claim that it is an employee of ULA or file a claim for compensation or benefits, CONTRACTOR shall indemnify and defend ULA against any such claim. CONTRACTOR shall also indemnify and defend ULA against any liability, fine or penalty that may be imposed upon ULA for CONTRACTOR's failure to comply with its employment contracts or federal, state or local law.

28. INSURANCE AND ENTRY ON ULA PROPERTY

(a) The provisions of this subparagraph (a) shall apply only in the event that CONTRACTOR, its employees, agents, or Subcontractors enter the site(s) of ULA or ULA's Customers to perform Work under this Contract.

(i) CONTRACTOR and its Subcontractors shall procure and maintain for the performance of this Contract the following types of insurance:

(a) Worker's Compensation in amounts as required by law, including U.S. Longshoreman and Harbor Worker's Act, if applicable, and Employer's Liability at a limit no less than \$1 Million.

(b) Commercial General Liability covering Premises Liability, Contractual Liability, Products and Completed Operations and Personal Injury Liability at a limit no less than \$3 Million each occurrence and annual aggregate. This policy shall name ULA as an additional insured and include a Waiver of Subrogation in favor of ULA; and

(c) Commercial Automobile Liability covering all owned, non-owned and hired vehicles, including loading and unloading thereof at a limit of no less than \$1 Million.

(ii) CONTRACTOR and its Subcontractors shall comply with all site requirements.

(b) For Work performed under this Contract despite location of performance, CONTRACTOR may also have to provide other insurance as ULA may reasonably require or provide proof that CONTRACTOR already maintains such insurance.

(c) For any insurance required by this clause, CONTRACTOR shall provide ULA thirty (30) days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of CONTRACTOR's required insurance, provided however such notice shall not relieve CONTRACTOR of its obligations to carry the required insurance. At Contract inception and at each renewal/replacement thereafter, CONTRACTOR shall send a "Certificate of Insurance" showing CONTRACTOR's compliance with these requirements and including this Contract number, to the Procurement Representative. Insurance maintained pursuant to this clause shall be considered primary as respects to the interest of ULA and is not contributory with any insurance which ULA may carry. CONTRACTOR's obligations to carry insurance coverages are freestanding and are not affected by any other language in this Contract.

29. ALLOWABLE COST AND PAYMENT (FAR 52.216-7, Allowable Cost and Payment applicable to any materials purchased as defined by FAR 52.232-7(b))

(a) **Invoicing.** ULA shall make payments to CONTRACTOR when requested as Work progresses, but (except for Small Business Concerns) not more often than once every two (2) weeks, in amounts determined to be allowable by ULA in accordance with the terms of this Contract and Subpart 31.2 of the FAR, and agency supplements as appropriate, in effect on the date of this Contract. If the Contract is with an educational institution, FAR Subpart 31.3 shall apply; and if with a non-profit organization other than an educational institution, FAR Subpart 31.7 shall apply. CONTRACTOR may submit to the Procurement Representative, in such form and reasonable detail as the Procurement Representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this Contract.

(b) Reimbursing costs.

(1) For the purpose of reimbursing allowable costs (except as provided in paragraph (b)(2) of the clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only: (i) Those recorded costs that, at the time of the request for reimbursement, CONTRACTOR has paid by cash, check, or other form of actual payment for items or services purchased directly for this Contract; (ii) When CONTRACTOR is not delinquent in paying costs of Contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for— (A) Work purchased directly for the Contract and associated financing payments to subcontractors, provided payments determined due will be made— (1) In accordance with the terms and conditions of a subcontract or invoice; and (2) Ordinarily within thirty (30) days prior to the submission of CONTRACTOR's payment request to ULA; (B) Materials issued from CONTRACTOR's inventory and placed in the production process for use on this Contract; (C) Direct labor; (D) Direct travel; (E) Other direct in-house costs; and (F) Properly allocable and allowable indirect costs, as shown in the records maintained by CONTRACTOR for purposes of obtaining reimbursement under Government contracts; and (iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to CONTRACTOR's subcontractors.

(2) Accrued costs of CONTRACTOR contributions under employee pension plans shall be excluded until actually paid unless: (i) CONTRACTOR's practice is to make contributions to the retirement fund quarterly or more frequently; and (ii) The contribution does not remain unpaid thirty (30) days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from CONTRACTOR's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this Contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this Contract by reference designating performance of services or furnishing of materials at CONTRACTOR's expense or at no cost to ULA shall be disregarded for purposes of cost-reimbursement under this clause.

(c) **Material.** ULA will not pay profit or fee to CONTRACTOR on materials.

(d) **Small business concerns.** A small business concern may receive more frequent payments than every two (2) weeks.

(e) **Final indirect cost rates.** ULA shall reimburse CONTRACTOR on the basis of final annual indirect cost rates and the appropriate bases established by CONTRACTOR and the Government in effect for the period covered by the indirect cost rate proposal. Final annual indirect cost rates and the appropriate bases shall be established in accordance with FAR Subpart 42.7 in effect for the period covered by the indirect cost rate proposal. Such rates and bases shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this Contract. The rates and bases shall be deemed incorporated into this Contract upon execution of a written settlement of rates by the CONTRACTOR and the appropriate Government representative.

(f) **Billing Rates.** There shall be included as allowable indirect costs such overhead rates as may be established by CONTRACTOR and the cognizant Government agency in accordance with the principles of the FAR and applicable FAR supplement. Pending establishment of final indirect overhead rates for any period, CONTRACTOR shall be reimbursed at billing rates approved by the cognizant Government agency, which billing rates may be revised from time to time subject to such approval and subject to appropriate adjustment when the final rates for that period are established. The CONTRACTOR shall update the billings on this CONTRACT to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, within sixty (60) days after settlement of final indirect cost rates.

(g) **Quick-closeout procedures.** When CONTRACTOR and ULA agree, quick-closeout procedures of Subpart 42.7 of the FAR may be used.

(h) **Audit.** At any time or times before final payment, ULA or the Contracting Officer may have CONTRACTOR's invoices or vouchers and statements of cost audited. Any payment may be (1) reduced by amounts found not to constitute allowable costs or (2) adjusted for prior overpayments or underpayments.

(i) **Final payment.**

(1) CONTRACTOR shall submit a completion invoice or voucher reflecting the settled amounts and rates, designated as such, promptly upon completion of the Work, but no later than one hundred and twenty (120) days (or longer, as ULA may approve in writing) from the completion date. The completion invoice or voucher shall include settled Subcontract amounts and rates. Upon approval of that completion invoice or voucher and upon CONTRACTOR's compliance with all terms of this Contract, ULA shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) CONTRACTOR shall pay to ULA any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by CONTRACTOR or any assignee under this Contract to the extent that those amounts are properly allocable to costs for which CONTRACTOR has been reimbursed by ULA. Reasonable expenses incurred by CONTRACTOR for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by ULA. Before final payment under this Contract, CONTRACTOR and each assignee whose assignment is in effect at the time of final payment shall execute and deliver: (i) An assignment to ULA, in form and substance satisfactory to ULA, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which CONTRACTOR has been reimbursed by ULA under this Contract; and (ii) A release discharging ULA, the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this Contract, except: (A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known; (B) Claims (including reasonable incidental expenses) based upon liabilities of CONTRACTOR to third parties arising out of the performance of this Contract; provided, that the claims are not known to CONTRACTOR on the date of the execution of the release, and that CONTRACTOR gives notice of the claims in writing to ULA within six (6) years following the release date or notice of final payment date, whichever is earlier; and (C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by CONTRACTOR under the patent clauses of this Contract, excluding, however, any expenses arising from CONTRACTOR'S indemnification of ULA and the Government against patent liability.

(j) **Subcontracts.** No subcontract placed under this Contract shall provide for payment on a cost-plus-a percentage-of-cost basis, and any fee payable under cost-reimbursements type subcontracts shall not exceed the fee limitations in paragraph 15.404-4(c) of the FAR.

30. PAYMENTS, TAXES, AND DUTIES

(a) Unless otherwise provided, terms of payment shall be net thirty (30) days from the latest of the following: (i) ULA's receipt of the CONTRACTOR's proper invoice; (ii) scheduled completion of performance of the Work; (iii) scheduled delivery date of the Work; (iv) actual completion or performance of the Work; or (v) actual delivery of the Work.

(b) Each payment made shall be subject to reduction to the extent of amounts which are found by ULA or CONTRACTOR not to have been properly payable, and shall also be subject to reduction for overpayments. CONTRACTOR shall promptly notify ULA of any such overpayments found by CONTRACTOR.

(c) ULA shall have a right to setoff or recoupment against payments due or at issue under this Contract or any other contract between the parties.

(d) Payment shall be deemed to have been made as of the date of mailing ULA's payment or electronic funds transfer.

(e) Unless otherwise specified, prices include all applicable federal, state, local and foreign taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice. When taxable and non-taxable items are invoiced under this Contract, taxable versus non-taxable items shall be separately stated. If Work purchased qualifies for tax exemption, then an exemption certificate will be presented from ULA to CONTRACTOR.

(f) CONTRACTOR agrees to submit upon the request of the Procurement Representative a release of claims upon final payment under this Contract.

31. PRECEDENCE

Any inconsistencies in this Contract shall be resolved in accordance with the following descending order of precedence: (i) Face of the Purchase Order and/or Task Order, release document, the schedule of this Contract, (including any continuation sheets), and/or any special terms and conditions; (ii) Terms and Conditions, including this Document; (iii) Statement of Work; (iv) Specifications; (v) Drawings; and (vi) any other exhibits of this Contract.

32. SURVIVABILITY

If this Contract expires, is completed or is terminated, CONTRACTOR shall not be relieved of those obligations contained in:

(a) the following clauses:

Acceptance, Merger and Severability
Allowable Cost and Payments
Compliance with Laws
Compliance with Financial Responsibility Requirements for Licensed Launch Activity
Cross Waiver of Liability for International Space Station Activities
Cross Waiver of Liability for Science or Space Explorations Activities Unrelated to the International Space Station
Disputes, Governing Law and Legal Notification
Export Control
Independent Contractor Relationship
Information of ULA
Insurance and Entry on ULA Property
Intellectual Property and Indemnity
Liability for Third Party Claims Arising from NASA Launches
Maintenance of Records
Prohibited Software
Quality Control System
Release of Information
Warranty
Commercial Space Launch Act

(b) those U. S. Government flowdown provisions that by their nature should survive.

(c) any Confidentiality Agreement entered into by the parties applicable to this Contract.

33. WARRANTY

(a) CONTRACTOR warrants that it is and shall remain free of any obligation or restriction that would interfere or be inconsistent with or present a conflict of interest concerning the Work to be furnished by CONTRACTOR under this Contract.

(b) CONTRACTOR further warrants that it will perform any services under this Contract in a non-negligent manner and with the highest degree of professional skill and sound practices and judgment recognized in the industry with respect to services of a similar nature.

(c) CONTRACTOR warrants that all Work furnished pursuant to this Contract must (i) strictly conform to the applicable statement of work, specifications, drawings, samples, descriptions, and other requirements of this Contract, (ii) be free from defects in design, material, and workmanship, (iii) not be or contain Counterfeit Work, as defined in this Contract, and (iv) comply with all applicable legislative and regulatory requirements in effect during the term of this Contract. This warranty shall begin upon final acceptance of the Work by ULA and extend for a period of two (2) years thereafter or longer as agreed between ULA and CONTRACTOR or as required by any specified shelf-life requirements. If any non-conforming Work is identified within the warranty period, CONTRACTOR, at ULA's option, shall promptly repair or replace the non-conforming Work at CONTRACTOR's Expense. Transportation of replacement Work shall be at CONTRACTOR's expense. If repair or replacement of Work is not timely, ULA may elect to return, repair, replace, or reprocur the Work at CONTRACTOR's expense.

(d) All warranties in this Contract shall run to ULA and its ULA's Customers.

(e) The warranties in this Contract are in addition to all other claims, rights, and remedies available to ULA at law.

34. COMPLIANCE WITH FINANCIAL RESPONSIBILITY REQUIREMENTS FOR LICENSED LAUNCH ACTIVITY

As required by, in accordance with, and subject to the Commercial Space Launch Act "CSLA", the Parties hereby agree as follows:

(a) Launch Liability Insurance. ULA shall obtain and maintain in effect a policy of liability insurance as required by the terms of the Launch License and in the amount prescribed therein to pay claims by third parties for Bodily Injury and Property Damage resulting from Licensed Activity and shall name CONTRACTOR and Contractor's Subcontractors as additional insureds thereunder.

(b) Waiver and Release of Claims.

(i) ULA hereby waives and releases claims against CONTRACTOR and Contractor's Subcontractors for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activity, regardless of fault.

(ii) CONTRACTOR hereby waives and releases claims against ULA and ULA's Subcontractors, the United States, United States' Subcontractors, Customer and Customer's Related Third Parties for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activity, regardless of fault.

(c) Assumption of Responsibility.

(i) ULA shall be responsible for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activity, regardless of fault.

(ii) CONTRACTOR shall be responsible for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activity, regardless of fault.

(d) Extension of Assumption of Responsibility and Waiver and Release of Claims.

(i) ULA hereby agrees to implement a waiver and release of claims with each of ULA's Subcontractors, each Customer, each Customer's Related Third Parties, the United States and United States' Subcontractors, under which each such party waives and releases claims against CONTRACTOR and Contractor's Subcontractors and agrees to assume financial responsibility for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees and, except in the case of the United States and United States' Subcontractors, agrees to hold harmless and indemnify CONTRACTOR and Contractor's Subcontractors from Bodily Injury or Property Damage sustained by its employees, resulting from Licensed Activity, regardless of fault, provided that the waiver and release to be implemented by ULA with the United States and United States' Subcontractors shall apply only to the extent of claims that exceed the amount of launch liability insurance obtained by ULA under paragraph (a) of this clause.

(ii) CONTRACTOR hereby agrees to implement a waiver and release of claims with each of Contractor's Subcontractors that have personnel or property at risk in the conduct of Licensed Activity, under which each of such Contractor's Subcontractors waives and releases claims against ULA, ULA's Subcontractors, Customers, Customer's Related Third Parties, the United States and United States' Subcontractors and agrees to assume financial responsibility for Property Damage such Contractor's Subcontractor sustains and for Bodily Injury or Property Damage sustained by its own employees and agrees to hold harmless and indemnify each such party from Bodily Injury or Property Damage sustained by such Contractor's Subcontractor's employees, resulting from Licensed Activity, regardless of fault.

(e) Indemnification.

(i) ULA shall defend, hold harmless and indemnify CONTRACTOR, and its directors, officers, servants, agents, subsidiaries, employees and assignees, or any of them, from and against liability, loss or damage arising out of claims that any of ULA's

Subcontractors may have for Property Damage sustained by them and for Bodily Injury or Property Damage sustained by their employees, resulting from Licensed Activity, regardless of fault.

(ii) CONTRACTOR shall defend, hold harmless and indemnify ULA, and its directors, officers, servants, agents, subsidiaries, employees and assignees, or any of them, from and against liability, loss or damage arising out of claims that any of Contractor's Subcontractors may have for Property Damage sustained by them and for Bodily Injury or Property Damage sustained by their employees, resulting from Licensed Activity, regardless of fault.

(f) Property Insurance. CONTRACTOR and ULA shall each be responsible for such insurance as they deem necessary to protect their respective property. Any such insurance procured by one Party shall provide that the insurers shall waive all rights of subrogation against the other Party and, in the case of insurance procured by ULA, a waiver of subrogation for the benefit of Contractor's Subcontractors and, in the case of CONTRACTOR, a waiver of subrogation for the benefit of ULA's Subcontractors, Customer, Customer's Related Third Parties, the United States and United States' Subcontractors.

(g) Limitation. Notwithstanding any provision of this clause to the contrary, any waiver, release, assumption of responsibility or agreement to hold harmless and indemnify herein shall not apply to claims for Bodily Injury or Property Damage resulting from willful misconduct of the party claiming relief, or the directors, officers, agents and employees of such party.

(h) The following definitions will apply to this clause only.

"Bodily Injury" means physical injury, sickness, disease, disability, shock, mental anguish, or mental injury sustained by any person, including death.

"Contractor's Subcontractors" means those entities that are involved at any level, directly or indirectly, in the performance by CONTRACTOR of its obligations under this Agreement, and includes suppliers of property and services, and the component manufacturers of the Launch Vehicle.

"CSLA" means the Commercial Space Launch Act, as amended, 51 U.S.C. Chapter 509 et. seq., including implementing regulations at 14 C.F.R. Parts 415 and 440.

"Customer" means a customer of ULA under a Launch Services Agreement.

"Customer's Related Third Parties" means those contractors, subcontractors and suppliers at any tier involved directly or indirectly in the performance by Customer of its obligations under a Launch Services Agreement, Customer entities involved with payload processing or other activities in the payload processing facilities and parties having any right, title or interest in the satellite to be launched under the Launch Services Agreement or the Launch Vehicle.

"Launch License" means: (a) such current licenses issued by the Associate Administrator for Commercial Space Transportation, Federal Aviation Administration, Department of Transportation, to ULA, including all license orders issued in connection therewith; and (b) any future launch license issued to ULA in accordance with the CSLA and notified to CONTRACTOR.

"Launch Services Agreement" means the launch services agreement entered into between ULA and a Customer for the provision of launch services.

"Launch Vehicle" means the launch vehicle system consisting of (an Atlas lower stage and Centaur upper stage connected by an interstage adapter, the payload fairing and the payload adapter with separation system collectively identified as the Atlas) to perform launch services under the Launch License.

"Licensed Activity" means the launch of the Launch Vehicle in accordance with the terms of a Launch License.

"Property Damage" means partial or total destruction, impairment, or loss of tangible property, real or personal.

"ULA's Subcontractors" means those entities, other than CONTRACTOR and Contractor's Subcontractors, that are involved at any level, directly or indirectly, in the performance by ULA of Licensed Activity.

"United States" means the United States and its agencies involved in Licensed Activity.

"United States' Subcontractors" means those entities that are involved at any level, directly or indirectly, in the performance by the United States of any Licensed Activity.

35. CROSS-WAIVER OF LIABILITY FOR SCIENCE OR SPACE EXPLORATION ACTIVITIES UNRELATED TO THE INTERNATIONAL SPACE STATION (DEVIATION) (1852.228-78 (OCT 2009))

This clause only applies to missions under a NASA prime contract.

- (a) The purpose of this clause is to extend a cross-waiver of liability to NASA contracts for Work done in support of Agreements between Parties involving Science or Space Exploration activities, unrelated to the International Space Station (ISS), but which involve a launch. This cross-waiver of liability shall be broadly construed to achieve the objective of furthering participation in space exploration, use, and investment.
- (b) As used in this clause, the term:
- (i) "Agreement" refers to any NASA Space Act agreement that contains the cross-waiver of liability provision authorized in 14 CFR 1266.104.
 - (ii) "Damage" means:
 - (a) Bodily injury to, or other impairment of health of, or death of, any person;
 - (b) Damage to, loss of, or loss of use of any property;
 - (c) Loss of revenue or profits; or
 - (d) Other direct, indirect, or consequential Damage;
 - (iii) "Launch Vehicle" means an object, or any part thereof, intended for launch, launched from Earth, or returning to Earth which carries Payloads or persons, or both.
 - (iv) "Party" means a party to a NASA Space Act agreement for Science or Space Exploration activities, unrelated to the ISS, but which involve a launch and a party that is neither the prime contractor under this contract nor a subcontractor at any tier hereto.
 - (v) "Payload" means all property to be flown or used on or in a Launch Vehicle.
 - (vi) "Protected Space Operations" means all Launch or Transfer Vehicle activities and Payload activities on Earth, in outer space, or in transit between Earth and outer space in implementation of an Agreement for Science or Space Exploration activities, unrelated to the ISS, but which involve a launch. Protected Space Operations begins at the signature of the Agreement and ends when all activities done in implementation of the agreement are completed. It includes, but is not limited to:
 - (a) Research, design, development, test, manufacture, assembly, integration, operation, or use of Launch or Transfer Vehicles, Payloads, or instruments, as well as related support equipment and facilities and services; and
 - (b) All activities related to ground support, test, training, simulation, or guidance and control equipment, and related facilities or services. Protected Space Operations excludes activities on Earth which are conducted on return from space to develop further a Payload's product or process other than for the activities within the scope of an Agreement.
 - (vii) "Related entity" means:
 - (a) A contractor or subcontractor of a Party at any tier;
 - (b) A user or customer of a party at any tier; or
 - (c) A contractor or subcontractor of a user or customer of a Party at any tier. The terms "contractors" and "subcontractors" include suppliers of any kind.
- (c) Cross-waiver of liability:
- (i) CONTRACTOR agrees to a waiver of liability pursuant to which it waives all claims against any of the entities or persons listed in paragraphs (c)(i)(a) through (c)(i)(d) of this clause based on Damage arising out of Protected Space Operations. This cross-waiver shall apply only if the person, entity, or property causing the Damage is involved in Protected Space Operations and the person, entity, or property damaged is damaged by virtue of its involvement in Protected Space Operations. The waiver shall apply to any claims for Damage, whatever the legal basis for such claims, against:
 - (a) A Party;
 - (b) A Party to another NASA Agreement or contract that includes flight on the same Launch Vehicle;
 - (c) A Related Entity of any of the entities identified in (c)(i)(a) or (c)(i)(b) of this clause; or
 - (d) The employees of any of the entities identified in (c)(i)(a) through (c)(i)(c) of this clause.
 - (ii) CONTRACTOR agrees to extend the cross-waiver of liability as set forth in paragraph (c)(i) of this clause to its own subcontractors at all tiers by requiring them, by contract or otherwise, to:
 - (a) Waive all claims against the entities or persons identified in paragraphs (c)(1)(i) through (c)(1)(iv) of this clause; and
 - (b) Require that their Related Entities waive all claims against the entities or persons identified in paragraph (c)(1)(i) through (c)(1)(iv) of this clause.

(iii) For avoidance of doubt, this cross-waiver includes a cross-waiver of claims arising from the *Convention on International Liability for Damage Caused by Space Objects*, which entered into force on September 1, 1972, where the person, entity, or property causing the Damage is involved in Protected Space Operations and the person, entity, or property damaged is damaged by virtue of its involvement in Protected Space Operations.

- (iv) Notwithstanding the other provisions of this clause, this crosswaiver of liability shall not be applicable to:
- (a) Claims between the Government and its own contractors or between its own contractors and subcontractors;
 - (b) Claims made by a natural person, his/her estate, survivors, or subrogees (except when a subrogee is a Party to an Agreement or is otherwise bound by the terms of this cross-waiver) for bodily injury to, or other impairment of health, or death of such person;
 - (c) Claims for Damage caused by willful misconduct;
 - (d) Intellectual property claims;
 - (e) Claims for damages resulting from failure of the CONTRACTOR to extend the cross-waiver of liability to its subcontractors and related entities, pursuant to paragraph (c)(2) of this clause; or
 - (f) Claims by the Government arising out of or relating to a contractor's failure to perform its obligations under this contract.

(d) Nothing in this clause shall be construed to create the basis for a claim or suit where none would otherwise exist.

(e) This cross-waiver shall not be applicable when 49 U.S.C. Subtitle IX, Chapter 701 is applicable.

36. CROSS-WAIVER OF LIABILITY FOR INTERNATIONAL SPACE STATION ACTIVITIES (NFS 1852.228-76 OCT 2012 (DEVIATION))

This clause only applies to missions under a NASA prime contract.

(a) The Intergovernmental Agreement for the International Space Station (ISS) contains a cross-waiver of liability provision to encourage participation in the exploration, exploitation, and use of outer space through the ISS. The cross-waiver of liability in this clause is intended to be broadly construed to achieve this objective.

(b) As used in this clause, the term:

(i) "Agreement" refers to any NASA Space Act agreement or contract that contains the cross-waiver of liability provision authorized by 14 CFR Part 1266.102.

(ii) "Damage" means:

- (a) Bodily injury to, or other impairment of health of, or death of, any person;
- (b) Damage to, loss of, or loss of use of any property;
- (c) Loss of revenue or profits; or
- (d) Other direct, indirect, or consequential Damage.

(iii) "Launch" means the intentional ignition of the first-stage motor(s) of the Launch Vehicle intended to place or try to place a Launch Vehicle (which may or may not include any Transfer Vehicle, Payload or crew) from Earth:

- (a) in a suborbital trajectory;
- (b) in Earth orbit in outer space; or
- (c) otherwise in outer space, including activities involved in the preparation of a Launch Vehicle, Transfer Vehicle or Payload for launch.

(iv) "Launch Services" means:

- (a) Activities involved in the preparation of a Launch Vehicle, Transfer Vehicle, Payload, or crew (including crew training), if any, for launch; and
- (b) The conduct of a Launch.

(v) "Launch Vehicle" means an object, or any part thereof, intended for launch, launched from Earth, or returning to Earth which carries Payloads or persons, or both.

(vi) "Partner State" includes each Contracting Party for which the Agreement Among the Government of Canada, Governments of Member States of the European Space Agency, the Government of Japan, The Government of the Russian Federation, and the Government of the United States of America concerning Cooperation on the Civil International Space Station (IGA) has entered into force, pursuant to Article 25 of the IGA or pursuant to any successor Agreement. A Partner State includes its Cooperating

Agency. It also includes any entity specified in the Memorandum of Understanding (MOU) between NASA and the Government of Japan's Cooperating Agency in the implementation of that MOU.

(vii) "Party" means a party to an Agreement involving activities in connection with the ISS, including this contract.

(viii) "Payload" means all property to be flown or used on or in a Launch Vehicle or the ISS.

(ix) "Protected Space Operations" means all Launch or Transfer Vehicle activities, ISS activities, and Payload activities on Earth, in outer space, or in transit between Earth and outer space performed in implementation of the IGA, MOUs concluded pursuant to the IGA, implementing arrangements, and contracts to perform work in support of NASA's obligations under these Agreements. It includes, but is not limited to:

- (a) Research, design, development, test, manufacture, assembly, integration, operation, or use of Launch or Transfer Vehicles, the ISS, Payloads, or instruments, as well as related support equipment and facilities and services; and
- (b) All activities related to ground support, test, training, simulation, or guidance and control equipment and related facilities or services. "Protected Space Operations" also includes all activities related to evolution of the ISS, as provided for in Article 14 of the IGA. "Protected Space Operations" excludes activities on Earth which are conducted on return from the ISS to develop further a Payload's product or process for use other than for ISS-related activities in implementation of the IGA.

(x) "Reentry" means to return or attempt to return, purposefully, a Transfer Vehicle, Payload, or crew from the ISS, Earth orbit, or outer space to Earth.

(xi) "Reentry Services" means:

- (a) Activities involved in the preparation of a Transfer Vehicle, Payload, or crew (including crew training), if any, for Reentry; and
- (b) The conduct of a Reentry.

(xii) "Related Entity" means:

- (a) A contractor or subcontractor of a Party or a Partner State at any tier;
- (b) A user or customer of a Party or a Partner State at any tier; or
- (c) A contractor or subcontractor of a user or customer of a Party or a Partner State at any tier. The terms "contractor" and "subcontractor" include suppliers of any kind.

(xiii) "Transfer Vehicle" means any vehicle that operates in space and transfers Payloads or persons or both between two different space objects, between two different locations on the same space object, or between a space object and the surface of a celestial body. A Transfer Vehicle also includes a vehicle that departs from and returns to the same location on a space object.

(c) Cross-waiver of liability:

(i) The CONTRACTOR agrees to a cross-waiver of liability pursuant to which it waives all claims against any of the entities or persons listed in paragraphs (c)(i)(a) through (c)(i)(d) of this clause based on Damage arising out of Protected Space Operations. This crosswaiver shall apply only if the person, entity, or property causing the Damage is involved in Protected Space Operations and the person, entity, or property damaged is damaged by virtue of its involvement in Protected Space Operations. The cross-waiver shall apply to any claims for Damage, whatever the legal basis for such claims, against:

- (a) A Party as defined in (b)(vii) of this clause;
- (b) A Partner State, including the United States of America;
- (c) A Related Entity of any entity identified in paragraph (c)(i)(a) or (c)(i)(b) of this clause; or
- (d) The employees of any of the entities identified in paragraphs (c)(i)(a) through (c)(i)(c) of this clause.

(ii) In addition, the CONTRACTOR shall, by contract or otherwise, extend the cross-waiver of liability set forth in paragraph (c)(i) of this clause, to its Related Entities by requiring them, by contract or otherwise, to:

- (a) Waive all claims against the entities or persons identified in paragraphs (c)(i)(a) through (c)(i)(d) of this clause; and
- (b) Require that their Related Entities waive all claims against the entities or persons identified in paragraphs (c)(i)(a) through (c)(i)(d) of this clause.

(iii) For avoidance of doubt, this cross-waiver of liability includes a cross-waiver of claims arising from the *Convention on International Liability for Damage Caused by Space Objects*, which entered into force on September 1, 1972, where the person, entity, or property causing the Damage is involved in Protected Space Operations and the person, entity, or property damaged is damaged by virtue of its involvement in Protected Space Operations.

(iv) Notwithstanding the other provisions of this clause, this cross-waiver of liability shall not be applicable to:

- (a) Claims between the CONTRACTOR and its own Related Entities or between its Related Entities;

- (b) Claims made by a natural person (with the exception of Passengers and Commercial Cargo Customers), his/her estate, survivors or subrogees (except when a subrogee is a Party to an Agreement or is otherwise bound by the terms of this cross-waiver) for bodily injury to, or other impairment of health of, or death of, such person;
- (c) Claims for Damage caused by willful misconduct;
- (d) Intellectual property claims;
- (e) Claims for Damage resulting from a failure of the contractor to extend the cross-waiver of liability to its subcontractors or related entities, pursuant to paragraph (c)(2) of this clause;
- (f) Claims by the Government arising out of or relating to the CONTRACTOR's failure to perform its obligations under this contract.
- (g) Claims against Passengers or Commercial Cargo Customers.

(v) Nothing in this clause shall be construed to create the basis for a claim or suit where none would otherwise exist.

(d) Waiver of claims Between the Government and CONTRACTOR:

(i) This clause provides for a reciprocal waiver of claims between the Government and the CONTRACTOR and their Related Entities as described in paragraph (c) above, except that the Government shall waive such claims only to the extent such claims exceed the maximum amount of the CONTRACTOR's insurance or financial capability required under paragraph (f) below. This reciprocal waiver of claims shall not apply to rights and obligations arising from the application of any of the other clauses in the contract or to rights and obligations arising from activities that are not within the scope of this Contract.

(ii) Pursuant to paragraph (c)(ii), the CONTRACTOR shall extend this waiver of claims to its Related Entities by requiring them, by contract or otherwise, to waive all claims against the Government and its Related Entities.

(e) ULA must obtain a Federal Aviation Administration (FAA) license, in accordance with 51 U.S.C. 50901 *et seq.*, for Launch and Reentry Services performed under specific missions. The waivers of claims shall not apply to Launch Services and Reentry Services that are subject to the FAA license under the CSLA.

(f) ULA or ULA's customer shall maintain insurance, or demonstrate financial capability to compensate, for damages (as defined in paragraph (b)(ii)(b)) to U.S. Government property, except for damage to all on orbit ISS structures, modules, and systems required for functionality of the ISS, during Launch Services, Reentry Services, or transportation to, from, in proximity of, or docking with the ISS under this Contract. For purposes of this paragraph (f), "preparation" of a Launch Vehicle or Transfer Vehicle includes test, assembly, integration or operations of the Launch Vehicle, Transfer Vehicle or their Payloads on a Government installation. Such insurance shall be an amount up to \$100 million, or the maximum amount available in the market at reasonable cost, subject to approval by the Contracting Officer. Financial capability, if authorized by the Contracting Officer, shall be in the amount of \$100 million. The Contractor shall provide acceptable evidence of the insurance or financial capability to the Contracting Officer, subject to Contracting Officer approval. Insurance policies shall name the United States Government as an additional insured party. Once approved by the Contracting Officer, insurance policies may not be modified or canceled without the prior, written approval of the Contracting Officer.

37. LIABILITY FOR THIRD PARTY CLAIMS ARISING FROM NASA LAUNCHES

This clause only applies to missions under a NASA prime contract.

(a) This clause applies to Third Party claims that arise from the conduct of hazardous launch activities when hardware or services procured under this Contract are used to provide launch services to NASA and NASA has agreed to provide liability coverage under the terms of 42 U.S.C. §2473(c)(13). This clause explains the approach of NASA, ULA and CONTRACTOR to address Third Party claims between NASA, ULA and CONTRACTOR for damage to or loss of property or bodily injury or death arising from covered launch activities. This clause applies in lieu of indemnification under Public Law 85-804 and the Commercial Space Launch Act for launch services provided to NASA using hardware or services provided by CONTRACTOR under this Contract.

(b) Definitions:

(i) Covered Launch Activities: Any and all activities involved in the preparation of a launch vehicle and payload for launch, and conduct of the launch, when those activities take place at a launch site in the United States.

(ii) Launch: The intentional ignition of the first-stage motor(s) of the launch vehicle that has been integrated with the payload.

(iii) Launch Vehicle: The baseline LVS consisting of a common core booster section and any strap on motors attached, one (1) interstage, an orbital adjust module, the payload fairing and the payload adapter.

(iv) Party or Parties: The CONTRACTOR, ULA and NASA.

(v) Payload: All NASA or NASA-sponsored equipment that has been or will be integrated with the launch vehicle for transportation into earth orbit or escape trajectories.

(vi) Related Party:

- (a) Any of the parties' directors, officers, agents, employees or customers
- (b) Any of the parties' contractors, subcontractors, or suppliers at any tier involved directly or indirectly in the performance of this Contract
- (c) Any entity having any right, title or interest, whether through sale, lease or service arrangement or otherwise, directly or indirectly, in the payload, the launch vehicle, or the launch service. Third Party: Any person or entity other than NASA, ULA and the CONTRACTOR and their Related Parties.

(c) Required Insurance for Liability to Third Parties

(i) ULA shall continue in effect or acquire insurance to protect the parties and the Related Parties from liability for claims from Third Parties for damage to or loss of property or personal injury or death arising in connection with the covered launch activities under this Contract. The amount of the required insurance shall be the maximum amount available in the commercial marketplace at reasonable cost, but shall not exceed \$500 million for each launch. The policy or policies shall name CONTRACTOR and its related parties as additional insured parties. Required insurance coverage shall attach no later than the arrival of the launch vehicle at the launch site and shall remain in force for at least thirty (30) days following launch.

(ii) The foregoing insurance requirement does not preclude ULA or the CONTRACTOR from acquiring or continuing in effect any additional insurance to protect their interests or the interests of their Related Parties.

(d) Third Party Claims in Excess of Required Insurance

(i) NASA has determined that launches, under this Contract, are conducted by NASA in performance of its functions, as specified in 42 U.S.C. § 2473(a). As a result, once ULA or its insurers have paid out for Third Party claims the amount of required insurance under paragraph 32.3(A), NASA will consider any additional Third Party claims for damage to or loss of property or personal injury or death arising from the launches as claims against the United States under the authority of 42 U.S.C. § 2473(c)(13).

(ii) ULA (once it or its insurers have paid to Third Party claimants, from their own funds, an amount equal to the amount of required insurance for a launch) shall adjust, settle and pay meritorious and reasonable additional Third Party claims in excess of the amount of required insurance. To the extent NASA determines that such costs exceed \$25,000, it will forward such claim to the Secretary of Treasury for certification and payment pursuant to 31 U.S.C. § 1304(a). Such costs are subject to the availability of funds and the usual tests for allowability and the total of such costs shall be paid up to a limit of \$1.5 billion above the insurance obtained by ULA for each launch.

(iii) In evaluating Third Party claims against the United States paid by ULA, NASA will consider such a claim to be meritorious unless the claim represents:

- (a) Liabilities for which ULA or the CONTRACTOR is otherwise responsible under the express terms or conditions of the contract or a task order issued under this Contract
- (b) Liabilities for which ULA has failed to insure or to maintain insurance as required by NASA
- (c) Liabilities for which ULA has not reasonably adjusted, settled, or paid on a meritorious and reasonable basis.
- (d) Liabilities that result from willful misconduct or lack of good faith on the part of any of ULA or the CONTRACTOR's directors, officers, managers, superintendents, or other representatives who have supervision or direction of:
 - (1) All or substantially all of ULA or the CONTRACTOR's business
 - (2) All or substantially all of ULA's or the CONTRACTOR's operations at any one plant or separate location in which this Contract is being performed
 - (3) A separate and complete major industrial operation in connection with the performance of this Contract
- (e) Liabilities that arise from the willful misconduct or gross negligence of the Claimant or, in the case of a claim based on death, the claimant's descendant.

(e) Third Party Liability for NASA Secondary Payloads on Non-NASA Primary Missions. The requirements of this clause shall apply to all launch services provided under this Contract except for those services involving NASA secondary payloads which are manifested on a launch service for non-NASA (commercial) primary payloads. In the event that a NASA secondary payload is manifested on a launch services for a non-NASA (commercial) primary payload, ULA shall obtain third party liability insurance and indemnification for third party claims in excess of insurance pursuant to the Commercial Space Launch Act, 49 U.S.C. 70101 et seq.

SECTION II: FAR/NFS FLOWDOWN PROVISIONS

The Federal Acquisition Regulation (FAR) clauses and NASA FAR Supplement (NFS) 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. The Contracts Disputes Act shall have no application to this Contract. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Contract. The full text for a FAR clause may be accessed electronically at the following address: <https://www.acquisition.gov/far/>

This Contract is entered into by ULA and the CONTRACTOR in support of a current or potential 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. "Contracting Officer" shall mean the U.S. Government Contracting Officer for ULA's government prime contract.
3. "Contractor" and "Offeror" means the CONTRACTOR, as defined in these Terms and Conditions, acting as the immediate (first tier) subcontractor to ULA.
4. "Prime Contract" means the contract between ULA and the U.S. Government or between ULA and its higher-tier contractor who has a contract with the U.S. Government.

(a) 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (OCT 2015) (Applicable if the period of performance is 120 days or over. Paragraph (c) does not apply if this Contract is for a commercial item or if the CONTRACTOR is a small business. Disclosures made under this clause shall be made directly to the Government entities identified in the clause and notification to ULA is not required.) (Applies only if the value of this Contract equals or exceeds \$5.5 Million).

(b) 52.209-06 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (OCT 2015) (Substitute "Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.. Applies only if this Contract exceeds \$35,000 except for the procurement of commercially available off-the-shelf items.)

(c) 52.219-08 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2014)

(d) 52.222-26 EQUAL OPPORTUNITY (APR 2015) (Only paragraphs (c)(1)-(11) applies.)(Applies only if the value of this Contract equals or exceeds \$10,000).

(e) 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (OCT 2015) (Applies only if the value of this Contract equals or exceeds \$150,000).

(f) 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (OCT 2010) (Applies only if the value of this Contract equals or exceeds \$15,000).

(g) 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010) (In paragraph (f)(4) communication/notification required under this clause from/to the CONTRACTOR to/from the Contracting Officer shall be through ULA. Applies only if the value of this Contract equals or exceeds \$10,000.)

(h) 52.222-50 COMBATING TRAFFICKING IN PERSONS (MAR 2015) (Substitute "Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.. In paragraph (e) Insert "and ULA" after "Government".)

(i) 1852.246-73 HUMAN SPACE FLIGHT ITEM (MAR 1997)

SECTION III: CERTIFICATIONS AND REPRESENTATIONS

THIS CLAUSE CONTAINS CERTIFICATIONS AND REPRESENTATIONS THAT ARE MATERIAL REPRESENTATIONS OF FACT UPON WHICH ULA WILL RELY IN MAKING AWARDS TO CONTRACTOR. CONTRACTOR CERTIFIES TO THE REPRESENTATIONS AND CERTIFICATIONS AS SET FORTH BELOW BY SUBMITTING ITS WRITTEN OFFER, PROVIDING ORAL OFFERS/QUOTATIONS, OR ACCEPTING ANY CONTRACT WITH ULA. THESE CERTIFICATIONS 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 ULA. CONTRACTOR SHALL IMMEDIATELY NOTIFY ULA OF ANY CHANGE OF STATUS WITH REGARD TO THESE CERTIFICATIONS AND REPRESENTATIONS.

(a) FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters.

(1) CONTRACTOR certifies that, to the best of its knowledge and belief, that CONTRACTOR and/or any of its Principals, (as defined in FAR 52.209-5,) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency.

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

(b) FAR 52.222-22 Previous Contracts and Compliance Reports. CONTRACTOR represents that if CONTRACTOR has participated in a previous contract or subcontract subject to Equal Opportunity clause (FAR 52.222-26): (i) CONTRACTOR has filed all required compliance reports, and (ii) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(c) FAR 52.222-25 Affirmative Action Compliance. CONTRACTOR represents: (i) that CONTRACTOR 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 (ii) that in the event such a program does not presently exist, CONTRACTOR 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.