



**SPECIAL TERMS AND CONDITIONS OF PURCHASE**  
**U.S. GOVERNMENT MANDATORY FLOW DOWNS**

**1. DEFINITIONS**

"Buyer" means Teledyne Electronic Safety Products, a business unit of Teledyne Technologies Incorporated. "Seller" means the entity from which Buyer is purchasing Goods and/or Services. "Goods" means the products, materials, equipment, and the like, purchased by Buyer. "Services" means services performed by Seller. "Offer" means any quotation, bid, or proposal for Goods and/or Services made by Seller to Buyer. "Order" means Buyer's purchase order, or similar instrument. As used in the FAR and DFARS clauses referenced below, and otherwise in this Contract, "Commercial Item" means a commercial item as defined in FAR 2.101. "Contract" means Buyer's Order. "Contractor" means Seller, acting as the immediate (first-tier) subcontractor to Buyer. "Prime Contract" means the contract between Buyer and the U.S. Government or between Buyer and a higher-tier contractor in support of a U.S. Government Prime Contract. "Subcontract" means any contract placed by Seller or lower-tier subcontractors under Buyer's Order. All references to "terms and conditions" herein mean and include (a) these "Special Terms and Conditions of Purchase", (b) Buyer's "General Terms and Conditions of Purchase", and (c) any other terms and conditions mutually agreed upon by the Parties in writing. Buyer and Seller are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

**2. SPECIAL TERMS AND CONDITIONS OF PURCHASE**

Buyer's Order is issued in support of a U.S. Government Contract is subject to mandatory flow-down of certain U.S. Government requirements, including Federal Acquisition Regulation (FAR) clauses and Defense Federal Acquisition Regulation Supplement (DFARS) clauses as delineated in the following Sections. These clauses, and the special terms and conditions herein, apply Buyer's Order and supplement Buyer's General Terms and Conditions of Purchase. Seller's acceptance of Buyer's Order, and any changes or amendments thereto, is strictly conditioned upon Seller's assent to Buyer's terms and conditions.

**3. ORDER OF PRECEDENCE**

The following order of precedence shall apply in the event of an inconsistency within Buyer's Order and its related documents, as applicable:

- (a) Buyer's Special Terms and Conditions
- (b) Buyer's Terms and Conditions of Sale
- (c) Specification
- (d) Statement of Work or Scope of Services

**4. U.S. GOVERNMENT REQUIREMENTS**

(a) Seller shall, at the request of Buyer, accept amendments to Buyer's Order 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 U.S. Government Prime Contract, or with the provisions of amendments to such Prime Contract.

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

(b) The following Notes apply to certain clauses in the following Sections as indicated.

Note 1: Substitute "Buyer" for "Government" or "United States" throughout this clause.

Note 2: Substitute "Buyer's Procurement Representative" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.

Note 3: Insert "and Buyer" after "Government" or "Contracting Officer", as appropriate, throughout this clause.

Note 4: Insert "or Buyer" after "Government" throughout this clause.

Note 5: Communication/notification required under this clause from/to Seller to/from the Contracting Officer shall be through the Buyer's Procurement Representative.

**37. U.S. GOVERNMENT REQUIREMENTS - FAR CLAUSES**

(a) The Federal Acquisition Regulation (FAR) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, during the performance of Buyer's Order. When a FAR clause uses a word or term that is defined in the FAR, the word or term shall have the same meaning as in the definition in FAR 202.101 in effect on the date of Buyer's Order unless (i) a different definition is expressly set forth in Buyer's Order; 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.

(b) The following FAR clauses apply to Buyer's Order:

- FAR 52.204-2 Security Requirements (applies when the Buyer's Order involves access to information classified "Confidential," "Secret," or "Top Secret") (delete paragraph (c) of this clause)
- FAR 52.204-9 Personal Identify Verification of Contractor Personnel (applies only is Seller requires access to Federally-controlled facilities)
- FAR 52.211-5 Material Requirements (applies only to Buyer's Orders for noncommercial items) (Note 2 applies)
- FAR 52.211-15 Defense Priority and Allocation Requirements (applies only if Prime Contract includes DPAS Rating)
- FAR 52.222-1 Notice to Government of Labor Disputes (Note 2 applies)
- FAR 52.222-21 Prohibition of Segregated Facilities
- FAR 52.222-26 Equal Opportunity (only paragraphs (c) (1)-(11) apply)
- FAR 52.222-50 Combating Trafficking in Persons (Note 3 applies)
- FAR 52.223-3 Hazardous Material Identification and Material Safety Data (applies if Buyer's Order involves hazardous material) (Note 3 applies)
- FAR 52.223-5 Pollution prevention and Right-to-Know Information (applies only to Buyer's Orders performed on a Federal facility)
- FAR 52.223-7 Notice of Radioactive Materials (applies if Buyer's Order involves radioactive materials) (Note 3 applies)
- FAR 52.223-11 Ozone-Depleting Substances (applies if Goods are manufactured with or contain ozone-depleting substances)
- FAR 52.223-18 Contractor Policy to Ban Text Messaging While Driving
- FAR 52.225-13 Restrictions on Certain Foreign Purchases
- FAR 52.227-10 Filing of Patent Applications-Classified Subject Matter (applies where the nature of the work reasonably might result in a patent application containing classified subject matter)
- FAR 52.227-11 Patent Rights - Ownership by the Contractor (applies to Buyer's Orders for experimental, developmental, or research work. issued by an agency other than DoD, DoE, or NASA)
- FAR 52.227-14 Rights in Data - General
- FAR 52.227-19 Commercial Computer Software License (applies if existing computer software is to be delivered under Buyer's Order)
- FAR 52.233-4 Applicable Law for Breach of Contract Claim
- FAR 52.237-1 Site Visit (applies in all Buyer's Orders for Services to be performed on a Government installation)
- FAR 52.237-2 Protection of Government Buildings, Equipment, and Vegetation (applies to all Buyer's Order for Services to be performed on Government installations)
- FAR 52.243-1 Changes (Note 2 applies)
- FAR 52.244-6 Subcontracts for Commercial Items (applies only if Buyer's Order is for Commercial Items as defined as defined in FAR Clause 2.101)
- FAR 52.245-1 Government Property (applies if Government property is furnished in the performance of Buyer's Order) (Note 2 applies)
- FAR 52.247-63 Preference for U.S.-Flag Air Carriers (applies when Buyer's Order involves international air transportation)
- FAR 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels (Note 1 applies)

(c) The following FAR clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$10,000:

- FAR 52.222-20 Walsh-Healey Public Contracts Act
- FAR 52.225-8 Duty-Free Entry (Note 2 applies)

(d) The following FAR clause applies to Buyer's Order if the value of the Prime Contract equals or exceeds \$15,000:

- FAR 52.222-36 Affirmative Action for Workers with Disabilities

(b) The following FAR clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$25,000:

- FAR 52.225-1 Buy American Act - Supplies (Note 2 applies)

- FAR 52.225-5 Trade Agreements (applies if Buyer's Order requires other than U.S. made, designated country, Caribbean, or NAFTA country end products)
- (e) *The following FAR clause applies to Buyer's Order if the value of the Prime Contract equals or exceeds \$30,000:*
- FAR 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
- (f) *The following FAR clauses apply to Buyer's Order if the value of the Prime Contract exceeds the simplified acquisition threshold (\$100,000):*
- FAR 52.202-1 Definitions
- FAR 52.203-5 Covenant Against Contingent Fees
- FAR 52.203-6 Restrictions on Subcontractor's Sales to the Government
- FAR 52.203-7 Anti-Kickback Procedures (excluding subparagraph (c) (1))
- FAR 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity
- FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
- FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
- FAR 52.215-2 Audit and Records – Negotiation (Note 2 applies)
- FAR 52.215-14 Integrity of Unit Prices including Alt.1 (Note 2 applies)
- FAR 52.215-23 Limitations on Pass-Through Charges (applies in non-DoD cost-reimbursement Prime Contracts)
- FAR 52.219-8 Utilization of Small Business Concerns (applies unless Buyer's Order is performed entirely outside U.S.)
- FAR 52.222-4 Contract Work Hours and Safety Standards Act Overtime Compensation (Note 2 applies)
- FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- FAR 52.222-37 Employment reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- FAR 52.222-39 Notification of Employees Rights Concerning Payment of Union Dues or Fees
- FAR 52.222-41 Services Act of 1965, as amended
- FAR 52.222-54 Employment Eligibility Verification (does not apply to Buyer's Orders for Commercial-off-the-shelf ("COTS") items only or Buyer's Orders of less than 120 days in duration)
- FAR 52.223-14 Toxic Chemical release reporting (except paragraph (e)) (Note 2 applies)
- FAR 52.225-8 Duty Free Entry
- FAR 52.227-1 Authorization and Consent (Note 2 applies)
- FAR 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Note 2 applies)
- FAR 52.227-3 Patent Indemnity (applies if Buyer's Order is for Commercial Items)
- FAR 52.227-9 Refund of Royalties
- FAR 52.228-5 Insurance – Work on a Government Installation (applies if work on Government installations located in the U.S. is required)
- FAR 52.229-6 Taxes-Foreign Fixed-Price Contracts (applies when any portion of the Buyer's Order will be performed in a foreign country)
- FAR 52.248-1 Value Engineering (Note 3 applies)
- (g) *The following FAR clause applies to Buyer's Order if the value of the Prime Contract equals or exceeds \$550,000:*
- FAR 52.219-16 Liquidated Damages – Subcontract (Note 2 applies) (Note 3 applies to subparagraph (f) of this clause)
- (h) *The following FAR clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$650,000:*
- FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data (Note 4 applies)
- FAR 52.215-11 Price Reduction for Cost or Pricing Data – Modifications (Note 4 applies)
- FAR 52.215-12 Subcontractor Cost or Pricing Data (Note 4 applies)
- FAR 52.215-13 Subcontractor Cost or Pricing Data – Modifications (Note 4 applies)
- FAR 52.215-15 Pension Adjustments and Asset Reversions (does not apply to Buyer's Order for Services)
- FAR 52.215-18 Reversion or Adjustment of Plans for Post Retirement Benefits (PRB) Other Than Pensions
- FAR 52.215-19 Notification of Ownership Changes (Note 2 applies)
- FAR 52.215-20 Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data (Note 2 applies)
- FAR 52.215-21 Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data – Modifications (Note 2 applies)
- FAR 52.215-23 Limitations on Pass-Through Charges (applies to DoD Prime Contracts other than competitive firm fixed-price, fixed-price incentive or fixed-price economic price adjustment types)
- FAR 52.219-9 Small Business Subcontracting Plan (applies if Seller is not a small business) (Note 2 applies)
- FAR 52.230-2 Cost Accounting Standards (except paragraph (b) or unless CAS exemption applies)
- FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices (except paragraph (b) or unless CAS exemption applies)
- FAR 52.230-6 Administration of Cost Accounting Standards (does not apply if CAS exemption applies)
- (i) *The following FAR clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$5,000,000 and performance is greater than 120 days:*
- FAR 52.203-13 Contractor Code of Business Ethics and Conduct
- FAR 52.203-14 Display of Hotline Poster(s)
- (j) *The following FAR clause applies to Buyer's Order if the value of the Prime Contract equals or exceeds \$10,000,000:*
- FAR 52.222-24 Pre-Award On-Site Equal Opportunity Compliance Evaluation

### 38. U.S. GOVERNMENT REQUIREMENTS – DFARS CLAUSES

(a) The Defense Federal Acquisition Regulation Supplement (DFARS) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, during the performance of Buyer's Order. When a DFARS clause uses a word or term that is defined in the DFARS, the word or term shall have the same meaning as in the definition in DFARS 202.101 in effect on the date of Buyer's Order unless (i) a different definition is expressly set forth in Buyer's Order; or (ii) the part, subpart, or section of the DFARS where the clause is prescribed provides a different meaning; or (iii) the word or term is defined in FAR Part 31, for use in the cost principles and procedures. If the date or substance of any of the clauses listed below is different than the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead.

(b) As used in the clauses referenced below and otherwise in this Contract, "Commercial Item" means a commercial item as defined in FAR 2.101. "Contract" means Buyer's Order. "Contractor" means Seller, acting as the immediate (first-tier) subcontractor to Buyer. "Prime Contract" means the contract between Buyer and the U.S. Government or between Buyer and a higher-tier contractor in support of a contract with the U.S. Government. "Subcontract" means any contract placed by Seller or lower-tier subcontractors under Buyer's Order.

(c) *To the extent that Buyer's Order is issued in support of a Department of Defense (DoD) Prime Contract or Subcontract, the following DFARS clauses apply to Buyer's Order:*

- DFARS 252.204-7000 Disclosure of Information (applies only if Seller will have access to or generate unclassified information that may be sensitive and inappropriate for release to the public)
- DFARS 252.204-7008 Export Controlled Items (applies if the Seller expects or involves access to or generation of export controlled-items)
- DFARS 252.211-7000 Acquisition Streamlining (applies if Prime Contract is for systems acquisitions)
- DFARS 252.211-7003 Item Identification and Valuation
- DFARS 252.212-7001 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to Defense Acquisitions of Commercial Items
- DFARS 252.223-7001 Hazardous Warning Labels (applies if Buyer's Order involves hazardous material)
- DFARS 252.223-7002 Safety Precautions for Ammunition and Explosives (applies to all Buyer's Orders involving the use of ammunition or explosives)
- DFARS 252.225-7002 Qualifying Country Sources as Subcontractors
- DFARS 252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies (applies if Seller is supplying items on the U.S. Munitions List)
- DFARS 252.225-7012 Preferences for Certain Domestic Commodities
- DFARS 252.225-7014 Preference for Domestic Specialty Metals, including Alt. 1 (applies if articles to be furnished contain specialty metals)
- DFARS 252.225-7016 Restriction in Acquisition of Ball and Roller Bearings
- DFARS 252.225-7021 Trade Agreements (applies if the work contains other than U.S.-made, qualifying country, or designated country end products) (applies in lieu of FAR 52.225-5)
- DFARS 252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the U.S. (applies if performance or travel outside the U.S. is required)
- DFARS 252.227-7013 Rights in Technical Data – Noncommercial Items (applies when technical data will be delivered to the Government)
- DFARS 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
- DFARS 252.227-7015 Technical Data – Commercial Items (applies if technical data is to be delivered under Buyer's Order) (Note 2 applies)
- DFARS 252.227-7016 Rights in Bid and Proposal Information

DFARS 252.227-7019 Validation of Asserted Restrictions-Computer Software  
DFARS 252.247-7023 Transportation of Supplies by Sea (Note 2 applies)  
DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (Note 2 applies)  
DFARS 252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (Note 2 applies to paragraph (c) (1))  
DFARS 252.227-7026 Deferred Delivery of Technical Data or Computer Software (Note 1 applies)  
DFARS 252.227-7025 Deferred Order of Technical Data or Computer Software (Note 1 applies)  
DFARS 252-227-7028 Technical Data or Computer Software Previously Delivered to the Government  
DFARS 252.227-7030 Technical Data – Withholding of Payment (Note 2 applies)  
DFARS 252.227-7037 Validation of Restrictive Markings on Technical Data  
DFARS 252.227-7038 Patent Rights—Ownership by the Contractor (Large Business) (applies to Contracts for experimental, developmental, or research work)  
DFARS 252.227-7039 Patents--Reporting of Subject Inventions  
DFARS 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles  
DFARS 252.231-7000 Supplemental Cost Principles  
DFARS 252.235-7003 Frequency Authorization (applies to Contracts for developing, producing, constructing, testing, or operating a device requiring a frequency authorization)  
DFARS 252.246-7001 Warranty of Data (applied to Contracts that include DFARS 252.227-7013, Rights in Technical Data and Computer Software)

(d) *The following DFARS clause applies to Buyer's Order if the value of the Prime Contract equals or exceeds \$25,000:*  
DFARS 225.225-7001 Buy American Act and Balance of Payment Programs (applies if work contains other than domestic components) (applies in lieu of FAR 52.225-1)

(e) *The following DFARS clauses apply to Buyer's Order if the value of the Prime Contract exceeds the simplified acquisition threshold (\$100,000):*  
DFARS 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies  
DFARS 252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material  
DFARS 252.209-7001 Disclosure of Ownership or Control by the Government of a Terrorist Country  
DFARS 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals  
DFARS 252.225-7012 Preference for Certain Domestic Commodities  
DFARS 225.225-7013 Duty-Free Entry (applies if Buyer's Order is for supplies that may be imported into the U.S. and for which duty-free entry may be obtained under the Harmonized Tariff Schedule)  
DFARS 252.247-7023 Transportation of Supplies by Sea  
DFARS 252.247-7024 Notification of Transportation of Supplies by Sea

(f) *The following DFARS clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$500,000:*  
DFARS 252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises and Native Hawaiian Small Business Concerns (Note 2 applies)  
DFARS 252.249-7002 Notification of Anticipated Contract Termination or Reduction (Delete paragraph (d) (1) and the first five words of paragraph (d) (2)) (Note 2 applies)

(g) *The following DFARS clause applies to Buyer's Order if the value of the Prime Contract equals or exceeds \$550,000:*  
DFARS 252.219-7003 Small Business Subcontracting Plan (DoD Contracts) (Delete paragraph (g))

(h) *The following DFARS clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$650,000:*  
DFARS 252.215-7000 Pricing Adjustments  
DFARS 252.215-7002 Cost Estimating System Requirements  
DFARS 252.215-7004 Excessive Pass-Through Charges  
DFARS 252.225-7006 Quarterly Report of Actual Contract Performance Outside of the U.S.

(i) *The following DFARS clauses apply to Buyer's Order if the value of the Prime Contract equals or exceeds \$1,000,000:*  
DFARS 252.225-7033 Waiver of United Kingdom Levies (applies if Seller is a U.K. company)  
DFARS 252.249-7002 Notification of Anticipated Contract Termination or Reduction

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