

PartnerTech’s mandatory flow down provisions in connection to

Federal Acquisition Regulation (FAR) & Department of Defense FAR Supplement (DFARS)

Background

The Federal Acquisition Regulation (**FAR**) is the principal set of rules in the Federal Acquisition Regulations System regarding government procurement in the United States and is codified at Chapter 1 of Title 48 of the Code of Federal Regulations, 48 C.F.R. 1. One of the agency supplements is the Defense Federal Acquisition Regulation Supplement (**DFARS**), used by the Department of Defense.

Copies of FAR/DFARS clauses may be obtained from several sources to include the Government Printing Office, Washington, D.C. and on-line at <https://www.acquisition.gov>

FAR’s Website address <https://www.acquisition.gov/far>

DFAR’s Website address <https://ww.acq.osd.mil/DPAP/dars/dfarspgi/current/index.html>

Flow down provisions

PartnerTech require that the following flow down provisions are followed by our suppliers.

FAR FLOW DOWN CLAUSES

Clause	Name	Impact on a supplier to PartnerTech
52.203-7	Anti-Kickback Procedures	Fulfilled with compliance to PartnerTech’s Supplier Code of Conduct
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	Fulfilled with compliance to PartnerTech’s Supplier Code of Conduct
52.203-13	Contractor Code of Business Ethics and Conduct	Fulfilled with compliance to PartnerTech’s Supplier Code of Conduct
52.203-19	Prohibition on requiring certain internal confidentiality agreements or statements.	A supplier to PartnerTech shall not require its employees or subcontractors to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting employees or subcontractors from lawfully reporting waste, fraud, or abuse related to the performance of a U.S. Government contract to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information. A supplier to PartnerTech shall notify current employees and subcontractors that prohibitions and restrictions of any pre-existing internal confidentiality agreements or statements covered by this clause, to the extent that such prohibitions and restrictions are inconsistent with the prohibitions of this clause, are no longer in effect.
52.222-50	Combating Trafficking in Persons	Fulfilled with compliance to PartnerTech’s Supplier Code of Conduct
52.223-18	Encouraging Contractor Policies to Ban Text Messaging while Driving	Fulfilled with compliance to PartnerTech’s Supplier Code of Conduct
52.225-13	Restrictions on Certain Foreign Purchases	Fulfilled with the compliance to the compulsory requirements, to receive PartnerTech’s RFQ
52.249-2	Termination for convenience of the government (fixed price)	The Government has the right at any time, in whole or in part, to terminate an agreement without cause. After receipt of a Notice of Termination, the contractor and involved subcontractors shall immediately proceed with the following obligations, among other things: i) ending the work, ii) terminating subcontracting agreements and iii) securing the government’s property, etc. Applies to non-commercial items. The Contractor and subcontractors is entitled to compensation for work / costs performed until the Notice of Termination.

DFARS FLOW DOWN CLAUSES

Clause	Name	Impact on a supplier to PartnerTech
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies	Fulfilled with the compliance to the compulsory requirements, to receive PartnerTech's RFQ
252.203-7002	Requirement to Inform Employees of Whistleblowers Rights	Fulfilled with compliance to PartnerTech's Supplier Code of Conduct
252.204-7000	Disclosure of Information	A supplier to PartnerTech shall not release to anyone outside the commissioned organization any unclassified information, regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless (i) The Contracting Officer has given prior written approval; (ii) The information is otherwise in the public domain before the date of release; or (iii) The information results from or arises during the performance of a project that involves no covered defense information (as defined in the clause at DFARS 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting) and has been scoped and negotiated by the contracting activity with the supplier to PartnerTech and research performer and determined in writing by the contracting officer to be fundamental research (which by definition cannot involve any covered defense information).
252.225-7007	"Prohibition on Acquisition of United States Munitions List Items From Communist Chinese Military Companies"	Any items covered by the United States Munitions List or the 600 series (Appendix 1 - Nonrecurring Cost Recoupment Charges for Major Defense Equipment) of the Commerce Control List that are delivered under this contract may not be acquired, directly or indirectly, from a Communist Chinese military company.
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	Some specialty metals /alloys incorporated in products, such as aircraft, missiles, space systems, ships, tanks, weapons systems and ammunition, delivered under a contract with the US Department of Defense, shall be melted or produced in the United States, its outlying areas, or a qualifying country. (Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Israel, Italy, Japan, Latvia, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovenia, Spain, Sweden, Switzerland, Turkey and United Kingdom of Great Britain and Northern Ireland).
252.223-7008	Prohibition of Hexavalent Chromium	Unless otherwise specified by the U.S. Contracting Officer, a supplier to PartnerTech shall not provide any deliverable or construction material under this contract that contains hexavalent chromium in a concentration greater than 0.1 percent by weight in any homogenous material or requires the removal or reapplication of hexavalent chromium materials during subsequent sustainment phases of the deliverable or construction material. This prohibition does not apply to hexavalent chromium produced as a by-product of manufacturing processes. If authorization for incorporation of hexavalent chromium in a deliverable or construction material is required, the supplier to PartnerTech shall submit a request to PartnerTech.
252.246-7003	Notification of Potential Safety Issues	A supplier to PartnerTech shall provide notification of (i) all nonconformances for parts identified as critical safety items acquired by the Government under this contract; and (ii) all nonconformances or deficiencies that may result in a safety impact for systems, or subsystems, assemblies, subassemblies, or parts integral to a system, acquired by or serviced for the Government under this contract. A supplier to PartnerTech shall notify PartnerTech as soon as practicable, but not later than 48 hours, after discovering or acquiring credible information concerning nonconformances and deficiencies and shall provide a written notification PartnerTech within 4 working days that includes: (i) A summary of the defect or nonconformance; (ii) A chronology of pertinent events; (iii) The identification of potentially affected items to the extent known at the time of notification; (iv) A point of contact to coordinate problem analysis and resolution; and (v) Any other relevant information. A supplier to PartnerTech is responsible for the notification of potential safety issues occurring with regard to an item furnished by any subcontractor and shall facilitate direct communication between PartnerTech and the subcontractor as necessary. Notification of safety issues under this clause shall be considered neither an admission of responsibility nor a release of liability for the defect or its consequences. This clause does not affect any right of PartnerTech or a supplier to PartnerTech established elsewhere in the existing valid contractual documents between the parties.

PartnerTech require that the following flow down provisions regarding Certified Costs and Pricing Data are followed by our suppliers when the contract value exceed 2 MUSD and the items are classified as Non Commercial.

Type	No	Name	Valid for Commercial Item	Valid for Non Commercial Item	Threshold
FAR	52.215-10 (AUG 2011)	Price Reduction for Defective Certified Cost or Pricing Data	No	Yes	> \$2,000,000
FAR	52.215-11 (AUG 2011)	Price reduction for defective cost or pricing data - modifications	No	Yes	> \$2,000,000
FAR	52.215-12 (OCT 2010)	Subcontractor Certified Cost or Pricing Data	No	Yes	> \$2,000,000
FAR	52.215-13 (JUN 2020)	Subcontractor Certified Cost or Pricing Data - Modifications.	No	Yes	> \$2,000,000
FAR	52.215-14 (OCT 2010)	Integrity of Unit Prices	No	Yes	> \$250,000
FAR	52.215-20 (OCT 2010)	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data.	No	Yes	> \$2,000,000
FAR	52.215-21 (OCT 2010)	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data - Modifications.	No	Yes	> \$2,000,000
FAR	52.230-6 (JUN 2010)	Administration of Cost Accounting Standards	No	Yes	> \$2,000,000
DFARS	252.215-7000 (DEC 1991)	Pricing Adjustments	No	Yes	> \$2,000,000
DFARS	252.231-7000 (DEC 1991)	Supplemental Cost Principles	No	Yes	> \$2,000,000
DFARS	252.243-7001 (DEC 1991)	Pricing of Contract Modifications	No	Yes	> \$2,000,000