



CLEVELAND MOTION CONTROLS INC.

PURCHASE ORDER TERMS AND CONDITIONS – GOVERNMENT CONTRACT SUPPLEMENT

FAR / DFAR Supplement to the Cleveland Motion Controls Standard Purchase Order Terms and Conditions (FM-C0310300800)

PROVISIONS OF THE FEDERAL ACQUISITION REGULATION (FAR) AND THE DEPARTMENT OF DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS)

Government Subcontract

This contract is entered into by the Parties in support of a U.S. Government contract.

As used in the clauses referenced below and otherwise in this contract:

1. “Commercial item” means a commercial item as defined in FAR 2.101.
2. “Contract” means this contract.
3. “Contractor means the Seller acting as the immediate subcontractor to Buyer.
4. “Prime Contract” means the contract between Buyer and the U.S. Government or between Buyer and its higher-tier contractor who has a contract with the U.S. Government.
5. “Subcontract” means any contract placed by the CONTRACTOR or lower-tier subcontractors under this contract.

Amendments Required by Prime Contract

Seller (CONTRACTOR) agrees that upon the request of Buyer it will negotiate in good faith with Buyer relative to amendments to this Contract to incorporate additional provision herein or to change provisions hereof as Buyer may reasonably deem necessary in order to comply with the provisions of amendments to such Prime contract. If any such amendment to this contract causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of this work under this Contract, an equitable adjustment shall be made pursuant to the “Changes” clause of this Contract.

Preservation of Government Rights

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

INCORPORATION OF FAR CLAUSES

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 note following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different than the date of substance of this clause actually incorporated in the Prime Contract reference by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead.

PROVISIONS OF THE FEDERAL ACQUISITION REGULATION INCORPORATED BY REFERENCE

The following FAR clauses apply to this Order:

FAR 52.211-5 MATERIAL REQUIREMENTS (AUG 2000)
FAR 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997)
FAR 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 1997)
FAR 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2004)
FAR 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)
FAR 52.222-26 EQUAL OPPORTUNITY (MAR 2007)
FAR 52.222-50 COMBATING TRAFFICKING IN PERSONS (FEB 2009)
FAR 52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)
FAR 52.227-14 RIGHTS IN DATA - GENERAL (DEC 2007)
FAR 52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (DEC1994)
FAR 52.242-13 BANKRUPTCY (JUL 1995)
FAR 52.242-15 STOP-WORK ORDER (AUG 1989)
FAR 52.243-1 CHANGES - FIXED PRICE (AUG 1987)
FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2009)
FAR 52.246-2 INSPECTION OF SUPPLIES - FIXED PRICE (AUG 1996)
FAR 52.246-4 INSPECTION OF SERVICES - FIXED PRICE (AUG 1996)
FAR 52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S. FLAG COMMERCIAL VESSELS (FEB 2006)
FAR 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (MAY 2004)
FAR 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984)

The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$10,000:

FAR 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)

The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$100,000:

FAR 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
FAR 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEP 2007)
FAR 52.215-2 AUDIT AND RECORDS-NEGOTIATION (MAR 2009)
FAR 52.215-14 INTEGRITY OF UNIT PRICES (OCT 1997)
FAR 52.222-35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (SEP 2006)
FAR 52.222-37 EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (SEP 2006)
FAR 52.223-14 TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)
FAR 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (DEC 2007)



CLEVELAND MOTION CONTROLS INC.

PURCHASE ORDER TERMS AND CONDITIONS – GOVERNMENT CONTRACT SUPPLEMENT

FAR 52.248-1 VALUE ENGINEERING (FEB 2000)

The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$550,000:

FAR 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (APR 2008) (Applicable if the Contractor is not a small business)

The following FAR clauses apply to this Contract if the value of this Contract equals or exceeds \$650,000:

FAR 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997) (Unless exempt under FAR 15.403.)

FAR 52.215-13 SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS (OCT 1997) (Unless exempt under FAR 15.403.)

The following FAR clauses apply to this contract if the value of this contract equals or exceeds \$5,000,000.

FAR 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (DEC 2008) (If the period of performance is greater 120 days)

FAR 52.203-14 DISPLAY OF HOTLINE POSTER(S) (DEC 2007)

The following FAR clauses apply to this Contract as indicated

FAR 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997)

FAR 52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - MODIFICATIONS (OCT 1997)

FAR 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2004)

FAR 52.215-16 FACILITIES CAPITAL COST OF MONEY (JUN 2003) (Applicable only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and the Contractor proposed facilities capital cost of money in its offer.)

FAR 52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997) (Applicable only if this Contract is subject to the Cost Principles at FAR Subpart 31.2 and the Contractor did not propose facilities capital cost of money in its offer.)

FAR 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (JUL 2005) (Applicable if this Contract meets the applicability requirements of FAR 15.408(j))

FAR 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997) (Applicable if this Contract meets the applicability requirements of FAR 15.408(k))

FAR 52.215-23 LIMITATION ON PASS-THROUGH CHARGES (OCT 2009) (Applicable if the prime contract to which this contract relates is with the DoD. Applies to subcontracts in excess of \$650,000 except those that meet the criteria of 15.408(n)(2)(i)(B)(2).)

FAR 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (JUL 2005) (Applicable if the Contract may require or involve the employment of laborers and mechanics.)

FAR 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (Applicable if this Contract involves hazardous material)

FAR 52.223-7 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997) (Applicable to Work containing covered radioactive material)

FAR 52.223-11 OZONE-DEPLETING SUBSTANCES (MAY 2001) (Applicable if the Work was manufactured with or contains ozone-depleting substances.)

FAR 52.225-1 BUY AMERICAN ACT -- SUPPLIES (FEB 2009) (Applicable if the Work contains other than domestic components.)

FAR 52.225-5 TRADE AGREEMENTS (AUG 2009) (Applicable if the Work contains other than U.S. made or designated country end products as specified in the clause.)

FAR 52.225-8 DUTY FREE ENTRY (FEB 2000) (Applicable if supplies will be imported into the Customs Territory of the United States)

FAR 52.227-1 AUTHORIZATION AND CONSENT (DEC 2007) (Applicable only if the Prime Contract contains this clause.)

FAR 52.227-9 REFUND OF ROYALTIES (APR 1984) (Applicable when reported royalty exceeds \$250)

FAR 52.227-10 FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (DEC 2007) (Applicable if the Work or any patent application may cover classified subject matter.)

FAR 52.227-11 PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR (SHORT FORM) (DEC 2007) (Applicable if this Contract includes, at any tier, experimental, developmental, or research Work and contractor is a small business concern or domestic nonprofit organization. Reports required by this clause shall be filed with the agency identified in this Contract. If no agency is identified, contact the Buyer Representative.)

FAR 52.228-5 INSURANCE -- WORK ON A GOVERNMENT INSTALLATION (JAN 1997) (Applicable if this Contract involves Work on a Government installation. Minimum kinds and amount of insurance as described in FAR 28.307-2.)

FAR 52.230-2 COST ACCOUNTING STANDARDS (OCT 2008)

FAR 52.230-3 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (OCT 2008)

FAR 52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (MAR 2008) (Applicable if FAR 52.230-2 or FAR 52.230-3 applies.)

FAR 52.233-3 PROTEST AFTER AWARD (AUG 1996)

FAR 52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984) (Applicable if Work is performed on a Government installation.)

FAR 52.243-6 CHANGE ORDER ACCOUNTING (APR 1984) (Applicable if the Prime Contract requires Change Order Accounting.)

FAR 52.245-1 GOVERNMENT PROPERTY (JUN 2007) (ALT I) (JUN 2007)

FAR 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JUN 2003) (Applicable if this Contract involves international air transportation.)

PROVISIONS OF THE DEPARTMENT OF DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS)

INCORPORATION OF DFARS CLAUSES

The Department of 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 note following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different than the date of substance of this clause actually incorporated in the Prime Contract reference by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead.

The following DFARS clauses apply to this Contract:

DFARS 252.204-7008 REQUIREMENTS FOR CONTRACTS INVOLVING EXPORT-CONTROLLED ITEMS (JUL2008)

DFARS 252.227-7013 RIGHTS IN TECHNICAL DATA - NON-COMMERCIAL ITEMS (NOV 1995) (Applicable in lieu of FAR 52.227-14.)

DFARS 252.227-7014 RIGHTS IN NON-COMMERCIAL COMPUTER SOFTWARE AND NON-COMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (JUN 1995) (Applicable in lieu of FAR 52.227-14.)

DFARS 252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION (JUN 1995)



CLEVELAND MOTION CONTROLS INC.

PURCHASE ORDER TERMS AND CONDITIONS – GOVERNMENT CONTRACT SUPPLEMENT

DFARS 252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS - COMPUTER SOFTWARE (JUN 1995)
DFARS 252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS (JUN 1995)
DFARS 252.227-7026 DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)
DFARS 252.227-7027 DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)
DFARS 252.227-7028 TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT (JUN 1995)
DFARS 252.227-7030 TECHNICAL DATA - WITHHOLDING OF PAYMENT (MAR 2000)
DFARS 252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA (SEP 1999)
DFARS 252.228-7005 ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES (DEC 1991)
DFARS 252.231-7000 SUPPLEMENTAL COST PRINCIPLES (DEC 1991)
DFARS 252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)
DFARS 252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (MAR 2000)

The following DFARS clauses apply to this Contract if the value of this Contract equals or exceeds \$100,000:

DFARS 252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE CONTRACTRELATED FELONIES (DEC 2008)
DFARS 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002) (Applicable in lieu of FAR 52.247-64)
DFARS 252.225-7001 BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM (JUN 2005)
DFARS 252.225-7009 RESTRICTION ON ACQUISITION OF CERTAIN ARTICLES CONTAINING SPECIALTY METALS (JUL 2009)
DFARS 252.225-7016 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (MAR 2006)

The following DFARS clauses apply to this Contract if the value of this Contract equals or exceeds \$550,000:

DFARS 252.225-7006 QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (MAY 2007)
DFARS 252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (DEC 2006)
DFARS 252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS) (APR 2007)

The following DFARS clauses apply to this Contract if the value of this Contract equals or exceeds \$1,000,000:

DFARS 252.211-7000 ACQUISITION STREAMLINING (DEC 1991)