

FAR FLOWDOWN PROVISIONS

In the event this Purchase Order bears a U.S. Government contract number or the designation "Government" on the face hereof, this Purchase Order and the contract resulting there from shall be subject to the FAR Flow down Provisions.

A. 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 notes following the clause citation, to this Contract. If the date or substance of any of the clauses listed below is different from the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Contract. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Contract.

B. GOVERNMENT SUBCONTRACT

This Contract is entered into by the parties in support of a U.S. Government contract. As used in the FAR 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. "Contracting Officer" shall mean the U.S. Government Contracting Officer for Fluid Components International government prime contract under which this Contract is entered.
4. "Contractor" and "OFFEROR" means the SELLER acting as the immediate (first tier) subcontractor to Fluid Components International.
5. "Prime Contract" means the contract between Fluid Components International and the U.S. Government or between Fluid Components International and its higher-tier contractor who has a contract with the U.S. Government.
6. "Subcontract" means any contract placed by the contractor or lower-tier subcontractors under this Contract.

FAR FLOWDOWN CLAUSES

1. The following FAR clauses apply to this Order:

FAR Clause	Title
52.203-3	Gratuities
52.203-5	Covenant Against Contingent Fees
52.203-6	Restrictions On Contractor Sales To The Government
52.203-7	Anti-Kickback Procedures
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.
52.204-5	Women-Owned Business (Other Than Small Business)
52.209-5	Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment
52.211-5	Material Requirements
52.211-14	Notice of Priority Rating for National Defense Use
52.211-15	Defense Priority and Allocation Requirements
52.203-12	Limitation on Payments to Influence Certain Federal Transactions
FAR Clause	Title
52.215-21	Requirements For Cost Or Pricing Data Or Information Other Than Cost Or Pricing Data – Modifications
52.219-8	Utilization of Small Business Concerns
52.219-22	Small Disadvantaged Business Status
52.222-1	Notice to the Government of Labor Disputes
52.222-2	Payment for Overtime Premiums
52.222-3	Convict Labor
52.222-4	Contract Work Hours and Safety Standards Act-Overtime Compensation
52.222-11	Subcontracts (Labor Standards)
52.222-12	Contract Termination—Debarment
52.222-18	Certification Regarding Knowledge of Child Labor for Listed End Products
52.222-21	Prohibition of Segregated Facilities
52.222-26	Equal Opportunity
52.222-41	Service Contract Act of 1965, as Amended
52.222-43	Fair Labor Standards Act and Service Contract Act--Price Adjustment (Multiple Year and Option Contracts).
52.222-44	Fair Labor Standards Act and Service Contract Act--Price Adjustment
52.223-3	Hazardous Material Identification and Material Safety Data
52.223-4	Recovered Material Certification
52.223-7	Notice of Radioactive Materials
52.223-14	Toxic Chemical Release Reporting

52.223-11	Ozone-Depleting Substances
52.224-2	Privacy Act
52.225-1	Buy American Act—Supplies
52.225-5	Trade Agreements
52.225-2	Buy American Act Certificate
52.225-8	Duty-Free Entry
52.225-9	Buy American Act Construction Materials
52.225-13	Restriction on Certain Foreign Purchases
52.226-1	Utilization of Indian Organizations and Indian-Owned Economic Enterprises
52.227-1	Authorization and Consent
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement
52.227-9	Refund of Royalties
52.227-11	Patent Rights – Retention by the Contractor (Short Form)
52.227-12	Patent Rights – Retention by the Contractor (Long Form)
52.227-19	Commercial Computer Software-Restricted Rights
52.228-5	Insurance – Work on a Government Installation
52.232-17	Interest
52.234-1	Industrial Resources Developed Under Defense Production Act Title III
52.236-13	Accident Prevention
52.242-13	Bankruptcy
52.242-15	Stop Work Order
52.243-1	Changes--Fixed-Price
52.244-5	Competition in Subcontracting
52.244-6	Subcontracts for Commercial Items and Commercial Components
52.245-2	Government Property (If provided under this order)
52.245-17	Special Tooling (Applicable to any order that involves special tooling)
52.245-18	Special Test Equipment (Applicable to any order which involves the acquisition or fabrication of special test equipment)
52.246-2	Inspection of Supplies
52.247-63	Preference for U.S. Flag Air Carriers
52.247-64	Preference for Privately Owned U.S. Flag Commercial Vessels

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

<u>FAR Clause</u>	<u>Title</u>
52.222-20	Walsh-Healy Public Contracts Act
52.222-22	Previous Contracts and Compliance Reports
52.222-25	Affirmative Action Compliance
52.222-36	Affirmative Action for Workers With Disabilities
52.222-38	Compliance with Veterans' Employment Reporting Requirements

3. The following FAR clauses apply to this Order if the value of this Order equals or exceeds \$25,000:

<u>FAR Clause</u>	<u>Title</u>
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans
52.222.37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans
52.225-3	Buy American Act--North American Free Trade Agreement--Israeli Trade Act
52.225-4	Buy American Act North American Free Trade Agreement--Israeli Trade Act Certificate

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

<u>FAR Clause</u>	<u>Title</u>
52.203-12	Limitation on Payments to Influence Certain Federal Transactions
52.215-2	Audit and Records-Negotiation
52.215-14	Integrity of Unit Prices
52.215-15	Pension Adjustments and Asset Reversions
52.223-6	Drug-Free Workplace
52.223-13	Certification of Toxic Chemical Release Reporting
52.223-14	Toxic Chemical Release Reporting
52.248-1	Value Engineering

5. The following FAR clauses apply to this Order if the value of this Order equals or exceeds \$500,000:

<u>FAR Clause</u>	<u>Title</u>
52.214-26	Audit and Records-Sealed Bidding
52.214-28	Subcontractor Cot or Pricing Data-Modifications Sealed Bidding
52.215-2	Audit and Records--Negotiation
52.215-7	Waiver of Facilities Capital Cost of Money
52.215-10	Price Reduction for Defective Cost or Pricing Data.
52.215-11	Price Reduction for Defective Cost or Pricing Data – Modifications
52.215-12	Subcontractor Cost or Pricing Data

52.215-13	Subcontractor Cost or Pricing Data – Modifications
52.215-16	Facilities Capital Cost of Money
52.215-18	Reversion or Adjustment of Plans for Post Retirement Benefits Other than Pensions (PRB)
52.215-19	Notification of Ownership Changes
52.215-21	Requirements for Cost or Pricing Data or Information Other than Cost or Pricing Data - Modifications
52.219-9	Small Business Subcontracting Plan (Applicable if the Contractor is not a small business)
52.219-16	Liquidated Damages--Subcontracting Plan
52.230-1	Cost Accounting Standards Notices and Certification
52.230-2	Cost Accounting Standards
52.230-3	Disclosure and Consistency of Cost Accounting Practices
52.230-4	Consistency in Cost Accounting Practices
52.230-5	Disclosure and Consistency of Cost Accounting Practices
52.230-6	Administration of Cost Accounting Standards

DOD FAR SUPPLEMENT FLOWDOWN CLAUSES

7. The following DOD FAR Supplement clauses apply to this Order:

DOD FAR Supplement Clause	Title
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies
252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material
252.209-7000	Acquisition Under INF Treaty (Applicable to any Order greater than \$100K)
252.209-7004	Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country
252.215-7000	Pricing Adjustments (Applicable when cost or pricing data is required)
252.219-7000	Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (Applicable to any Order equal to or greater than \$500K)
252.223-7001	Hazard Warning Labels
252.225-7001	Buy American Act and Balance of Payments Program
252.225-7002	Qualifying Country Sources as Subcontractors
252.225-7007	Buy American Act/Trade Agreements/Balance of Payment
252.225-7012	Preference for Certain Domestic Commodities
252.225-7013	Duty Free Entry
252.225-7014	Preference for Domestic Specialty Metals
252.225-7015	Preference for Domestic Hand or Measuring Tools
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings
252.225-7022	Restriction on Acquisition of Polyacrlonitrile (PAN)
252.225-7025	Restriction on Acquisition of Forgings
252.225-7026	Reporting of Contract Performance Outside of the United States
252.225-7027	Restriction on Contingent Fees for Foreign Military Sales
252.225-7028	Exclusionary Policies and Practices of Foreign Governments
252.225-7030	Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate
252.225-7031	Secondary Arab Boycott of Israel
252.226-7001	Utilization of Indian Organizations and Indian Owned Economic Enterprises and Native Hawaiian Small Business Concerns
252.227-7013	Rights in Technical Data--Noncommercial Items
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation
252.227-7015	Technical Data – Commercial Items
252.227-7016	Rights in Bid or Proposal Information
252.227-7019	Validation of Asserted Restriction – Computer Software
252.227-7025	Limitations on the Use or Disclosure of Government-furnished Information Marked with Restrictive Legends
252.227-7026	Deferred Delivery of Technical Data or Computer Software
252.227-7027	Deferred Ordering of Technical Data or Computer Software
252.227-7030	Technical Data Withholding of Payment
252.227-7036	Declaration of Technical Data Conformity
252.227-7037	Validation of Restrictive Markings on Technical Data
252.227-7039	Patents – Reporting of Subject Inventions
252.231-7000	Supplemental Cost Principles
252.243-7001	Pricing of Contract Modifications
252.246-7001	Warranty of Data
252.247-7023	Transportation of Supplies by Sea
252.247-7024	Notification of Transportation of Supplies by Sea
252.249-7002	Notification of Anticipated Contract Termination or Reduction