

**Government Contract Addendum**

***FAR/DFARS FLOW DOWN CLAUSES***

**I. Scope**

These FAR/DFARS Flow Down Clauses shall be applicable to all Purchase Orders (“Order(s)”) placed by a LTI Holdings, Inc. (d/b/a Boyd Corporation) or one of its subsidiary companies (each, a “Buyer”) for the purchase of products or services furnished in connection with a U.S. Government prime contract or subcontract. Once accepted by Seller, these clauses form a valid and enforceable contract between the Buyer issuing the Order and the Seller.

**II. Incorporation of FAR and DFARS Clauses:**

When the products or services furnished under an Order are furnished in connection with a U.S. Government prime contract or subcontract, the Federal Acquisition Regulation (“FAR”) and Department of Defense FAR Supplement (“DFARS”) clauses identified below shall also apply to the Order, as required by terms of the prime contract or by operation of law or regulation. Said FAR and DFARS clauses are incorporated into the Order by reference, with the same force and effect as if they were given in full text within the *BOYD GENERAL TERMS AND CONDITIONS OF PURCHASE FOR SUPPLIERS*. The effective version of each FAR or DFARS clause shall be the same version as appears in the Buyer’s or its customer’s prime contract, or higher-tier subcontract under which the Order is issued. In the event there is no such equivalent clause in Buyer’s or its customer’s prime contract or higher-tier subcontract, the date shall be the regulatory date in effect as of the date of the Order.

The applicability and interpretation of each clause are subject to any specific parenthetical statement following its title. In the event of a conflict between these FAR or DFARS provisions and the terms of the main body of the Order, the terms in the main body of the Order shall control. The Contracts Disputes Act shall have no application to the Order. Any reference to a “Disputes” clause shall mean the “Disputes” clause of the governing terms and conditions. Identification of applicable clause thresholds and further flow down requirements is informational only and is not to be construed as determinative. The Seller remains responsible for determining and complying with all clause flow down requirements.

Seller agrees to negotiate in good faith with the Buyer to amend and incorporate into the Order any additional clauses as the Buyer may deem necessary in order to comply with the clauses of its prime contract, subcontract, or higher tier subcontract. If any such amendment causes an increase or decrease in the cost of, or the time required for, performance of any part of the Order, an equitable adjustment shall be made by the Buyer pursuant to the “Changes” clause of the governing terms and conditions.

**III. Certifications and Representations:**

Seller acknowledges that the Buyer will rely upon Seller’s certifications and representations, including representations as to business size and socio-economic status as applicable, contained in these clauses, any written offer, proposal or quote, or company profile submission, which results in award of a contract to the Buyer. By entering into such contract, the Buyer republishes the certifications and representations submitted with its written offer,

including company profile information, and oral offers/quoting made at the request of the Buyer, and the Buyer makes those certifications and representations set forth below. The Seller shall immediately notify the Buyer of any change of status regarding any certification or representation.

**IV. Interpretation Notes:**

In all FAR and DFARS clauses listed below, the terms “Government”, “Contractor”, and “Contracting Officer” shall be revised to suitably identify the Buyer and Seller and affect the proper intent of the clause, except where further clarified or modified in the parenthetical that follows each clause. Notwithstanding the foregoing, nothing herein shall be construed to mean that the Buyer may modify or limit any rights the United States Government may have as set forth in the FAR and DFARS clauses below. Nor shall anything herein be construed to provide Seller with rights that only the United States Government has the authority to grant or perform, such as in FAR 52.227-1 and FAR 52.227-2. All Seller contact with the prime contract or any higher-tier subcontractor relating to this Order shall be through or coordinated with the Buyer.

**V. FAR and DFARS Clauses:**

**A. Clauses Applicable to All Purchase Orders or as noted:**

Clause	Description	Notes
FAR 52.204-9	Personal Identity Verification of Contractor Personnel	
FAR 52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	
FAR 52.204-9	Personal Identity Verification of Contractor Personnel	
FAR 52.204-21	Basic Safeguarding of Covered Contractor Information Systems	
FAR 52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities	
FAR 52.204-24	Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment	
FAR 52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment	
FAR 52.204-26	Covered Telecommunications Equipment or Services-Representation	
FAR 52.211-5	Material Requirements	
FAR 52.211-15	Defense Priority and Allocation Requirements	
FAR 52.215-17	Waiver of Facilities Capital Cost of Money	
FAR 52.215-20	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data	
FAR 52.215-21	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data-Modification	
FAR 52.215-22	Limitations on Pass Through Charges-Identification of Subcontract Effort	
FAR 52.222-1	Notice to Government of Labor Dispute	
FAR 52.222-4	Contract Work Hours and Safety Standards Act	

FAR 52.222-41	Service Contract Labor Standards	
FAR 52.222-50 & Alt 1	Combating Trafficking in Persons and Alternate 1	
FAR 52.222-54	Employment Eligibility Verification	Applicable to subcontracts greater than \$3,500
FAR 52.223-3	Hazardous Material Identification and Material Safety Data	
FAR 52.223-5	Pollution Prevention and Right-to-Know Information	
FAR 52.223-7	Notice of Radioactive Materials	
FAR 52.223-11	Ozone-Depleting Substances	
FAR 52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving	
FAR 52.225-1	Buy American Supplies	
FAR 52.225-5	Trade Agreements	
FAR 52.225-8	Duty-Free Entry	
FAR 52.225-13	Restrictions on Certain Foreign Purchases	
FAR 52.227-9	Refund of Royalties	Applies to subcontracts exceeding \$250
FAR 52.227-11	Patent Rights-Ownership by the Contractor	
FAR 52.227-13	Patent Rights-Ownership by the Government	
FAR 52.227-14	Rights in Data- General	
FAR 52.230-4	Disclosure and Consistency of Cost Accounting Practices for Contracts Awarded to Foreign Concerns	
FAR 52.234-1	Industrial Resources Developed Under Defense Production Act Title III	
FAR 52.242-15	Stop-Work Order	
FAR 52.243-1	Changes-Fixed Price	
FAR 52.243-3	Changes-Time and Material or Labor-Hours	
FAR 52.244-6	Subcontracts for Commercial Items	
FAR 52.245-1 & Alt 1	Government Property	Includes Alt 1 when applicable.
FAR 52.245-9	Use and Charges	
FAR 52.246-3	Inspection of Supplies(Cost-Reimbursement)	
FAR 52.246-4	Inspection of Supplies-Fixed Price	
FAR 52.246-15	Certificate of Conformance	

FAR 52.247-63	Preference for U.S.-Flag Air Carriers	
FAR 52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	
FAR 52.249-6	Termination (Cost-Reimbursement)	
DFARS 252.204-7008	Compliance with Safeguarding Covered Defense Information Controls	
DFARS 252-204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information	
DFARS 252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting	
DFARS 252.204-7015	Disclosure of Information to Litigation Support Contractors	
DFARS 252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services Exported Controlled Items	
DFARS 252.225-7048		
DFARS 252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material	
DFARS 252.211-7003	Item Unique Identification and Valuation	
DFARS 252.211-7007	Reporting of Government-Furnished Property	
DFARS 252.223-7001	Hazard Warning Labels	
DFARS 252.223-7008	Prohibition of Hexavalent Chromium	
DFARS 252.225-7001	Buy American Act and Balance of Payments Program	
DFARS 252.225-7002	Qualifying Country Sources as Subcontractors	
DFARS 252.225-7007	Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies	
DFARS 252.225-7013	Duty-Free Entry	
DFARS 252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	
DFARS 252.225-7031	Secondary Arab Boycott of Israel	
DFARS 252.225-7052	Restriction on the Acquisition of Certain Magnets and Tungsten	
DFARS 252.227-7013	Rights in Technical Data-Noncommercial Items	
DFARS 252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	
DFARS 252.227-7015	Technical Data-Commercial Items	
DFARS 252.227-7016	Rights in Bid or Proposal Information	
DFARS 252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions	
DFARS 252.227-7019	Validation of Asserted Restrictions-Computer Software	
DFARS 252.227-7025	Limitation on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	
DFARS 252.227-7026	Deferred Delivery of Technical Data or Computer Software	

DFARS 252.227-7027	Deferred Ordering of Technical Data or Computer Software	
DFARS 252.227-7028	Technical Data or Computer Software Previously Delivered to the Government	
DFARS 252.227-7030	Technical Data-Withholding of Payment	
DFARS 252.227-7037	Validation of Restrictive Markings on Technical Data	
DFARS 252.227-7038	Patent Rights- Ownership by the Contractor (Large Business)	
DFARS 252.227-7039	Patents-Reporting of Subject Inventions	
DFARS 252.236-7013	Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers (Pub. L. 110-329, Division E, Section 108).	
DFARS 252-239-7018	Supply Chain Risk	

DFARS 252.244-7000	Subcontracts for Commercial Items	
DFARS 252.246-7001	Warranty of Data	
DFARS 252.246-7003	Notification of Potential Safety Issues	
DFARS 252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System	
DFARS 252.246-7008	Sources of Electronic Parts	
DFARS 252.247-7023	Transportation of Supplies by Sea	

**B. Additional Clauses Applicable to All Purchase Orders over \$10,000:**

Clause	Description	Notes
FAR 52.222-21	Prohibition of Segregated Facilities	
FAR 52.222-22	Previous Contracts and Compliance Reports	
FAR 52.222-25	Affirmative Action Compliance	
FAR 52.222-26	Equal Opportunity	
FAR 52.222-40	Notification of Employee Rights Under the National Labor Relations Act	

**C. Additional Clauses Applicable to All Purchase Orders over \$15,000 or as noted:**

Clause	Description	Notes
FAR 52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	Applicable to subcontracts exceeding \$25,000.
FAR 52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	Applies to subcontracts exceeding \$30,000, not for commercial items.
FAR 52.222-20	Walsh Healy Public Contracts Act (Oct 2010)	Applies to subcontracts exceeding \$15,000

FAR 52.222-36	Equal Opportunity for Workers with Disabilities	Applies to subcontracts exceeding \$15,000
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**D. Additional Clauses Applicable to All Purchase Orders over \$150,000:**

Clause	Description	Notes
FAR 52.222-35	Equal Opportunity for Veterans	
FAR 52.222-37	Employment Reports on Veterans	

**E. Additional Clauses for Purchase Orders over the Simplified Acquisition Threshold:**

Clause	Description	Notes
FAR 52.202.1	Definitions	
FAR 52.203-2	Certificate of Independent Price Determination	
FAR 52.203-3	Gratuities	
FAR 52.203-5	Covenant Against Contingent Fees	
FAR 52.203-6	Restrictions on Subcontractor Sales to the Government	
FAR 52.203-7	Anti-Kickback Procedures	Remove paragraph (c)(1).
FAR 52.203-12	Limitation on Payments to Influence Certain Federal Transaction	
FAR 52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	
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 52.203-16	Preventing Personal Conflicts of Interest	
FAR 52.203-15	Whistleblower Protections Under the American Recovery and Investment Act of 2009. Applicable to all subcontracts that are funded in whole or in part with Recovery Act funds.	
FAR 52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights	
FAR 52.209-5	Certification Regarding Responsibility Matters	
FAR 52.215-2	Audit and Records Negotiation	
FAR 52.215-14	Integrity of Unit Prices	Remove paragraph (b)
FAR 52.215-16	Facilities Capital Cost of Money	
FAR 52.216-7	Allowable Cost and Payment	
FAR 52.216-8	Fixed Fee	
FAR 52.216-10	Incentive Fee	
FAR 52.216-11	Cost contract-No Fee	
FAR 52.216-12	Cost Sharing Contract-No Fee	
FAR 52.219-8	Utilization of Small Business Concerns	

FAR 52.222-2	Payment for Overtime Premiums	
FAR 52.222-51	Exception from Application of Service Contract Labor Standards to contracts for Maintenance, Calibration, or Repair of Certain Equipment - Requirements	
FAR 52.222-55	Minimum Wages Under Executive Order 13658. Applicable to all subcontracts, regardless of dollar value, that are subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the United States.	
FAR 52.222-56	Certification Regarding Trafficking in Persons Compliance Plan (as prescribed in FAR 22.1705(b))	
FAR 52.225-26	Contractors Performing Private Security Functions Outside the United States	
FAR 52.227-1	Authorization and Consent and Alternative 1	Applicable only if included in prime contract.
FAR 52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	
FAR 52.232-22	Limitation of Funds	
FAR 52.232-40	Providing Accelerated Payments to Small Business Subcontractors	
FAR 52.242-13	Bankruptcy	
FAR 52.243-6	Change Order Accounting	
FAR 52.244-2	Subcontracts	
FAR 52.244-5	Competition in Subcontracting	
FAR 52.246-2	Inspection of Supplies-Fixed Price	
FAR 52.246-26	Reporting Nonconforming Items	
FAR 52.248-1	Value Engineering	
FAR 52.249-2	Termination for Convenience of the Government (Fixed-Price).	In paragraph (d), revise "45 days" to state "60 days". In paragraph (e), revise "1 year" to state "90 days". In paragraph (l), revise "90 days" to state "60 days".
FAR 52.249-8	Default (Fixed-Price Supply and Service)	
FAR 52.249-14	Excusable Delays	
DFARS 252.203- 7001	Prohibition of Persons Convicted of Fraud or Other Defense Contract-Related Felonies	
DFARS 252.209- 7004	Subcontracting with Firms That Are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism	
DFARS 252.225- 7008	Restriction on Acquisition of Specialty Metals	
DFARS 252.225- 7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	
DFARS 252.225- 7010	Commercial Derivative Military Article-Specialty Metals Compliance Certificate	

DFARS 252.225- 7012	Preference for Certain Domestic Commodities	
DFARS 252.225- 7015	Restriction on Acquisition of Hand or Measuring Tools	
DFARS 252.247- 7024	Notification of Transportation of Supplies by Sea	
DFARS 252.226- 7001	Utilization of Indian Organizations, India-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	Applicable to Purchase Orders over \$500,000.

**F. Additional Clauses Applicable to All Purchase Orders over \$550,000:**

Clause	Description	Notes
FAR 52.209-7	Information Regarding Responsibility Matters	
FAR 52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters	

**G. Additional Clauses for Purchase Orders Over \$700,000:**

Clause	Description	Notes
FAR 52.219-9	Small Business Subcontracting Plan	
FAR 52.219-16	Liquidated Damages-Subcontracting Plan	
DFARS 252.219- 7003	Small Business Subcontracting Plan (DoD Contracts)	
DFARS 252.219- 7004	Small Business Subcontracting Plan (Test Program)	

**H. Additional Clauses Applicable to Purchase Orders Over \$750,000:**

Clause	Description	Notes
FAR 52.230-1	Cost Accounting Standards Notices and Certification	
FAR 52.230-2	Cost Accounting Standards	
FAR 52.230-3	Disclosure and Consistency of Cost Accounting Practices	
FAR 52.230-6	Administration of Cost Accounting Standards	

**I. Additional Clauses Applicable to Purchase Orders Over \$1,000,000:**

Clause	Description	Notes
DFARS 252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements	Applicable except for acquisition of commercial items or COTS items.



J. Additional Clauses Applicable to Purchase Orders over \$2,000,000:

Clause	Description	Notes
FAR 52.215-10	Price Reduction for Defective Cost or Pricing Data	
FAR 52.215-11	Price Reduction for Defective Cost or Pricing Data- Modifications	
FAR 52.215-12	Subcontractor Certified Cost or Pricing Data	
FAR 52.215-13	Subcontractor Certified Cost or Pricing Data Modifications	
FAR 52.215-15	Pension Adjustments and Asset Reversions	
FAR 52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions	
FAR 52.215-19	Notification of Ownership Changes	
FAR 52.215-23	Limitation on Pass-Through Charges	

K. Additional Clauses Applicable to Purchase Order Over \$5,500,000:

Clause	Description	Notes
FAR 52.203-13	Contractor Code of Business Ethics and Conduct	Applicable if the period of performance is more than 120 days.
FAR 52.203-14	Display of Hotline Poster(s)	