


UAB KITRON KAUNAS
PROCESS MANUAL / PROCESO APRAŠYMAS

Description: FAR/DFARS Flowdown requirements	M-A-04, rev.01
Date: 2017-09-04 Total pages: 21	Approved by: I. Šliaužienė Signature: 

1. When the Work furnished under a Contract is for use in connection with a U.S. Government prime contract or higher-tier subcontract funded by the U.S. Government thereunder (a “U.S. Prime Contract”), the provisions of the FAR/DFARS Flowdown shall be applicable as required by the terms of the U.S. Government Prime Contract or by operation of law or regulation.
2. The FAR/DFARS Flowdown clauses are incorporated herein by reference and shall have the same force and effect with respect to the Contract as if the clauses were included in full text therein.
3. The applicability and interpretation of each FAR/DFARS Flowdown clause is subject to:
 - i. the contract type; and
 - ii. the notes accompanying each clause.
4. If any of the FAR/DFARS Flowdown clauses do not apply to the Contract, such clauses are considered to be self-deleting.
5. In all clauses listed in the FAR/DFARS Flowdown “Subcontractor” shall mean SELLER’s subcontractor under the Contract, the terms “Government”, “Contracting Officer” and “Contractor” shall be revised to suitably identify the contracting Parties herein and affect the proper intent of the clause or provision except where further clarified or modified in the Notes section of the FAR/DFARS Flowdown (Annex A). However, the words “Government” and “Contracting Officer” do not change:
6. when a right, act, authorization or obligation can be granted or performed only by the U.S. Government or the prime contract Contracting Officer or duly authorized representative, such as in FAR 52.227-1 and FAR 52.227-2; or
 - i. when title to property is to be transferred directly to the U.S. Government.
 - ii. Applicability of clauses for Commercial Items shall be those items meeting the FAR 2.101 definition of a “commercial item”.
7. If the Purchase Order is issued to fulfill BUYER’s requirements under a U.S. Government prime contract, and the Contract is terminated for convenience by BUYER, in whole or in part, in response to the termination for convenience in whole or in part of BUYER’s prime contract by the U.S. Government, the obligations, requirements of SELLER, and the relief to which SELLER may be entitled upon a termination for convenience by BUYER under this Article shall be governed by the Termination for Convenience clause contained in BUYER’s contract under the U.S. Government Prime Contract (e.g., FAR 52.249-2, Termination for the Convenience of the Government (Fixed-Price) (May 2004)), amended as necessary and appropriate to reflect the Parties to this Contract.
8. Notwithstanding the provisions of any FAR/DFARS Flowdown clause, however, any reference to, or invocation of the Contract Disputes Act in any such clause is inapplicable to the Contract. Consequently, each reference to a “Disputes” clause in the Contract shall mean the Disputes clause as specified in the General Conditions for Major Purchases (Annex B), not the “Disputes” clause of the U.S. Prime Contract.

9. By signing this Agreement or by accepting purchase orders from Kitron AS where the flowing clause is stated: "The provisions of the Annex A: FAR/DFARS Flowdown is applicable to this purchase order "; SELLER certifies compliance with the FAR/DFARS Flowdown certification clauses listed therein. SELLER shall indemnify BUYER against and hold BUYER harmless from all claims, expenses, and losses, arising out of performance of a Contract by SELLER:
- i. when such claims, expenses, and losses result from the failure of SELLER to furnish to BUYER, in accordance with the provisions of the relevant United States regulations, cost or pricing data, which is accurate, complete and current at the time of SELLER's and BUYER's agreement to the negotiated price or at the time when BUYER requests a reaffirmation of the same, and
 - ii. when such claims, expenses and losses result from SELLER's failure to comply with the rules, regulations, and standards of the Cost Accounting Standard Board in connection with covered Contracts.
10. The DPAS Rating and/or Prime Contract Number applicable to the Contract, or to specific line items of the Contract, shall be listed in the applicable Purchase Order. When such is listed, the Contract shall be a rated order certified for US national defense use, and the SELLER is required to follow all of the applicable regulations under the DPAS.
- i. If the Contract is a DX rated order, SELLER must accept or reject the Purchase Order in writing to BUYER within ten (10) working days of SELLER's receipt of the Purchase Order.
 - ii. If the Contract is a DO rated order, the SELLER must accept or reject the Purchase Order in writing to BUYER within fifteen (15) working days of SELLER's receipt of the Purchase Order.
 - iii. If the SELLER rejects the Purchase Order, SELLER must include its reasons for doing so in writing with its rejection.
 - iv. If the SELLER accepts the Purchase Order, SELLER's written acceptance shall constitute written acceptance of the DPAS rating of the Contract and all requirements resulting from that rating.

Clause Number	Clause Description	Effective Date	Commercial Items	Non-Commercial Items	Notes
52.203-6	Restrictions on Subcontractor Sales to the Government	september 2006	X	X	Applicable if contract value is equal or exceeds the simplified acquisition threshold.
52.203-7	Anti-Kickback Procedures	Oct 2010	X	X	By acceptance of this contract, the Seller certifies compliance with the requirements of the FAR 52.203-7 with the exception of para. (c)(1).

52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	januar 1997	X	X	
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	september 2007	X	X	Applicable if solicitation/contract value exceeds \$150,000.
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	Oct 2010	X	X	Applicable if contract value is equal or exceeds \$150,000.
52.203-13	Contractor Code of Business Ethics and Conduct	april 2010	X	X	Applicable if the period of performance is more than 120 days and if the contract value is equal to or exceeds \$5,000,000. Contractor Code of Business Ethics and Conduct (In paragraph (b)(3)(i), the meaning of "agency office of the Inspector General" and "Contracting Officer" does not change, in paragraph (b)(3)(ii) the meaning of "Government" does not change and in paragraphs (b)(3)(iii) and (c)(2)(ii)(F), the meaning of "OIG of the ordering agency" "IG of the agency", "agency-OIG" and "Contracting Officer" do not change.)

52.203-14	Display of Hotline Poster(s)	Dec 2007		X	Applicable if (i) contract value is equal or exceeds \$5,000,000 and (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.204-2	Security Requirements	august 1996	X	X	Applicable if work requires access to classified information.
52.204-9	Personal Identity Verification of Contractor Personnel	september 2007	X	X	Applicable if contractor personnel will have access to a US Federally-controlled facility or US Federal information system.
52.208-8	Required Sources for Helium and Helium Usage Data	april 2002	X	X	
52.209-5	Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters	april 2010	X	X	
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	Dec 2010		X	Applicable if (i) contract value is equal or exceeds \$30,000 and (ii) is not a subcontract for commercially available off-the-shelf items.

52.211-15	Defense Priority and Allocation Requirements	april 2008		X	Applicable if prime contract with US Government is a rated order under the requirements of The Defense Priority and Allocation System (15 CFR 700).
52.214-26	Audit and Records-Sealed Bidding	Oct 2010		X	Applicable for all contracts exceeding the threshold in FAR 15.403-4(a)(1) for submission of certified cost and pricing data.
52.214-28	Subcontractor Cost or Pricing Data-Modifications-Sealed Bidding	Oct 2010		X	Applicable for all contracts exceeding the threshold in FAR 15.403-4(a)(1) for submission of certified cost and pricing data.
52.215-2	Audit and Records - Negotiation	Oct 2010		X	Applicable for all contracts that exceed the simplified acquisition threshold, and—(1) That are cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these (2) For which certified cost or pricing data are required; or(3) That require the subcontractor to furnish reports as discussed in paragraph (e) of this clause.
52.215-10	Price Reduction for Defective Cost or	Oct 2010		X	Applicable if certified cost and pricing data is

	Pricing Data				required.
52.215-11	Price Reduction for Defective Cost or Pricing Data - Modifications	Oct 2010		X	Applicable if certified cost and pricing data is required.
52.215-12	Subcontractor Cost or Pricing Data	Oct 2010		X	Applicable if contract value is equal to or exceeds the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1) and not exempt under FAR 15-403.
52.215-13	Subcontractor Cost or Pricing Data - Modifications	Oct 2010		X	Applicable if contract value is equal to or exceeds the threshold for submission of cost or pricing data at FAR 15.403-4(a)(1) and not exempt under FAR 15-403.
52.215-14	Integrity of Unit Prices	Oct 2010		X	Applicable if contract value is equal or exceeds the simplified acquisition threshold.
52.215-15	Pension Adjustments and Asset Reversions	Oct 2010		X	Applicable if contract meets the applicability requirements of FAR 15.408(g).
52.215-17	Waiver of Facilities Capital Cost of Money	Oct 1997		X	Applicable if the Contractor does not proposed facilities capital cost of money in its offer.
52.215-18	Reversion or Adjustment of Plans for Post-Retirement (PRB) Other than	juli 2005		X	Applicable if contract meets the applicability requirements of FAR 15.408(j).

	Pensions				
52.215-19	Notification of Ownership Changes	Oct 1997		X	Applicable if contract meets the applicability requirements of FAR 15.408(k).
52.219-8	Utilization Of Small Business Concerns	Dec 2010	X	X	Applicable only if work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.219-9	Small Business Subcontracting Plan	Oct 2010		X	Applicable if (i) the contract value is equal or exceeds \$650,000 (ii) the contractor is not a small business, and (iii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation	juli 2005		X	Applicable if contract may require or involve the employment of laborers and mechanics and only if work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.

52.222-20	Walsh-Healey Public Contracts Act	Oct 2010	X	X	Applicable if work under the contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.222-21	Prohibition of Segregated Facilities	februar 1999	X	X	Applicable only if work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract and the US Prime contract is subject to the Equal Opportunity Clause FAR 52.222-26.
52.222-26	Equal Opportunity	mars 2007	X	X	Applicable only if work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	september 2010	X	X	Applicable if (i) contract value is equal or exceeds \$100,000 and (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.

52.222-36	Affirmative Action for Workers with Disabilities	Oct 2010	X	X	Applicable if (i) contract value is equal or exceeds \$15,000 and (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	september 2010		X	Applicable if (i) contract value is equal or exceeds \$100,000 and (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.222-41	Service Contract Act of 1965, as Amended	november 2007	X	X	Applicable if contract is subject to the Service Contract Act of 1965, as amended.
52.222-50	Combating Trafficking in Persons	februar 2009	X	X	
52.222-51	Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration or Repair of Certain Equipment -- Requirements	november 2007	X	X	
52.222-53	Exemption from Application of the Service Contract	februar 2009	X	X	

	Act to Contracts for Certain Services --				
	- Requirements				
52.222-54	Employment Eligibility Verification	januar 2009	X	X	Applicable if work under the contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.223-7	Notice of Radioactive Materials.	januar 1997	X	X	Applicable if work contains radioactive materials.
52.223-11	Ozone-Depleting Substances.	May 2001.	X	X	Applicable if (i) articles are manufactured with or contains ozone-depleting substances; (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.223-14	Toxic Chemical Release Reporting	august 2003		X	Applicable if (i) contract value is equal or exceeds \$100,000 and (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
52.223-18	Contractor Policy to Ban Text Messaging While Driving	september 2010	X	X	

52.224-2	Privacy Act	april 1984		X	Applicable if work is subject to the Privacy Act.
52.225-8	Duty Free Entry	Oct 2010	X	X	Applicable if supplies will be imported into Customs Territory of the United States
52.225-13	Restrictions on Certain Foreign Purchases	juni 2008	X	X	
52.227-1	Authorization and Consent	Dec 2007		X	Applicable if US Government prime contract contains this clause. Include Alternate 1 if it is included in the prime contract.
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	Dec 2007		X	Applicable if contract value is equal or exceeds the simplified acquisition threshold.
52.227-9	Refund of Royalties	april 1984		X	Applicable only if reported royalties exceed \$250.
52.227-10	Filing of Patent Applications-Classified Subject Matter	Dec 2007		X	Applicable if the work or any patent application may cover classified subject matter.

52.227-11	Patent Rights - Ownership by the Contractor (Short Form)	Dec 2007		X	Applicable if the contract includes, at any tier, experimental, developmental or research work and the contractor is small business concern or non-profit organization. for experimental, developmental, or research work the substance of the patent rights clause required by FAR Subpart 27.3: The patent rights clause is modified to identify the parties as follows: references to the Government are not changed, and the subcontractor (contractor covered by these clauses) has all rights and obligations of the Contractor in the clause.
52.227-13	Patent Rights - Ownership by the Government	Dec 2007		X	The patent rights clause is modified to identify the parties as follows: references to the Government are not changed, and the subcontractor (contractor covered by these clauses) has all rights and obligations of the Contractor in the clause.
52.227-14	Rights in Data - General	Dec 2007	X	X	
52.227-19	Commercial Computer Software	Dec 2007	X		Applicable if existing computer software is be delivered under the

	- Restricted Rights				contract.
52.228-3	Worker's Compensation Insurance (Defence Base Act)	april 1984	X	X	Applicable to contracts to which the Defence Base Act applies.
52.228-4	Worker's Compensation and War-Hazard Insurance Overseas	april 1984	X	X	
52.228-5	Insurance - Work on a Government Installation	januar 1997	X	X	Applicable if the Contract requires work on a Government installation. Unless otherwise specified, the minimum kinds and amounts of insurance shall be as set out in FAR 28.307-2]
52.229-6	Taxes - Foreign Fixed-Price Contracts	juni 2003	X	X	
52.229-7	Taxes - Fixed-Price Contracts with Foreign Governments	januar 1991	X	X	
52.229-8	Taxes - Foreign Cost-Reimbursement Contracts	mars 1990	X	X	
52.229-9	Taxes - Cost-Reimbursement Contracts with Foreign Governments	mars 1990	X	X	
52.230-2	Cost Accounting Standards (CAS)	Oct 2010		X	If referenced in contract, full CAS coverage applies.

52.230-3	Disclosure and Consistency of Cost Accounting Practices	Oct 2008		X	If referenced per contract, modified CAS coverage applies.
52.230-4	Disclosure and Consistency of Cost Accounting Practices For Contracts Awarded to Foreign Concerns	juni 2010		X	If referenced per contract, modified CAS coverage applies.
52.230-6	Administration of Cost Accounting Standards	juni 2010		X	Applicable if FAR 52.230-2 and 52.230-3 applies.
52.233-3	Protest After Award	august 1996	X	X	
52.234-1	Industrial Resources Developed Under Defense Production Act Title III	Dec 1994	X	X	
52.236-13	Accident Prevention	november 1991	X	X	
52.237-2	Protection of Government Buildings, Equipment and Vegetation	april 1984	X	X	Applicable if work is performed on a Government installation.
52.242-15	Stop-Work Order	august 1989			Change 90 days in (a) to 100 days and change 30 days in (b)(2) to 20 days
52.244-6	Subcontracts for Commercial Items	Dec 2010	X	X	

52.245-1	Government Property	juni 2007	X	X	If this contract is to be performed outside of the United States and its outlying areas, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.
52.247-63	Preference for US Flag Air Carriers	juni 2003		X	Applicable if the contract involves international air transportation.
52.247-64	Preference for Privately Owned US Flag Commercial Vessels	februar 2006	X	X	
52.248-1	Value Engineering	Oct 2010		X	Applicable if contract value is equal or exceeds \$150,000.
DEFAR Part 252	Solicitation Provisions and Contract Clauses				
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense Contract-Related Felonies	Dec 2008		X	Applicable if contract value is equal or exceeds the simplified acquisition threshold.
252.204-7008	Requirements for Contracts involving export-controlled items	april 2010	X	X	Applicable if the Contractor will generate or need access to export-controlled items.
252.211-	Acquisition	Oct 2010		X	Applicable if contract value is equal or

7000	Streamlining				exceeds \$1,500,000.
252.211-7003	Item Identification and Valuation	august 2008	X	X	Applicable if the contract requires the work to contain unique item identification.
252.215-7000	Pricing Adjustments	Dec 1991		X	Applicable if FAR 52.215-12 & 52.215-13 applies to contract.
252.219-7003	Small Business Subcontracting Plan (DoD Contracts)	april 2007		X	Applicable if FAR 52.219-9 applies to contract.
252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements	Dec 2010	X	X	Applicable only if work under this contract will either (a) be performed in the United States; or (b) the contractor is recruiting persons from the United States to work on this contract.
252.223-7001	Hazard Warning Labels	Dec 1991	X	X	Applicable if hazard materials are be delivered under the contract.
252.223-7002	Safety Precautions for Ammunition and Explosives	May 1994		X	Applicable if work to be furnished contain explosives/ammunition under the contract.
252.223-7003	Change in Place of Performance - Ammunition and Explosives	Dec 1991		X	Applicable if DFARS 252.223-7002 applies to contract.
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives	september 1999		X	Applicable if conventional arms, ammunition or explosives are provided to the Contractor as Government-furnished property under this

					contract.
252.225-7001.	Buy American and Balance of Payments Program				
252.225-7006	Quarterly Reporting of Actual Contract Performance Outside the United States.				
252.225-7007	Prohibition on Acquisition of United States Munitions List Items From Communist Chinese Military Companies	september 2006	X	X	Applicable if seller is supplying items on the US Munitions List..
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals		X	X	
252.225-7013	Duty-Free Entry	Dec 2009		X	Applicable in lieu of FAR 52.225-8.
252.225-7016	Restriction on Acquisition of Ball and Roller Bearing	Dec 2010		X	Applicable if work to be supplied contain ball and roller bearings unless commercial items.
252.225-7021	Trade Agreements				
252.225-7033	Waiver of United Kingdom Levies	april 2003		X	Applicable if contract is with a United Kingdom firm.

252.225-7040	Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States.	Oct 2010	X	X	Applicable when subcontractor personnel are authorized to accompany U.S. Armed Forces deployed outside the United States in ---(1) Contingency operations;(2) Humanitarian or peacekeeping operations; or(3) Other military operations or military exercises when designated by the Combatant Commander.
252.225-7043	Anti-Terrorism/Force Protection Policy for Defense Contractors Outside the United States.	mars 2006	X	X	Applicable if work is to be performed or traveling outside of the US on contract.
252.226-7001	Utilization of Indian Organizations; Indian-Owned Economic Enterprises and Native Hawaiian Small Business Concerns	september 2004	X	X	Applicable if (i) contract value is equal or exceeds \$500,000 and (ii) work under this contract will either (a) be performed in the United States, or (b) the contractor is recruiting persons from the United States to work on this contract.
252.227-7013	Rights in Technical Data - Non Commercial Items	november 1995		X	Applicable in lieu of FAR 52.227-14.
252.227-7014	Rights in Non-Commercial Computer Software and Non-	juin 1995		X	Applicable in lieu of FAR 52.227-14.

	Commercial Computer Software Documentation				
252.227-7015	Technical Data - Commercial Items	november 1995	X		Applicable in lieu of FAR 52.227-14.
252.227-7016	Rights in Bid or Proposal Information	juni 1995		X	
252.227-7019	Validation of Asserted Restrictions - Computer Software	juni 1995		X	
252.227-7025	Limitations on the use or Disclosure of Government - Furnished Information Marked with Restrictive Legends	juni 1995		X	Applicable if contract value is equal or exceeds \$550,000.
252.227-7026	Deferred Delivery of Technical Data or Computer Software	april 1988	X	X	
252.227-7027	Deferred Ordering of Technical Data or Computer Software	april 1988		X	
252.227-7030	Technical Data - Withholding of Payment	mars 2000	X	X	
252.227-7037	Validation of Restrictive Markings on Technical Data	september 1999		X	
252.227-7038	Patent Rights - Ownership by the Contractor (Large Business)	Dec 2007		X	Applicable if contract is for experimental, development or research work. Not applicable if contractor is subject to FAR 52.227-11 (Small

					Business or Not for Profit).
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	Dec 1991		X	Applicable if Aircraft, Missiles, and Space Launch Vehicles are included in the contract.
252.234-7001	Notice of Earned Value Management System	april 2008	X	X	
252.234-7002	Earned Value Management System	april 2008	X	X	
252.235-7003	Frequency Authorization	Dec 1991		X	Applicable if contract for a device requiring frequency authorization.
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	november 2010	X	X	
252.246-7003	Notification of Potential Safety Issues	januar 2007	X	X	Applicable if parts are identified as critical safety items.
252.247-7023	Transportation of Supplies by Sea	May 2002	X	X	Applicable if contract value is equal or exceeds \$100,000.
252.247-7024	Notification of Transportation of Supplies by Sea	mars 2000	X	X	

252.249-7002	Notification of Anticipated Contract Termination or Reduction	Oct 2010	X	X	Applicable if contract value is equal or exceeds \$650,000.
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