
			<i>Description:</i> <b>FAR/DFARS Flowdown requirements</b>		
<i>Rev.nr.</i> <b>2</b>	<i>Issued by:</i> <b>Bjørn Brenna</b>	<i>Approved by:</i> <b>H. P. Thomassen</b>	<i>Date:</i> <b>11.05.2021</b>	<i>Total pages:</i> <b>2</b>	<i>Page:</i> <b>1</b>

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:
  - a. *the contract type; and*
  - b. *the notes accompanying each clause.*
4. The effective version of each FAR/DFARS Flowdown clause shall be the version in effect as of the date of the Agreement. Purchase Orders issued under this Agreement may necessitate modification to the FAR/DFARS Flowdown.
  - a. *wherein the effective version of each FAR/DFARS Flowdown provision shall be the same version as that which appears in BUYER’s U.S. Prime Contract, or higher-tier subcontract under which a Purchase Order under this Agreement is a subcontract; or*
  - b. *to change, remove or add one or more FAR/DFARS Flowdown clauses.*
5. If any of the FAR/DFARS Flowdown clauses do not apply to the Contract, such clauses are self-deleting.
6. 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:
7. 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
  - a. *when title to property is to be transferred directly to the U.S. Government.*
  - b. *applicability of clauses for Commercial Items shall be those items meeting the FAR o 2.101 definition of a “commercial item”.*
8. 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.

			<i>Description:</i> <b>FAR/DFARS Flowdown requirements</b>		
<i>Rev.nr.</i> <b>2</b>	<i>Issued by:</i> <b>Bjørn Brenna</b>	<i>Approved by:</i> <b>H. P. Thomassen</b>	<i>Date:</i> <b>11.05.2021</b>	<i>Total pages:</i> <b>2</b>	<i>Page:</i> <b>2</b>

9. 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 Agreement, not the “Disputes” clause of the U.S. Prime Contract.
10. 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:
- a. *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*
  - b. *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.*
11. 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 the applicable regulations under the DPAS.
- a. *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.*
  - a. *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.*
  - b. *If the SELLER rejects the Purchase Order, SELLER must include its reasons for doing so in writing with its rejection.*
  - c. *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.*