



# ADDITIONAL BAE SYSTEMS LAND & ARMAMENTS L.P. PROVISIONS

## Table of Contents

<b>NOTE:</b> .....	<b>2</b>
<b>CHANGES TO SELLER’S PRODUCTS OR PROCESSES</b> .....	<b>2</b>
<b>SPECIAL TOOLING</b> .....	<b>2</b>
<b>PROPOSAL/QUOTATION REQUIREMENTS</b> .....	<b>4</b>
<b>RFP/RFQ RESPONSES</b> .....	<b>5</b>
<b>QUALITY CONTROL SYSTEM</b> .....	<b>6</b>
<b>DELIVERY OF SUPPLIERS/SERVICES</b> .....	<b>6</b>
<b>SHIPPING</b> .....	<b>7</b>
<b>PACKING</b> .....	<b>7</b>
<b>WARRANTY</b> .....	<b>7</b>
<b>OBTAINING CERTIFIED COST OR PRICING DATA (FAR 15.403)</b> .....	<b>8</b>
<b>ADDITIONAL U.S. GOVERNMENT REQUIREMENTS</b> .....	<b>9</b>

### BAE SYSTEMS PROPRIETARY INFORMATION

BAE Systems proprietary rights are included in the information disclosed herein. Recipient, by accepting this tangible media, including electronic or digital media, agrees that neither this tangible media, including electronic or digital media, nor the information disclosed herein nor any part thereof shall be reproduced or transferred to other tangible media, including any electronic media, or used or disclosed to others for any purpose except as specifically authorized in writing by BAE Systems.

This information is exempt from disclosure under Exemptions 3 and 4 of the Freedom of Information Act. Any unauthorized disclosure by a Government employee may be a violation of the Trade Secrets Act.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

**NOTE: Only BAE Systems' Authorized Purchasing Representative shall have the authority to direct or authorize changes or modifications to this contract. BAE SYSTEMS' PROGRAM MANAGEMENT AND ENGINEERING PERSONNEL SHALL NOT HAVE AUTHORITY TO MODIFY THIS CONTRACT OR OTHERWISE TO DIRECT OR AUTHORIZE CHANGES.**

Whenever Seller receives direction from BAE Systems personnel other than BAE Systems' Authorized Purchasing Representative, Seller shall promptly confirm the direction with BAE Systems' Authorized Purchasing Representative if Seller believes that the direction might constitute a change or modification to any requirement of this contract, including its delivery terms, schedule or specifications. Seller shall not implement any changes or modifications to this contract (including contract specifications and quality control provisions) without first having received written authorization to do so from BAE Systems' Authorized Purchasing Representative.

**BAE SYSTEMS SHALL NOT BE LIABLE FOR ANY OF SELLER'S INCREASED COSTS OF PERFORMANCE THAT RESULT FROM SELLER'S IMPLEMENTATION OF CHANGES OR MODIFICATIONS THAT BAE SYSTEMS' AUTHORIZED PURCHASING REPRESENTATIVE DID NOT FIRST APPROVE IN WRITING.**

## **CHANGES TO SELLER'S PRODUCTS OR PROCESSES**

In the event that Seller changes any of its products or processes to manufacture products delivered pursuant to this contract, Seller shall notify BAE Systems within fifteen (15) days of such change. In the event that Seller fails to make such notification and it is subsequently determined that such change caused BAE Systems to experience failures or to incur additional costs, then Seller shall be liable to BAE Systems for all additional costs. BAE Systems may also return all changed products, retain the product and/or terminate this contract at no cost to BAE Systems. BAE Systems shall only be responsible for payment for any products actually retained by BAE Systems, less the amount of any diminution of value to BAE Systems due to the change.

## **SPECIAL TOOLING**

The respective rights and duties of BAE Systems and Seller are provided below.

- (A) Definition: Special tooling is generally defined as hard, durable tooling designed to sustain a continuing production program and includes, but is not limited to, jigs, dies, fixtures, molds, patterns, taps, gauges and other manufacturing aids. It does not include material, special test equipment, general or special purpose machine tools or perishable tools (such as rotary and turning type cutting tools).
- (B) Acquisition: If Seller must acquire special tooling in order to perform the contract, the tooling price must be segregated from the product price in Seller's quotation, and each item of tooling must be priced separately. After contract award, the following actions must be taken immediately following fabrication/acquisition of the tooling:

### **BAE SYSTEMS PROPRIETARY INFORMATION**

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

- (1) Identify tooling on Form 095041 – Special Tooling Inventory. Include the number of pieces the tooling is capable of producing in the “Production Capability” column. (Not required for responses to Anniston, Phoenix, or Weapons Systems locations.)
- (2) Generate tool drawing(s) including detailed design of tool, bill of material, tolerance block and title block. For patterns, molds, forgings and extrusion dies, descriptive photographs will be accepted in lieu of drawings.
- (3) Submit items (1) and (2) with invoice for payment.  
Seller is advised that no payment for tooling will be made until all of the above requirements have been fulfilled.

## (C) Use:

- (1) When submitting a proposal or quotation, Seller must identify specific items of BAE Systems /Government-owned tooling already in Seller’s possession which are required for contract performance. Authorization for use of Special Tooling will be included in any resulting contract. If Seller holds Special Tooling under a no-cost facilities contract, the production contract still must authorize the use of the tooling, and the authorization will reference the facilities contract.
- (2) Use of Special Tooling without the above authorization is strictly prohibited. If Seller requires use of tooling for other than a BAE Systems contract, a written request must be submitted to BAE Systems. Seller is advised that Government approval may be required, that usage will be on a non-interference basis, and that rent calculated in accordance with FAR 52.245-9 may be charged. Seller is further cautioned to make any request for non- BAE Systems contracts use well in advance of need date to allow for required approvals. Unauthorized use of Special Tooling by Seller will result in rental charges and/or penalties or damages being assessed, and may result in removal of tooling from Seller’s facility.

## (D) Records:

- (1) Seller will maintain adequate property control records for each item of tooling, whether BAE Systems or Seller-furnished. The records will consist of the following information and will be available to BAE Systems on request:
  - BAE Systems -assigned tool number
  - Tool name
  - Tool drawing number
  - Component drawing number
  - Component name
  - Contract number
  - Tool unit cost
  - Quantity
  - Condition
  - Location
  - Ownership
  - Calibration/recalibration variable findings (if applicable)
- (2) For BAE Systems-furnished tooling, BAE Systems will furnish the appropriate information.
- (3) BAE Systems will conduct periodic audits of BAE Systems/Government-owned tooling (whether BAE Systems-furnished or Seller-acquired) and related records to verify that the tooling has been properly marked, is being properly accounted for and is adequately maintained. Seller will continuously update tooling records to reflect all additions and deletions, as necessary. Seller’s failure to adhere to record-keeping

**BAE SYSTEMS PROPRIETARY INFORMATION**

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

- requirements or provide timely response to audit requests will be grounds for termination at no cost to BAE Systems of those contracts for which the tooling is used.
- (E) Maintenance: Seller is responsible for maintaining all special tooling in suitable condition to perform its intended function. Seller is responsible for normal maintenance of all special tooling, as well as for maintenance and replacement of all perishable tooling components (such as drill bushings, pins, holding clamps, etc.) at its expense. Under certain circumstances, BAE Systems may, at its discretion, authorize and pay for major repairs or replacement of casting patterns or forging dies. Expenditures of this nature by BAE Systems are contingent upon Seller notifying BAE Systems in advance and obtaining written approval; and, if BAE Systems considers necessary, examination by BAE Systems representative(s) of the casting pattern or forging die to be repaired or replaced.
- (F) Disposition:
- (1) Seller is responsible for notifying BAE Systems immediately if any item of special tooling is no longer needed for production, whether due to obsolescence, lack of production, condition, or other reason. Seller will submit a formal request to BAE Systems which includes the information listed above under "Records," requesting disposition instructions. Seller will also formally request disposition at the end of each production contract. The Seller is PROHIBITED from disposing of special tooling (by sale, scrap or otherwise) without written direction from BAE Systems.
  - (2) If Seller is directed to return special tooling to BAE Systems, the tooling will be accompanied by a packing slip which lists the tool number, tool name and quantity of pieces per tool listed. The "Ship To" address will be furnished with the disposition instructions. Packaging of the tooling will be at Seller expense; BAE Systems will reimburse Seller for reasonable costs for shipment of the tooling.

## PROPOSAL/QUOTATION REQUIREMENTS

### GENERAL REQUIREMENTS

The following requirements apply to all proposals/quotations submitted by Offerors in response to BAE Systems' Request for Proposal/Quotation ("RFP/RFQ"). Failure to comply with these requirements will render your proposal/quotation non-responsive and may be ineligible for award.

- (A) Terms, Conditions, and Special Clauses: The terms, conditions and special clauses specified in the RFP/RFQ. The location of the BAE Systems' terms and conditions and the additional Procurement Provisions is communicated to the supplier in the content of each subcontract. Contact your authorized procurement representative for further information.
- (B) Prices Quoted: Prices quoted, including options, if any, shall be firm and fixed for the term of the contract, unless otherwise specified in the RFP/RFQ. Prices shall include Offeror's costs to perform all the requirements of the contract, as stated in the RFP/RFQ, including, but not limited to:

- (1) All applicable terms and conditions

#### BAE SYSTEMS PROPRIETARY INFORMATION

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

- (2) Drawings and/or specifications
- (3) First Article Testing (FAT), Production Part Approval Process (PPAP) and/or First Piece Inspection (FPI). (If a requirement of the RFP/RFQ, FAT, PPAP or FPI must be priced as a separate line item on the proposal/quotation.)
- (4) All other applicable inspection and testing requirements.

Your proposal/quotation should state the validity of your pricing. BAE Systems requests that your prices will remain valid for a minimum of 90 days, unless otherwise specified in the RFP/RFQ.

Please take the time to read and understand the terms and conditions contained in the RFP/RFQ, particularly the delivery, price, payment and quality assurance terms, before you submit your proposal, as these will become part of the contract terms upon award.

- (C) Tooling Costs: In your proposal/quotation, you must segregate your tooling costs and break down the total tooling dollars into individual tool costs. Include in the tool costs the cost to furnish BAE Systems dimensioned drawings of the special tools, fixtures, etc., required. Be advised that any tooling charged to the contract will be owned by BAE Systems or the U.S. Government, and that the Property and Tooling Provisions of these terms and conditions will apply.
- (D) Availability of Final Acceptance Inspection and Test Equipment (FAITE): When gages, testing devices, or inspection equipment are identified by a Government design number in the Technical Data Package (TDP) for this order, you may request BAE Systems' Authorized Purchasing Representative to furnish the FAITE for your use under the contract. If equipment is available, your proposal/quotation must state that the equipment is required for use in the event a contract is awarded. Should BAE Systems provide FAITE to you; its use will be governed by the Furnished Property and Special Tooling Provisions of the contract.

## **RFP/RFQ RESPONSES**

- (A) Offeror's Proposal/Quotation Form: If you submit a proposal/quotation on your own form, all the requirements specified herein must be met and a complete copy of the RFQ/RFP, with all attachments, must be affixed. Your own form may not contain any terms limiting, superseding or negating the terms in the RFQ/RFP, unless you highlight them and state the effect you believe them to have on the RFQ/RFP and resulting contract. If you take exception to any BAE Systems Terms and Conditions, they must be resolved before an award may be considered.
- (B) No Quote: If no proposal/quotation is made, BAE Systems requests that you provide a brief statement explaining your "no quote." You must destroy all the drawings and specifications you received from BAE Systems, unless BAE Systems instructs you to return them.
- (C) Proposal/Quotation Due Date: Your failure to submit your proposal/quotation by the Request for Quote due date may be cause for your disqualification.

### **BAE SYSTEMS PROPRIETARY INFORMATION**

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

- (D) Verbal and Facsimiled Proposals/Quotations: You must make all your proposals and quotations to BAE Systems in writing, unless BAE Systems' Authorized Purchasing Representative expressly permits you to submit them in another manner.
- (1) Verbal Proposals/Quotations: If BAE Systems' Authorized Purchasing Representative permits you to make a verbal proposal/quotation as long as the value of the quotation is less than \$10,000 in response to a particular RFP/RFQ, you must confirm your verbal proposal/quotation in writing within five (5) BAE Systems work days of making the proposal/quotation, unless BAE Systems' Authorized Purchasing Representative expressly permits you to take a longer period of time. Please note that BAE Systems reserves the right to ignore and/or reject any and all verbal proposals/quotations. Even if you have the permission of BAE Systems' Authorized Purchasing Representative to submit your proposal/quotation verbally, your proposal/quotation will be at risk of being ignored and/or rejected per se, for any reason, or for no reason at all.
- (2) Faxed Proposals/Quotations/E-Mails/Scanned Proposals Quotations: If you fax your proposal/quotation to BAE Systems, you will be responsible for ensuring that the transmission is clear, complete, and legible in all its parts.
- (E) Selection for Award: If BAE Systems selects you for an award; BAE Systems' Authorized Purchasing Representative will submit an offer to you based on your proposal/quotation or as modified during negotiations. BAE Systems' submission will be in the written form of a purchase order or subcontract. Within 10 days, you must acknowledge your acceptance of the order as well as any change order revisions either through the appropriate supplier portal or by completing and returning the order acknowledgement / Acceptance form contained in the order. Commencement of work does not constitute acceptance of the contract.

## **QUALITY CONTROL SYSTEM**

SELLER agrees to accept all terms and conditions identified in the Platforms & Services Supplier Quality Assurance Manual Document No. 095870 (SQAM), and any requirements of the Contract Deliverable Requirements Document No. 095871 (CDR), identified in the body of this Contract.

## **DELIVERY OF SUPPLIERS/SERVICES**

All deliveries are to be made in the quantities and the times specified with each Subcontract Line/shipment. The need by date shown on the purchase order or change order is the date material is due on the receiving dock at the ship to location specified on the order.

### **BAE SYSTEMS PROPRIETARY INFORMATION**

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

## SHIPPING

Please see most current version of the shipping and routing Terms and Conditions and Instructions. The location of the BAE Systems' terms and conditions and Instructions is communicated to the supplier in the content of each subcontract or Purchase Order. Contact your authorized procurement representative for further information. These terms and instructions take precedence over all previous routing instructions contained on BAE Systems Subcontracts or Purchase Orders. Note: All shipments unless otherwise stated are FOB Origin.

FAILURE TO COMPLY WITH THESE INSTRUCTIONS SPECIFIC TO EACH SITE WILL RESULT IN A DEBIT BEING ISSUED, AND THE SUPPLIER WILL PAY ALL FREIGHT CHARGES.

## PACKING

All goods shall be packaged by the SELLER in accordance with good commercial practice, unless expressly referenced otherwise on the face of the Purchase Order or documents referenced therein, in a manner sufficient to ensure arrival in a condition free of damage and deterioration. Parts packaged in each container shall be wrapped or separated by such protective barrier material to protect surfaces, machined, finishes, etc., as is necessary for the particular commodity shipped. Commingling of parts will not be accepted: each item must be packaged in a separate container and so identified. Containers within a container are permissible. BAE Systems reserves the right to reject and/or refuse delivery of goods damaged in transit as a result of improper packaging or material improperly segregated and/or identified. In such cases, goods will be returned to SELLER at SELLER's expense.

## WARRANTY

SELLER warrants that all Work furnished pursuant to this Contract shall strictly conform to all specifications, drawings, samples, and descriptions, and other requirements of this Contract and be free from defects in design, material and workmanship. The warranty shall begin upon final acceptance by the BAE Systems' customer of the BAE Systems products into which the SELLER'S good or services are incorporated and extend for a period of one (1) year. If any non-conformity with Work appears within that time, in addition to all other remedies provided by law and this contract, BAE Systems shall have the right, at Seller's expense, to do any or all of the following with respect to any goods or services that fail to meet Seller's warranties herein:

- (1) to hold defective goods and/or services for a reasonable period pending BAE Systems' determination of the appropriate remedy;
- (2) to require Seller, at Seller's expense, to provide prompt correction or replacement of the defective goods and/or services;
- (3) to accept or retain the defective goods and/or services and equitably reduce their price to reflect BAE Systems' damages suffered as a result of Seller's tender of the defective goods or performance of the defective services;

### BAE SYSTEMS PROPRIETARY INFORMATION

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

- (4) to return the defective goods and/or services to Seller, F.O.B. BAE Systems' receiving dock at its plant in the location indicated on the face of the Purchase Order and recover from Seller the price paid therefore and, if BAE Systems elects, purchase or manufacture similar goods, or acquire similar services, and recover from Seller the excess costs and expenses thereof;
- (5) to recover, by offset or otherwise, any and all expenses, costs, price reductions and damages paid, incurred, or suffered by BAE Systems as a result of such reduction, return, replacement, correction, or holding of defective goods and/or services pursuant to this provision;
- (6) to terminate the executory portion of this contract in accordance with termination for convenience provision; and/or
- (7) to terminate this contract as provided in accordance with default provision.

Transportation of replacement Work and return of non-conforming Work and repeat performance of Work shall be at SELLER's expense. Goods and services corrected or replaced by Seller shall be subject to all of the provisions of this contract in the manner and to the extent as goods and services originally furnished under this contract. All warranties shall run to the benefit of BAE SYSTEMS and its successors and Customer(s).

## **OBTAINING CERTIFIED COST OR PRICING DATA (FAR 15.403)**

### **A. SELLER COST OR PRICING DATA - CONTRACT NEGOTIATIONS**

In the event that BAE Systems' Authorized Purchasing Representative determines that, pursuant to a U.S. Government contract requirement, Seller is required to submit certified cost or pricing data in accordance with the Truthful Cost or Pricing Data Requirements, Seller shall comply with the following requirements as a condition of receiving award of this contract from BAE Systems and the clauses referenced herein shall apply to this contract:

- (1) Seller shall submit certified cost or pricing data with the proposal if the solicitation is noncompetitive and exceeds the certified cost or pricing data threshold. If the cost or pricing data cannot be submitted with the proposal, a date shall be provided that is shortly after the proposal submission;
- (2) Seller shall update cost or pricing data prior to negotiations and provide disclosures of any items that materially affect the price up until the completion of price negotiations;
- (3) Seller's cost or pricing data shall comply with FAR 15.408, Table 15-2; and
- (4) Upon completion of price negotiations, Seller shall certify that the cost or pricing data was current, accurate and complete as of the date of price agreement (Reference BAE Systems form 095765, "Certificate of Current Cost or Pricing Data." Any disclosures provided at the time of certification that materially affect price may be considered for an adjustment to the negotiated value.

#### **BAE SYSTEMS PROPRIETARY INFORMATION**

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.



## B. MANNER OF SUBMISSIONS FOR MODIFICATIONS

Regardless of whether or not Seller submitted cost or pricing data prior to award, or after award, Seller shall submit accurate, complete and current cost and pricing data to BAE Systems prior to the negotiation of the cost and/or price of each change or modification which involves aggregate increases and/or decreases in cost and applicable profits in excess of the Certified Cost or Pricing Data Threshold. All submissions shall be in accordance with the requirements of Paragraph 1 through 4 above.

## C. EXCEPTIONS

Prior to award, Seller may submit requests for exceptions from the requirement to submit certified cost or pricing data in accordance with the procedures set forth in the following clause, if the clause has been included in BAE Systems' contract with the Government or with a higher tier contractor under a Government contract:

### 52.215-20 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA AND DATA OTHER THAN CERTIFIED COST OR PRICING DATA

The Alternate(s), if any, to FAR 52.215-20 in BAE Systems' contract with the Government or a higher tier contractor under a Government contract shall apply to this contract. Any determination rendered on Seller's request shall be final and binding, and Seller shall comply therewith.

## ADDITIONAL U.S. GOVERNMENT REQUIREMENTS

The clauses that follow are IN ADDITION to the BAE Systems' Terms and Conditions and are incorporated herein by reference from the *Federal Acquisition Regulation* (FAR) and the *Department of Defense Federal Acquisition Regulation Supplement* (DFARS) and shall apply to this contract to the extent indicated. The applicable version of the clause shall be that in effect on the date of the RFQ/RFP or initial Purchase Order/Subcontract unless otherwise specified. In all of the following clauses, the word "Contractor" as used therein shall mean "Seller," the word "Contracting Officer" shall mean "BAE Systems' Authorized Purchasing Representative," and the word "Government" shall mean "BAE Systems," unless expressly indicated to the contrary in the comments to each clause. For your convenience and information, the full text of these clauses are provided on the internet at <http://farsite.hill.af.mil/>. However, BAE Systems does not take any responsibility for the content of this website and reliance on the content of the website is solely at Seller's risk.

52.204-6 DATA UNIVERSAL NUMBERING SYSTEM NUMBER

52.204-12 DATA UNIVERSAL NUMBERING SYSTEM NUMBER MAINTENANCE

252.225-7000 BUY AMERICAN — BALANCE OF PAYMENTS PROGRAM CERTIFICATE (This applies unless the acquisition is wholly exempt from the specialty metals restrictions at 225.7003-2 because the acquisition is covered by an exception in 225.7003-3(a) or (d). This only applies when using FAR part 12 procedures for the acquisition of commercial items)

### BAE SYSTEMS PROPRIETARY INFORMATION

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.

252.232-7012 PERFORMANCE-BASED PAYMENTS – WHOLE CONTRACT BASIS

252.232-7013 PERFORMANCE-BASED PAYMENTS – DELIVERABLE-ITEM BASIS

252.225-7035 BUY AMERICAN – FREE TRADE AGREEMENTS – BALANCE OF  
PAYMENTS PROGRAM CERTIFICATE

## REVISION HISTORY

Rev	Release Date	Change Description	Approved By	Change Request #
-	02/24/2014	Initial Release		
01	03/02/2015			
02	05/02/2017	Annual review; Updated terms for clarification purposes only.	Melinda Maxwell	BPMS-03396

### BAE SYSTEMS PROPRIETARY INFORMATION

Use or disclosure of this information is subject to the restriction on this page, on the title page or on the first page of this tangible media, including electronic or digital media.

Copyright © 2016 BAE Systems, All Rights Reserved  
Printed copy uncontrolled, verify latest revision online.