

Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) Flow-Down Clauses

PO Terms - U.S. FAR/DFARS Clause Flow-Downs for U.S. Government Contracts
Last Revised: June 2024

The FAR and DFARS clauses cited below, where applicable by their terms, are incorporated herein by reference as if set forth in full text. The full text of all clauses incorporated by reference are available at:

<http://www.acquisition.gov/>.

- I. When goods or services furnished by the Seller to Danfoss for use in connection with a U.S. Government contract or subcontract, in addition to Danfoss's General Terms and Conditions, the following provisions shall apply, as required by the terms of the prime contract, or by operation of law or regulation. Otherwise, Danfoss's General Terms and Conditions shall govern the contractual relationship of the Parties.
- II. The following clauses set forth in the FAR and DFARS in effect as of the date of the prime contract are incorporated herein by reference with the same force and effect as if they were in full text. In all clauses listed herein, the terms "Government", "Contracting Officer" and "Contractor" shall be applied and revised to suitably identify the contracting parties herein and affect the proper intent of the provision except where further clarified or modified below. "Subcontractor," however, shall mean "Seller's Subcontractor" under this purchase order.
- III. Clauses listed below may not be applicable to specific orders due to the type of subcontract/purchase order to be issued, dollar thresholds under requirements of the FAR, DFARS or Public Law or Flow Down requirements of a particular prime contract. Clauses that are not applicable due to monetary threshold, place, performance, type of effort or contract are deemed self-deleting, shall not be removed from this document, and will be considered by all parties to be without force and effect. It is the Seller's obligation to contact Danfoss regarding any confusion, ambiguity, or questions the Seller may have regarding applicability of the following clauses.
- IV. In certain circumstances, applicable law, statute, or regulation may require submission of a signed certification of compliance from the Seller to Danfoss. By accepting the order from Danfoss, Seller expressly agrees to provide the required signed certification within 14 days of the original request.
- V. In the event that Seller is offering for sale commercial items or services, as defined in FAR § 2.101 and when deemed necessary by Danfoss, Seller agrees to provide a written commercial item assertion that fully documents and supports the contention that the items or services are sold or offered for sale in the commercial market place, or is similar in form, fit and function to an item sold or offered for sale in the commercial market place at a fair and reasonable price.
- VI. Danfoss reserves the right to include additional FAR and/or DFARS clauses, as required by the express terms of a U.S. Government or prime contract.
- VII. In addition to the foregoing FAR and/DFARS clauses, the Seller agrees to comply with the following applicable laws:
 - A. **Cybersecurity**: Danfoss is committed to compliance with United States Government requirements regarding cybersecurity and cyber incident reporting. This includes implementing adequate security requirements outlined in NIST SP 800-171, and implemented in the applicable FAR and DFARS clauses (FAR § 52.204- 21 and DFARS §252.204-7014). Danfoss's safeguarding obligations extend not only to information received from the Government during contract performance, but also to any covered defense information that is collected, developed, received, used, or stored by or on behalf of Danfoss in support of the performance of the contract. In the event Danfoss determines it will need to disclose Controlled Unclassified Information (CUI) or Covered Defense Information (CDI) with any vendor, supplier, or subcontractor ("Seller"), the Seller shall provide an acknowledgement and certification of compliance with the foregoing regulatory provisions.

B. Defense Priority Allocation System:

If so identified by Danfoss, as required by the US Government, an order is a “rated order” certified for national defense use and Seller shall follow all the requirements of the Defense Priorities and Allocation System (DPAS) Regulation (15 C.F.R. Part 700).

C. Anti-corruption:

1. Seller shall comply with applicable laws and regulations relating to anticorruption, including, without limitation,
 - (a) the United States Foreign Corrupt Practices Act (FCPA) (15 U.S.C. §§78dd-1, et. seq.) irrespective of the place of performance, and
 - (b) laws and regulations implementing the Organization for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.N. Convention Against Corruption, and the Inter-American Convention Against Corruption in Seller's country or any country where performance of this Contract will occur.
2. In carrying out its responsibilities under this Contract –
 - (a) Seller represents that it has not paid, offered, promised to pay or authorized and will not pay, offer, promise to pay, or authorize the payment directly or indirectly of any monies or anything of value to
 - (i) any person or firm employed by or acting for on behalf of any customer, whether private or governmental, or
 - (ii) any government official or employee or any political party or candidate for political office for the purpose of influencing any act or decision or inducing or rewarding any action by the customer in any commercial transaction or in any governmental matter or securing any improper advantage to assist BAE Systems or Seller in obtaining or retaining business or directing business to any person.
 - (b) No owner, partner, officer, director or employee of Seller or of any parent or subsidiary company of Seller is or will become an official or employee of the government or of an agency or instrumentality of a government or a candidate for political office or a political party official during the term of this Contract, unless such person obtains the prior written approval of Danfoss.
 - (c) Seller has not made and will not make, either directly or indirectly, any improper payments.
 - (d) Seller has not made and will not make any facilitating payment (as that term is defined in the FCPA) without the prior written approval of Danfoss.

D. Cost Accounting Standards (Applicable unless otherwise exempt):

Seller shall communicate and otherwise deal directly with the Contracting Officer to the extent practicable and permissible as to all matters relating to Cost Accounting Standards. Seller shall provide Buyer with copies of all communications between Seller and the Contracting Officer respecting Cost Accounting Standards, FAR 52.230-2; Disclosure and Consistency of Cost Accounting Practices, FAR 52.230-3; and Administration of Cost Accounting Standards, FAR 52.230-6, provided Seller shall not be required to disclose to Buyer such communications containing information which is privileged and confidential to

Seller. In addition to any other remedies provided by law or under this Order, Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subject to any liability as the result of a failure of the Seller or its lower-tier subcontractors to comply with the requirements of FAR 52.230-2, 52.230-3, 52.230-4 (if applicable), 52.230-5 or 52.230-6. Paragraph (b) is deleted in each of the foregoing clauses.

E. Truth In Negotiations:

Certified Cost or Pricing Data (applicable only if certified cost or pricing data has been provided). The clause entitled "Subcontractor Certified Cost or Pricing Data" is a part of this Order if the Seller was required to furnish cost and pricing data and a Certification of Current Cost or Pricing Data for this Order. If it was not required to furnish such data and Certificate, the clause entitled "Subcontractor Cost or Pricing Data-Modification" is a part of this Order. Seller shall update its proposal and re-certify its cost or pricing data whenever costs, factors, or prices change such that cost or pricing data previously furnished is no longer, accurate, current, or complete.

1. Indemnification:

- (a) If any price (including profit or fee) negotiated in connection with the prime contract between the Government and the Buyer or any cost that is reimbursable under said contract is reduced because cost or pricing data furnished by the Seller in connection with any proposal submitted by the Buyer relating to said contract or in connection with this Order was not accurate, complete, or current, the Seller shall indemnify the Buyer in the amount of said reduction.
- (b) The phrase "certified cost or pricing data" as used herein shall be deemed to include any such data, which related to a lower-tier prospective or actual subcontract, at any level, which was submitted by the Seller or which it procured by submission of, in connection with the aforesaid proposal or this Order in support of its cost estimate. If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Seller shall be liable and shall pay the Buyer at the time such overpayment is repaid:
 - (i) Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Seller to the date the Buyer is repaid by the Seller at that applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C., 6621(a)(2); and
 - (ii) For Department of Defense contracts only, a penalty equal to the amount of the overpayment, if the Seller knowingly submitted cost or pricing data which were incomplete, inaccurate, or non-current.

2. Certified Cost or Pricing Data for Changes:

- (a) Prior to the pricing of any change or other modification to this Order which involves, increases and/or decreases in costs plus applicable profit in excess of the contractually required threshold and resulting from a change in the prime contract, subcontractors shall submit cost or pricing data and shall certify that the data, as defined in FAR §15.406- 2, submitted either actually or by specific identification in writing are accurate, complete, and current as of the date of completion of negotiations.
- (b) When required to obtain certified cost or pricing data or "Other Cost and Pricing Data" from its subcontractors, pursuant to the provisions of this Order, Seller shall provide such data.

F. Dispute – Government Contracts:

Any reference to the “Disputes clause” in any applicable FAR Clause shall mean this paragraph, Disputes – Government Contracts. Any dispute arising under the agreement between the parties relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance the following paragraphs.

Notwithstanding any other provisions the agreement between the parties, any decision of the Contracting Officer under the prime contract which binds Buyer shall bind both Buyer and Seller to the extent that it relates to this purchase order –provided that:

1. The Buyer notifies with reasonable promptness the Seller of such decision.
2. The Buyer, at its sole discretion, authorizes in writing the Seller to appeal in the name of the Buyer such decision at its own expense, or
3. If Buyer should appeal such decision, Buyer at its sole discretion offers to the Seller the opportunity at its own expense to join Buyer in such appeal.
4. Any decision upon such appeal, when final, shall be binding upon the Seller.
5. The Seller shall indemnify and save harmless from any and all liability of any kind incurred by or imputed to Buyer under Section 5, “Fraudulent Claims,” of the Contract Disputes Act of 1978, as amended, if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misinterpretation of fact on the part of Seller.
6. Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this purchase order, the Seller shall proceed diligently, as directed by Buyer, with the performance of this purchase order.
7. Nothing in this clause nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgement by Buyer of the validity of Seller’s claim or any part thereof, nor be deemed to limit or in any way restrict Buyer from taking any actions, included available remedies, it deems appropriate to protect its own interests.
8. As used in this clause, the word “appeal” means an appeal taken under the contract Disputes Act of 1978, as amended.

VIII. APPLICABLE TO ALL ORDERS:

- A.** The following FAR clauses apply to all contracts, purchase orders, delivery orders, or any agreement between Danfoss and the Seller where the end customer is the United States Government:

Clause	Title
52.202-1	Definitions
52.203-3	Gratuities
52.303-5	Covenant Against Contingent Fees
52.203-6	Restrictions on Subcontractor Sales to the Government.
52.203-7	Anti-Kickback Procedures

52.203-12	Limitation on Payments to Influence Certain Federal Transactions.
52.203-13	Contractor Code of Business Ethics and Conduct.
52.203-14	Display of Hotline Poster(s).
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.
52.203-16	Preventing Personal Conflicts of Interest.
52.203-17	Contractor Employee Whistleblower Rights and Requirement To Inform Employees of Whistleblower Rights.
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements.
52.204-2	Security Requirements.
52.204-9	Personal Identity Verification of Contractor Personnel.
52.204-21	Basic Safeguarding of Covered Contractor Information Systems
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment
52.204-27	Prohibition on a ByteDance Covered Application
52.204-30	Federal Acquisition Supply Chain Security Act Orders—Prohibition
52.209-3	First Article Approval- Contractor Testing
52.209-4	First Article Approval- Government Testing
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment.
52.211-5	Material Requirements
52.211-11	Liquidated Damages-Supplies, Services, or Research and Development
52.211-15	Defense Priority and Allocation
52.212-5	Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items.
52.212-5 Alternate II	Contract Terms and Conditions Required to Implement Statutes or Executive Orders—Commercial Items.
52.214-28	Subcontractor Cost or Pricing Data-- Modifications--Sealed Bidding.
52.215-2	Audit and Records Negotiation
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.
52.215-14	Integrity of Unit Prices.
52.215-15	Pension Adjustments and Asset Reversions.
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions. (PRB)
52.215-19	Notification of Ownership Changes.
52.215-23	Limitations on Pass-Through Charges.
52.216-7	Allowable Cost and Payment
52.217-2	Cancellation Under Multi-year Contracts
52.217-7	Option for Increased Quantity-Separately Priced Line Item
52.219-8	Utilization of Small Business Concerns
52.219-9	Small Business Subcontracting Plan
52.219-16	Liquidated Damages – Subcontracting Plan
52.222-1	Notice to the Government of Labor Disputes
52.222-2	Payment for Overtime Premiums
52.222-4	Contract Work Hours and Safety Standards
52.222-6	Construction Wage Rate Requirements
52.222-7	Withholding of Funds
52.222-8	Payrolls and Basic Records
52.222-9	Apprentices and Trainees
52.222-10	Compliance with Copeland Act Requirements
52.222-11	Subcontracts (Labor Standards).
52.222-12	Contract Termination-Debarment
52.222-13	Compliance with Construction Wage Rate Requirements and Related Regulations
52.222-14	Disputes Concerning Labor Standards
52.222-15	Certification of Eligibility
52.222-16	Approval of Wage Rates

52.222-18	Certification Regarding Knowledge of Child Labor for Listed End Products
52.222-19	Child Labor-Cooperation with Authorities and Remedies
52.222-20	Contracts for Materials, Supplies, Articles, and Equipment
52.222-21	Prohibition of Segregated Facilities
52.222-26	Equal Opportunity
52.222-34	Project Labor Agreement.
52.222-35	Equal Opportunity for Veterans.
52.222-36	Equal Opportunity for Workers with Disabilities.
52.222-37	Employment Reports on Veterans.
52.222-40	Notification of Employee Rights Under the National Labor Relations Act.
52.222-41	Service Contract Act of 1965, as Amended
52.222-50	Combating Trafficking in Persons
52.222-51	Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements.
52.222-53	Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services— Requirements.
52.222-54	Employment Eligibility Verification
52.222-55	Minimum Wages Under Executive Order 13658
52.222-59	Compliance With Labor Laws (Executive Order 13673)
52.222-60	52.222-60 Paycheck Transparency (Executive Order 13673).
52.222-61	52.222-61 Arbitration of Contractor Employee Claims (Executive Order 13673).
52.222-62	Paid Sick Leave Under Executive Order 13706
52.223-3	Hazardous Material Identification and Material Safety Data
52.223-4	Pollution Prevention and Right-to-Know Information
52.223-9	Estimate of Percentage of Recovered Material Content for EPA-Designated Items
52.223-12	Maintenance, Service, Repair, or Disposal of Refrigeration Equipment and Air Conditioners
52.223-18	Contractor Policy to Ban Text Messaging While Driving

52.224-1	Privacy Act Notification
52.224-2	Privacy Act
52.224-3	Privacy Training.
52.225-1	Buy American Act – Supplies
52.225-2	Buy American Act Certificate
52.225-5	Trade Agreement
52.225-6	Trade Agreements – Certificate
52.225-8	Duty-Free Entry
52.225-13	Restrictions on Certain Foreign Purchases
52.225-19	Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular Mission Outside the United States.
52.225-21	Required Use of American Iron, Steel, and Manufactured Goods-Buy American Statute-Construction Materials
52.225-23	Required Use of American Iron, Steel, and Manufactured Goods-Buy American Statute-Construction Materials under Trade Agreements
52.225-26	Contractors Performing Private Security Functions Outside the United States
52.226-6	Promoting Excess Food Donation to Nonprofit Organizations.
52.227-1	Authorization and Consent
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement.
52.227-3	Patent Indemnity
52.227-9	Refund of Royalties.
52.227-10	Filing of Patent Applications-- Classified Subject Matter.
52.227-11	Patent Rights--Retention by the Contractor (Short Form).
52.227-13	Patent Rights--Acquisition by the Government.
52.227-14	Rights in Data – General
52.227-16	Additional Data Requirements
52.228-7	Insurance-Liability to Third Persons
52.228-9	Cargo Insurance
52.230-2	Cost Accounting Standards.
52.230-3	Disclosure and Consistency of Cost Accounting Practice

52.230-4	Disclosure and Consistency of Cost Accounting Practices--Foreign Concerns.
52.230-6	Administration of Cost Accounting Standards.
52.232-17	Interest
52.232-20	Limitation of Cost
52.232-22	Limitation of Funds
52.232-39	Unenforceability of Unauthorized Obligations
52.232-40	Providing Accelerated Payments to Small Business Subcontractors.
52.233-3	Protest after Award.
52.234-1	Industrial Resources Developed Under Defense Production Act Title III.
52.234-4	Earned Value Management System.
52.236-13	Accident Prevention.
52.237-7	Indemnification and Medical Liability Insurance.
52.239-1	Privacy or Security Safeguards
52.242-1	Notice of Intent to Disallow Costs
52.242-2	Production Progress Reports
52.242-14	Suspension of Work.
52.242-15	Stop Work Order
52.242-17	Government Delay of Work
52.243-1	Changes – Fixed Price Contracts
52.243-2	Cost Reimbursement
52.243-3	Changes- Time and Materials or Labor Hours
52.243-4	Changes.
52.243-5	Changes and Changed Conditions
52.244-5	Competition in Subcontracting
52.244-6	Subcontracts for Commercial Items
52.245-1	Government Property
52.246-2	Inspection of Supplies-Fixed-Price.
52.246-3	Inspection of Supplies- Cost Reimbursement

52.246-11	Higher-Level Contract Quality Requirement
52.246-14	Inspection of Transportation
52.246-26	Reporting Nonconforming Items
52.247-10	Net Weight- General Freight
52.247-16	Contractor Responsibility for Returning Undelivered Freight
52.247-21	Contractor Liability for Personal Injury and/or Property Damage.
52.247-22	Contractor Liability for Loss of and/or Damage to Freight other than Household Goods
52.247-31	F.o.b. Origin, Freight Allowed
52.247-32	F.o.b. Origin, Freight Prepaid
52.247-58	Loading, Blocking, and Bracing of Freight Car Shipments
52.247-63	Preference for U.S.-Flag Air Carriers.
52.247-64	Preference for Privately Owned U.S. – Flag Commercial Vessels
52.247-65	F.o.b. Origin, Prepaid Freight- Small Package Shipments
52.248-1	Value Engineering.
52.248-3	Value Engineering-Construction.
52.249-1	Termination for Convenience of the Government (Fixed-Price) (Short Form)
52.249-2	Termination for Convenience of the Government (Fixed Price)
52.249-6	Termination (Cost Reimbursement)
52.222-51	Exemption from Application of the Service Contract Labor Calibration, or Repair of Certain Equipment—Requirements Standards to Contracts for Maintenance
52.222-53	Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services— Requirements.
52.222-54	Employment Eligibility Verification
52.222-55	Minimum Wages Under Executive Order 13658
52.222-59	Compliance With Labor Laws (Executive Order 13673)
52.222-60	52.222-60 Paycheck Transparency (Executive Order 13673).
52.222-61	52.222-61 Arbitration of Contractor Employee Claims (Executive Order 13673).
52.222-62	Paid Sick Leave Under Executive Order 13706

52.223-18	Contractor Policy to Ban Text Messaging While Driving
52.224-1	Privacy Act Notification
52.224-2	Privacy Act
52.224-3	Privacy Training.
52.225-1	Buy American Act – Supplies
52.225-2	Buy American Act Certificate
52.225-5	Trade Agreement
52.225-6	Trade Agreements – Certificate
52.225-8	Duty-Free Entry
52.225-13	Restrictions on Certain Foreign Purchases
52.225-19	Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular Mission Outside the United States.
52.225-21	Required Use of American Iron, Steel, and Manufactured Goods-Buy American Statute-Construction Materials
52.225-23	Required Use of American Iron, Steel, and Manufactured Goods-Buy American Statute-Construction Materials under Trade Agreements
52.225-26	Contractors Performing Private Security Functions Outside the United States
52.226-6	Promoting Excess Food Donation to Nonprofit Organizations.
52.227-1	Authorization and Consent
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement.
52.227-3	Patent Indemnity
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52.227-10	Filing of Patent Applications-- Classified Subject Matter.
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52.227-14	Rights in Data – General
52.227-16	Additional Data Requirements
52.230-2	Cost Accounting Standards.
52.230-3	Disclosure and Consistency of Cost Accounting Practice

52.230-4	Disclosure and Consistency of Cost Accounting Practices--Foreign Concerns.
52.230-6	Administration of Cost Accounting Standards.
52.232-40	Providing Accelerated Payments to Small Business Subcontractors.
52.233-3	Protest after Award.
52.234-1	Industrial Resources Developed Under Defense Production Act Title III.
52.234-4	Earned Value Management System.
52.236-13	Accident Prevention.
52.237-7	Indemnification and Medical Liability Insurance.
52.239-1	Privacy or Security Safeguards
52.242-14	Suspension of Work.
52.242-15	Stop Work Order
52.242-17	Government Delay of Work
52.243-1	Changes – Fixed Price Contracts
52.243-4	Changes.
52.244-5	Competition in Subcontracting
52.244-6	Subcontracts for Commercial Items
52.245-1	Government Property
52.246-2	Inspection of Supplies-Fixed-Price.
52.246-11	Higher-Level Contract Quality Requirement
52.246-26	Reporting Nonconforming Items
52.247-21	Contractor Liability for Personal Injury and/or Property Damage.
52.247-63	Preference for U.S.-Flag Air Carriers.
52.247-64	Preference for Privately Owned U.S. – Flag Commercial Vessels
52.248-1	Value Engineering.
52.248-3	Value Engineering-Construction.
52.249-1	Termination for Convenience of the Government (Fixed-Price) (Short Form)

- B.** The following DFARS clauses apply to all contracts, purchase orders, delivery orders, or any agreement between Danfoss and the Seller where the end customer is any agency within the United States Department of Defense:

Clause	Title
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense- Contract-Related Felonies.
252.203-7002	Requirement to Inform Employees of Whistleblower Rights.
252.203-7004	Display of Fraud Hotline Posters
252.204-7000	Disclosure of Information
252.204-7004	Antiterrorism Awareness Training for Contractors
252.204-7008	Compliance with Safeguarding Covered Defense Information Controls.
252.204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information
252.204-7010	Requirement for Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S.-International Atomic Energy Agency Additional Protocol
252.204-7014	Limitations on the Use or Disclosure of Information by Litigation Support Contractors
252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
252.204-7023	Reporting Requirements for Contracted Services
252.209-7010	Critical Safety Items
252.215-7010	Requirements for Certified Cost or Pricing Data and Data Other than Certified Cost or Pricing Data- Modifications- Section 890 Pilot (Deviation 2023-O0004)
252.217-7012	Liability and Insurance
252.219-7003	Small Business Subcontracting Plan (DoD Contracts)
252.219-7004	Small Business Subcontracting Plan (Test Program)
252.222-7000	Restriction on Employment of Personnel
252.223-7006	Prohibition on Storage, Treatment, and Disposal of Toxic or Hazardous Materials
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives
252.223-7008	Prohibition of Hexavalent Chromium.
252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies
252.225-7008	Restriction on Acquisition of Specialty Metals
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals.

252.225-7013	Duty Free Entry
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings
252.225-7019	Restriction on Acquisition of Foreign Anchor and Mooring Chain
252.225-7020	Trade Agreements Certificate
252.225-7021	Trade Agreements
252.225-7022	Trade Agreements Certificate – Inclusion of Iraqi End Products
252.225-7025	Restriction on the Acquisition of Forgings
252.225-7033	Waiver of United Kingdom Levies.
252.225-7039	Defense Contractors Performing Private Security Functions Outside the United States
252.225-7040	Contractor personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States
252.225-7043	Antiterrorism / Force Protection Policy for Defense Contractors Outside the United States
252.225-7046	Exports By Approved Community Members in Response to the Solicitation
252.225-7047	Export by Approved Community Members in Performance of the Contract
252.225-7048	Export Controlled Items
252.225-7054	Prohibition on Use of Certain Energy Sourced from Inside the Russian Federation
252.225-7056	Prohibition Regarding Business Operations with the Maduro Regime
252.225-7058	Postaward Disclosure of Employment of Individuals Who Work in the People's Republic of China
252.225-7060	Prohibition on Certain Procurements from the Xinjiang Uyghur Autonomous Region
252.225-7061	Restriction on the Acquisition of Personal Protective Equipment and Certain Other Items from Non-Allied Foreign Nations
252.225-7972 (Deviation 2020-00015)	Prohibition on the Procurement of Foreign-Made Unmanned Aircraft Systems.
252.225-7975 (Deviation 2020-00001)	Additional Access to Contractor and Subcontractor Records
252.225-7976	Contractor Personnel Performing in Japan (Deviation 2018-O0019)

252.225-7980 (Deviation 2016-00008)	Contractor Personnel Performing in the United States Africa Command Area of Responsibility.
252.225-7981 (Class Deviation 2015-00016)	Additional Access to Contractor and Subcontractor Records (Other than USCENTCOM)
252.225-7985 (Class Deviation 2015-00003)	Contractor Personnel Performing in Support of Operation United Assistance (OUA) in the United States Africa Command (USAFRICOM) Theater of Operations
252.225-7987 (Deviation 2021-00004)	Requirements for Contractor Personnel Performing in the U.S. Southern Command Area of Responsibility
252.225-7989 Class Deviation) 2014-00005)	Requirements for Contractor Personnel Performing in Djibouti
252.225-7993 (Class Deviation 2015-00016)	Prohibition on Contracting with the Enemy
252.225-7994 (Class Deviation 2015-00013)	Additional Access to Contractor and Subcontractor In the United States Central Command Theater of Operations.
252.225-7995 (Class Deviation 2015-00009)	Contractor Personnel Performing in the United States Central Command Area of Responsibility
252.225-7997 (Deviation 2013-00017)	Contractor Demobilization.
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises—DoD Contracts.
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
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions
252.227-7018	Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program
252.227-7019	Validation of Asserted Restrictions - Computer Software
252.227-7022	Government Rights (Unlimited)
252.227-7023	Drawings and Other Data to Become Property of Government

252.227-7024	Notice and Approval of Restricted Designs
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends
252.227-7030	Technical Data—Withholding of Payment
252.227-7033	Rights in Shop Drawings.
252.227-7037	Validation of Restrictive Markings on Technical Data
252.227-7038	Patent Rights – Ownership by the Contractor (Large Business)
252.227-7039	Patents – Reporting of Subject Inventions
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles
252.229-7004	Status of Contractor as a Direct Contractor (Spain)
252.234-7002	Earned Value Management System
252.235-7003	Frequency Authorization
252.236-7001	Contract Drawings and Specifications
252.237-7023	Continuation of Essential Contractor Services
252.239-7007	Cancellation or Termination of Orders
252.239-7010	Cloud Computing Services
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services
252.239-7018	Supply Chain Risk
252.239-7999 Deviation 2015 - 00011	Cloud Computing Services
252.243-7001	Pricing of Contract Modifications
252.243-7999	Section 3610 Reimbursement (Deviation 2020-O0021)
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD contracts)
252.245-7001	Tagging, Labeling, and Marking Government Furnished Property
252-245-7002	Reporting Loss of Government Property
252.246-7001	Warranty of Data
252.246-7003	Notification of Potential Safety Issues
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System
252.246-7008	Sources of Electronic Parts

252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer
252.247-7016	Contractor Liability for Loss or Damage
252.247-7023 (Basic)	Transportation of Supplies by Sea.
252.247-7023 Alternate I	Transportation of Supplies by Sea.
252.247-7023 Alternate II	Transportation of Supplies by Sea.

IX. Flow Down Requirements for Commercial Item Contracts:

A. Applicable FAR and DFARS Clauses for Commercial Item Contracts

If the Prime Contract is a contract with the United States Government and/or the Department of Defense, certain FAR and/or DFARS clauses must be incorporated into in the Contract as a matter of law. By entering into an agreement with Danfoss, the SELLER acknowledges that it possesses or is otherwise familiar with all of the referenced clauses incorporated herein and agrees to perform this Contract in accordance with the provisions of such referenced clauses and the other provisions of 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 Contract Disputes Act, 41 U.S.C. §§ 7101, et seq., shall have no application to this Subcontract. Any reference to “Disputes” or a “Disputes clause” shall mean the disputes provisions of this Subcontract.

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 and other clauses incorporated by reference 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 Danfoss's government prime contract under which this Contract is entered.
4. “Contractor” and “OFFEROR” means the SELLER, as defined in this Contract, acting as the immediate (first tier) subcontractor to Danfoss.
5. “Prime Contract” means the contract between Danfoss and the U.S. Government or between Danfoss 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.

C. Substitutions

Whenever necessary to make the context of the clauses set forth below applicable to this subcontract:

1. Substitute “Danfoss” for “Government” or “United States.”
2. Substitute “Danfoss Procurement Representative” for “Contracting Officer,” “Administrative Contracting Officer” and “ACO.”

D. Preservation of the Government’s Rights

If Danfoss furnishes designs, drawings, special tooling, equipment, engineering data, or other technical or proprietary information (Furnished Items) which the U.S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that Danfoss, acting on its own behalf, may modify or limit any rights the Government may have to authorize the Contractor’s use of such Furnished Items in support of other U.S. Government prime contracts.

E. FAR and DFARS Clauses Applicable to Commercial Item Contracts

FAR		DFARS	
Clause	Title	Clause	Title
52.203-13	Contractor Code of Business Ethics and Conduct	252.203-7000	Requirements Relating to Compensation of Former DoD Officials
52.203-17	Contractor Employee Whistleblower Rights	252.203-7002	Requirements to Inform Employees of Whistleblower Rights
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	252.203-7003	Agency Office of the Inspector General
52.203-10	Prohibition on Contracting with Inverted Domestic Corporations	252.203-7005	Representation Relating to Compensation of Former DoD Officials
52.204-21	Basic Safeguarding of Covered Contractor Information Systems.	252.204-7009	Limitations On The Use And Disclosure Of Third Party Contractor Reported Cyber Incident Information
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities.	252.204-7011	Alternative Line Item Structure
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.	252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting
52.204-27	Prohibition on a ByteDance Covered Application.	252.204-7014	Limitations on the Use or Disclosure of Information by Litigation Support Contractors

52.204-30	Federal Acquisition Supply Chain Security Act Orders—Prohibition.	252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support
52.212-4	Contract Terms and Conditions—Commercial Products and Commercial Services.	252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
52.219-8	Utilization of Small Business Concerns	252.204-7020	NIST SP 800-171 DoD Assessment Requirements
52.222-17	Non-displacement of Qualified Workers	252.204-7021	Cybersecurity Maturity Model Certification Requirements
52.222-21	Prohibition of Segregated Facilities	252.211-7003	Item Unique Identification and Valuation
52.222-26	Equal Opportunity	252.215-7016	Requirements for Certified Cost or Pricing Data and Data Other than Certified Cost or Pricing Data- Modifications- Section 890 Pilot (Deviation 2023-o0004)
52.222-35	Equal Opportunity for Veterans	252.223-7008	Prohibition of Hexavalent Chromium
52.222-36	Equal Opportunity for Workers with Disabilities	252.225-7008	Restriction on Acquisition of Specialty Metals
52.222-37	Employment Reports on Veterans	252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	252.225-7039	Contractors Performing Private Security Functions
52.222-41	Service Contract Labor Standards	252.225-7048	Export-Controlled Items
52.222-50	Combating Trafficking in Persons	252.225-7976	Contractor Personnel Performing in Japan (Deviation 2018-o0019)
52.222-51	Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment Requirements	252.226-7001	Utilization Of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns
52.222-53	Exemption from Application of the Service Contract Labor Standards to Contracts for	252.227-7015	Technical Data—Commercial Items

	Certain Services-- Requirements		
52.222-54	Employment Eligibility Verification	252.227-7023	Drawings and Other Data to Become Property of Government
52.222-55	Minimum Wages Under Executive Order 13658	252.227-7024	Notice and Approval of Restricted Designs
52.222-60	Paycheck Transparency (Executive Order 13673)	252.227-7037	Validation of Restrictive Markings on Technical Data
52.222-62	Paid Sick Leave Under Executive Order 13706	252.229-7004	Status of Contractor as a Direct Contractor (Spain)
52.224-3	Privacy Training	252.232-7010	Levies on Contract Payments
52.225-26	Contractors Performing Private Security Functions Outside the United States	252.235-7003	Frequency Authorization
52.226-6	Promoting Excess Food Donation to Nonprofit Organizations	252.236-7001	Contract Drawings and Specifications
52.229-14	Taxes—Foreign Contracts in Afghanistan (North Atlantic Treaty Organization Status of Forces Agreement)	252.243-7999	Section 3610 Reimbursement (Deviation 2020-O0021)
52.232-39	Unenforceability of Unauthorized Obligations	252.244-7000	Subcontracts for Commercial Items
52.232-40	Providing Accelerated Payments to Small Business Subcontractors	252.246-7003	Notification of Potential Safety Issues
52.233-3	Protest After Award	252.246-7007	Contractor Counterfeit Electronic Part Detection And Avoidance System
52.233-4	Applicable Law for Breach of Contract Claim	252.246-7008	Sources of Electronic Parts
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer
		252.247-7023	Transportation of Supplies by Sea

X. CERTIFICATIONS AND REPRESENTATIONS:

This Subsection contains certifications and representations by Seller that are material representations of fact upon which Buyer will rely. These certifications and representations shall apply whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by Buyer or Seller. Seller shall immediately notify Buyer of any change of status with regard to these certifications and representations.

- A.** Seller represents and warrants that the work provided under this Contract constitutes a “Commercial Item” as defined in FAR 2.101.
- B.** FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2007) (Applicable to solicitations and contracts exceeding \$150,000).

 - 1. Definitions. As used in this provision--"Lobbying contact" has the meaning provided at 2 U.S.C. 1602(8). The terms “agency,” “influencing or attempting to influence,” “officer or employee of an agency,” “person,” “reasonable compensation,” and “regularly employed” are defined in the FAR clause entitled “Limitation on Payments to Influence Certain Federal Transactions” (52.203-12).
 - 2. Prohibition. The prohibition and exceptions contained in the FAR clause entitled “Limitation on Payments to Influence Certain Federal Transactions” (52.203-12) are hereby incorporated by reference in this provision.
 - 3. Certification. Seller hereby certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this contract.
 - 4. Disclosure. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the Seller with respect to this contract, Seller shall complete and submit, with its offer, to Buyer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. Seller need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.
 - 5. Penalty. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by 31 U.S.C. 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure required to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000 for each such failure.
- C.** FAR 52.209-5 -- Certification Regarding Responsibility Matters (APR 2010) (Applies to Contracts that exceed \$150,000)

 - 1. The Seller certifies, to the best of its knowledge and belief, that it, the Seller, and/or any of its Principals:

 - (a) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
 - (b) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification

or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property; and

- (c) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity, with commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision; and
 - (d) Have not within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.
 - (i) Federal taxes are considered delinquent if both of the following criteria apply:
 - a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
 - b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
 - c. The Seller has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
2. "Principals," for the purposes of this certification, means officers; directors; owners; partners; and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

Please note that certification made under any of the foregoing FAR and DFARS clauses by Seller are properly classified as concerning a matter within the jurisdiction of an Agency of the United States, and the making of a false, fictitious, or fraudulent representation may render the maker subject to prosecution under Section 1001, Title 18, United States Code.