

**MERCURY SYSTEMS, INC. FLOWDOWN PROVISIONS FOR COMMERCIAL ITEMS  
(FAR PART 12)**

**INCORPORATION OF FAR AND DFARS CLAUSES**

The FAR AND DFARS clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, to this Subcontract. 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 or higher-tier subcontract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. The Contracts Disputes Act shall have no application to this Subcontract, and the SELLER shall have no right of direct action against the U.S Government. Any reference to a "Disputes" clause shall mean the "Disputes" clause of this Subcontract, and not any FAR AND DFARS disputes clause.

**GOVERNMENT SUBCONTRACT**

(1) This Subcontract is entered into by the parties in support of a U.S. Government prime contract. The term "Subcontract" as used in the text of this document (including parenthetical instructions), *but not in the clauses listed herein*, includes subcontracts or purchase orders between MERCURY SYSTEMS and SELLER.

(2) In all clauses listed herein, terms shall be revised to suitably identify the party to establish SELLER's obligations to MERCURY SYSTEMS and to the Government, and to enable MERCURY SYSTEMS to meet its obligations under the prime contract. *In the clauses listed herein*, and without limiting the generality of the foregoing, and except where further clarified or modified below, the term "Government" and equivalent phrases shall mean MERCURY SYSTEMS, the term "Contracting Officer" shall mean MERCURY SYSTEMS's subcontracting or purchasing representative, the term "Contractor" or "Offeror" shall mean SELLER, "Subcontractor" shall mean SELLER'S subcontractor or supplier, and the term "Contract" shall mean this subcontract or purchase order. For the avoidance of doubt, the words "Government" and "Contracting Officer" do not change (a) when a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative, or (b) when title to property is to be transferred directly to the Government. The listed FAR AND DFARS clauses are incorporated herein as if set forth in full text unless made inapplicable by their corresponding notes, if any. If any of the following FAR AND DFARS clauses do not apply to this subcontract, such clauses are considered to be self-deleting.

**PROVISIONS OF THE FEDERAL ACQUISITION REGULATION INCORPORATED BY REFERENCE**

The following FAR clauses apply to this Subcontract:

**No minimum dollar value threshold:**

FAR 52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (applies if the subcontract is funded under ARRA)
FAR 52.203-17	Contractor Employee Whistleblower Rights (does not apply if the subcontract is in support of DoD, NASA, or the Coast Guard)
FAR 52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
FAR 52.204.21	Basis Safeguarding of Covered Contractor Information Systems
FAR 52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities
FAR 52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance

	Services or Equipment (excluding paragraph (b)(2) of this clause)
FAR 52.204-27	Prohibition on a ByteDance Covered Application
FAR 52.204-30	Federal Acquisition Supply Chain Security Act Orders – Prohibition (excluding paragraph(c)(1) of this clause (all Federal Supply Schedules, Governmentwide acquisition contracts, and multi-agency contracts where FASCSA orders are applied at the order level)
FAR 52.219-8	Utilization of Small Business Concerns (applies if the subcontract offers further subcontracting opportunities)
FAR 52.222-41	Service Contract Labor Standards (applies if the subcontract is for services, and subject to the Service Contract Labor Standards statute)
FAR 52.222-50	Combating Trafficking in Persons
FAR 52.222-55	Minimum Wages Under Executive Order 13658 (applies if subcontract is subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute)
FAR 52.222-62	Paid Sick Leave Under Executive Order 13706 (applies if subcontract is subject to the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute)
FAR 52.224-3	Privacy Training
FAR 52.225-26	Contractors Performing Private Security Functions Outside the United States (applies only in that circumstance)
FAR 52.232-40	Providing Accelerated Payments to Small Business Subcontractors (applies if SELLER is a small business concern, but does <i>not</i> apply if MERCURY SYSTEMS does not receive accelerated payments under the prime contract or higher-tier subcontract)
FAR 52.244-6	Subcontracts for Commercial Items
FAR 52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (applies if the subcontract may involve ocean transportation of supplies)

**Subcontracts exceeding \$3,500 in value:**

FAR 52.222-54	Employment Eligibility Verification (Applies to (1) subcontracts for— (i) Services (except for commercial services that are part of the purchase of a COTS item (or an item that would be a COTS item, but for minor modifications), performed by the COTS provider, and are normally provided for that COTS item); or (ii) Construction;(2) Has a value of more than \$3,500; and (3) Includes work performed in the United States.)
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**Subcontracts exceeding \$10,000 in value:**

FAR 52.222-40	Notification of Employee Rights Under the National Labor Relations Act
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**Subcontracts exceeding \$15,000 in value:**

FAR 52.222-36	Equal Opportunity for Workers with Disabilities (unless exempted by rules, regulations, or orders of the Secretary)
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**Subcontracts of \$150,000 or more in value:**

FAR 52.222-35 Equal Opportunity for Veterans (unless exempted by rules, regulations, or orders of the Secretary of Labor)

FAR 52.222-37 Employment Reports on Veterans (unless exempted by rules, regulations, or orders of the Secretary of Labor)

DFARS 252.223-7008  
DFARS 252.225-7009

expected to exceed the applicable threshold specified in FAR 19.702(a) and contain FAR 52.219-9)

Prohibition of Hexavalent Chromium

Restriction on Acquisition of Certain Articles Containing Specialty Metals (applies if the Work to be furnished contains specialty metals; paragraph (d) is deleted)

**Subcontracts exceeding \$6,000,000 in value:**

FAR 52.203-13 Contractor Code of Business Ethics and Conduct (applies if the subcontract exceeds \$6,000,000 in value, and the period of performance is more than 120 days; disclosures made under this clause shall be made directly to the Government entities identified in the clause.)

DFARS 252.225-7039

Defense Contractors Performing Private Security Functions Outside of the United States (applicable when private security functions will be performed outside the United States in areas of (1) Contingency operations;(2) Combat operations, as designated by the Secretary of Defense; (3) Other significant military operations (as defined in 32 CFR part 159), designated by the Secretary of Defense upon agreement of the Secretary of State; (4) Peace operations, consistent with Joint Publication 3-07.3; or (5) Other military operations or military exercises, when designated by the Combatant Commander.)

**F. PROVISIONS OF THE U.S. DEPARTMENT OF DEFENSE  
FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS)  
INCORPORATED BY REFERENCE**

The following DFARS clauses apply to this Subcontract if it is under a DOD prime contract or a higher-tier subcontract under such a prime contract:

DFARS 252.204-7009 Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information

DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (Seller shall (i) notify Mercury Systems, Inc. when Seller submits a request to vary from a NIST SP 800-171 security requirement to DoD, in accordance with paragraph (b)(2)(ii)(B) of this clause and (ii) provide the incident report number, automatically assigned by DoD, to Mercury Systems, Inc. as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of this clause.)

DFARS 252.204-7014 Limitations on the Use or Disclosure of Information by Litigation Support Contractors

DFARS 252.204-7015 Notice of Authorized Disclosure of Information to Litigation Support Contractors

DFARS 252.204-7018 Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services

DFARS 252.204-7020 NIST SP 800-171 DoD Assessment Requirements

DFARS 252.204-7021 Cybersecurity Maturity Model Certification Requirement (excludes commercially available off-the-shelf items)

DFARS 252.211-7003 Item Unique Identification and Valuation (applies if the subcontract requires the Work to contain "unique item identification"; items subject to unique item identification are identified elsewhere in the subcontract; all reports required to be submitted under this clause shall be submitted to MERCURY SYSTEMS)

DFARS 252.219-7004 Small Business Subcontracting Plan (Test Program)(applicable to subcontracts

DFARS 252.225-7993  
DFARS 252.227-7013  
DFARS 252.227-7014  
DFARS 252.227-7015  
DFARS 252.227-7037  
DFARS 252.237-7010  
DFARS 252.244-7000  
DFARS 252.246-7003

Dev 2015-O0016 Prohibition on Contracting with the enemy (applicable to subcontracts with an estimated value in excess of \$50,000 that are being, or will be, performed outside the United States and its outlying areas, in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities. This class deviation remains in effect until December 31, 2025, or otherwise rescinded.)

Rights in Technical Data -- Noncommercial Items (applies to the extent specified in DFARS 252.227-7015)

Rights in Non-Commercial Computer Software and Non-Commercial Computer Software Documentation (applies in lieu of FAR 52.227-14)

Rights in Technical Data -- Commercial Items

Validation of Restrictive Markings on Technical Data (applies when the subcontract requires the delivery of technical data)

Prohibition on Interrogation of Detainees by Contractor Personnel (applies to subcontracts that may require subcontractor personnel to interact with detainees in the course of their duties.)

Subcontracts for Commercial Items

Notification of Potential Safety Issues (applies if the subcontract is for (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies, and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies,

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	subassemblies, and parts integral to a system; SELLER shall provide notifications to MERCURY SYSTEMS and the contracting officer identified to SELLER)
DFARS 252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System (applicable to solicitations and resulting subcontracts for (i) electronic parts; (ii) end items, component parts, or assemblies containing electronic parts; and (iii) services where the subcontractor will supply electronic parts or components, parts, or assemblies containing electronic parts as part of the service)
DFARS 252.246-7008	Sources of Electronic Devices (applicable to subcontracts that are for electronic parts or assemblies containing electronic parts, unless the subcontractor is the original manufacturer.)
DFARS 252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer (applicable to subcontracts with motor carriers, brokers, or freight forwarders.)
DFARS 252.247-7023	Transportation of Supplies by Sea (applies in lieu of FAR 52.247-64; in the first sentence of paragraph (g), insert a period after "Contractor" and delete the balance of the sentence; paragraphs (f) and (g) shall not apply if the subcontract is valued at or below the simplified acquisition threshold)