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Cetacean Marine Companies – Purchasing Terms and Conditions

To all vendors and sub-contractors:

November 11, 2015

As a contractor to the US Government, Cetacean Marine is bound by the requirements of the Federal Acquisition Regulations (FAR). As such, whenever we engage a vendor to supply goods or services we must be assured that our vendor/subcontractor is also acting in compliance with the required sections of the FAR. Those sections that apply to this purchase are listed below.

By accepting our PO for goods or services, it is required that you review and affirm (by signing and accepting our PO) that your company is familiar with and in compliance with the applicable sections of the FAR listed below.

Section (e) of FAR 52.212.-5 identifies clauses to be included in subcontracts. Applicable flow-down clauses required to be included in this subcontract are identified by the applicability statement appended to each FAR Clause. For a complete listing of FAR sections go to www.acquisition.gov.

The bolded sections of FAR section 52.212-5 (e) (1) are of particular interest to Cetacean Marine's subcontractors and vendors. These are the clauses that we must in turn assert to the Government that we and our subcontractors/vendors are in compliance.

FAR 52.212-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders-- Commercial Items (May 2015)

(e)

(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause-

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (41 U.S.C. 3509). (Applies to contract in excess of \$5M and 120 days in duration.)

(ii) 52.219-8, Utilization of Small Business Concerns (Oct 2014) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$650K (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

CETACEAN MARINE COMPANIES

(iii) 52.222-17, Non-displacement of Qualified Workers (May 2014) (E.O. 13495). Flow down required in accordance with paragraph (1) of FAR clause 52.222-17. (applies to contracts in excess of \$150K.)

(iv) 52.222-21, Prohibition of Segregated Facilities (Apr 2015). (If Subject to the Equal Opportunity clause.)

(v) 52.222-26, Equal Opportunity. (Applies to contractor that is not exempted by the rules, regulations or orders of the Secretary of Labor issued under Executive Order 11246, April 2015.)

(vi) 52.222-35, Equal Opportunity for Veterans (Jul2014) (38 U.S.C. 4212). (Applies to contracts in excess of \$100K unless exempted by rules, regulations, or orders of the Secretary of Labor.)

(vii) 52.222-36, Equal Opportunity for Workers with Disabilities (July 2014) (29 U.S.C. 793). (Applies to contracts in excess of \$15K unless exempted by rules, regulations, or orders of the Secretary of Labor.)

(viii) 52.222-37, Employment Reports on Veterans (July 2014) (38 U.S.C. 4212). (Applies to contracts in excess of \$100K unless exempted by rules, regulations, or orders of the Secretary of Labor.)

(ix) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40. (Applies to all contracts in excess of \$10K and will be performed wholly or partially in the US.)

(x) 52.222-41, Service Contract Labor Standards (May 2014), (41 U.S.C. chapter 67). (Applies to all contracts subject to the Service Contract Labor Standards statute.)

(xi)(A) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627). (Applies to all contracts and contracts with agents (means any individual, including a director, and officer, an employee, or an independent contractor, authorized to act on behalf of the organization.)

(B) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 E.O. 13627). (Applies same as (A) above.)

(xii) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (May 2014) (41 U.S.C. chapter 67.) (Applies to contracts for exempt services under this contract.)

(xiii) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services--Requirements (May 2014) (41 U.S.C. chapter 67). (Applies to contracts for exempt services under this contract.)

(xiv) 52.222-54, Employment Eligibility Verification (Aug 2013). Applies to: #1 Commercial or non-commercial services or construction; #2 contracts in excess of \$3K; #3 includes work performed in the US.)

(xv) 52.222-55, Minimum Wages Under Executive Order 13658 (Dec 2014) (E.O. 13658). (Applies to all contracts subject to the Service Contract Labor Standards statute or the

CETACEAN MARINE COMPANIES

Wage Rate Requirements (Construction) statute, and are to be performed in whole or in part in the US.)

(xvi) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Jul 2013) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note). (Non-DoD contracts; Combat operations, as designated by the Secretary of Defense, or other significant military operations, upon agreement of the Secretary's of Defense and State.)

(xvii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (May 2014) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6. (Applies to contracts in excess of \$25K with its subcontractors or suppliers, at any tier, who will perform, under this contract, the provision, service, or sale of food in the US.)

(xviii) 52.247-64, Preference for Privately-Owned U.S. Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64. (This applies to all subcontracts under this contract, except subcontracts for the acquisition of commercial items.)

Vendors or Service Technicians - Reimbursed Travel:

All vendors are reminded that travel, subsistence and lodging related to a government sub-contracts is governed by the Federal Travel Regs. found in CFR **31.205-46 -- Travel Costs.**

Per-diem subsistence and lodging rates can be found at <http://www.gsa.gov/portal/content/104877>.

Please note that FTR's require that per-diem rates are paid at ½ the daily rate for the first and last day of travel.

Costs for transportation may be based on FTR published mileage rates, actual costs incurred, or on a combination thereof, provided the method used results in a reasonable charge.

Thank you for your cooperation in this matter.