



TERMS AND CONDITIONS OF PURCHASE

SUPPLEMENT 1

U.S. GOVERNMENT CLAUSES FOR ORDERS UNDER U.S. GOVERNMENT CONTRACTS

1. SELLER REGISTRATION IN SYSTEM FOR AWARD MANAGEMENT (SAM). In accordance with FAR clause 52.204-7 “System for Award Management,” Seller must be registered in SAM to quote or accept an Order issued under Buyer prime contracts with the U.S. Government or Buyer subcontracts at any tier under US Government contracts. In registering, Seller shall (1) enter all mandatory information, including its Unique Entity Identifier (as such term defined in FAR clause 52.204-7), its electronic funds transfer (EFT) indicator, if applicable, the Commercial and Government Entity (CAGE) code, as well as data required by the Federal Funding Accountability and Transparency Act of 2006 into the SAM, (2) complete the core, assertions, representations and certifications, and points of contact sections of the registration in SAM, (3) provide consent for the Taxpayer Identification Number (TIN) validation to the Government as a part of the SAM registration process, and (4) confirm that the Government has marked the record as “Active.” In addition to being registered in SAM when submitting an offer or quotation and at time of Order issue, Seller shall maintain its SAM registration during Order performance, and through final payment under such Order.

2. SCOPE, APPLICABILITY, AND PRECEDENCE. For Orders issued under prime contracts with the United States Government (the “Government”) or subcontracts at any tier under U.S. Government contracts, in addition to the Terms and Conditions of Purchase (Regal STCP-US), each of the Federal Acquisition Regulations (“FAR”) clauses and Defense Federal Acquisition Regulations (“DFAR”) listed below shall apply, as required by the terms of the clause or by operation of law or regulation. The effective version of each FAR or DFAR clause shall be the version in effective as of the date of this Order unless changed by Buyer. In the event of a conflict between a FAR or DFAR clause set forth in this Terms and Conditions of Purchase – Supplement 1 (Regal STCP-US; SUPP1) and the Terms and Conditions of Purchase, the FAR or DFAR clause shall control.

3. APPLICABLE REVISION; DEFINITIONS. The FAR and DFAR clauses listed below in effect as of the date of the prime contract or subcontract at any tier are incorporated herein by reference. In all clauses listed herein, terms shall be revised to suitably identify the Party to establish Seller’s obligations to Buyer and to the Government, and to enable Buyer to meet its obligations under its Government prime contract or subcontract at any tier. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term “Government” and equivalent phrases shall mean “Buyer.” The term “Contracting Officer” shall mean “Buyer’s Purchasing Representative.” The term “Contractor” or “Offeror” shall mean “Seller.” “Subcontractor” shall mean “Seller’s Subcontractor” under this Order. The term “Contract” shall mean this “Order.” For the avoidance of doubt, the words “Government” and “Contracting Officer” do not change 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. The listed FAR and DFAR clauses are incorporated in the Order as if set forth in full text unless made inapplicable by their corresponding notes, if any. If any of the following FAR or DFAR clauses do not apply to this Order, such clauses are considered to be self-deleting.

FAR CLAUSE	TITLE	COMMERCIAL ITEMS*	NOTE
52.202-1	Definitions		
52.203-6	Restrictions on Subcontractor Sales to the Government		

52.203-7	Anti-Kickback Procedures		Applicable if the contract exceeds \$150,000
52.203-12	Limitation on Payments to Influence Certain Federal Transactions		Applicable if the contract is exceeding \$150,000
52.203-13	Contractor Code of Business Ethics and Conduct	X	Applicable if contract is expected to exceed \$6 million and has a performance period that is 120 days or more
52.203-14	Display of Hotline Poster(s)		Applicable if the contract exceeds \$6 million, except when it (1) is for the acquisition of a commercial item; or (2) is performed entirely outside the United States
52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009	X	Applicable if the contract is funded under the Recovery Act
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	X	
52.204-7	System for Award Management		
52.204-2	Security Requirements		
52.204-9	Personal Identity Verification of Contractor Personnel		Applicable if the contract involves that the subcontractor's employees are required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system
52.204-10	Reporting Executive Compensation and First Tier Subcontract Awards		Applicable if the contract is \$30,000 or more
52.204-14	Service Contract Reporting Requirements		

52.204-15	Service Contract Reporting Requirements for Indefinite-Delivery Contracts		
52.204-21	Basic Safeguarding of Covered Contractor Information Systems	X	
52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities	X	
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment	X	
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment		Applicable if the contract exceeds 35,000 in value and it is not an acquisition of commercial items
52.211-15	Defense Priority and Allocation		
52.212-5	Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items		
52.214-28	Subcontractor Certified Cost or Pricing Data-Modifications-Sealed Bidding		Applicable if the contract exceeds the \$2,000,000 threshold for submission of certified costs or pricing data
52.215-2	Audit and Records Negotiation		
52.215-10	Price Reduction for Defective Certified Cost or Pricing Data		
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data-Modifications		
52.215-12	Subcontractor Certified Cost or Pricing Data		Applicable if the contract exceeds \$2,000,000
52.215-13	Subcontractor Certified Cost or Pricing Data-Modifications		Applicable if the contract exceeds \$2,000,000
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 (PRB) Other Than Pensions		
52.215-19	Notification of Ownership Changes		
52.215-23	Limitations on Pass-Through Charges		

52.219-8	Utilization of Small Business Concerns	X	
52.219-9	Small Business Subcontracting Plan		Applicable if the contract exceeds \$750,000 except the clause does not apply to small business concerns
52.222-4	Contract Work Hours and Safety Standards -Overtime Compensation		Applicable in contracts that exceed \$150,000
52.222-11	Subcontracts (Labor Standards)		Applicable if the contact exceeds \$2,000 for construction within the United States
52.222-19	Child Labor-Cooperation with Authorities and Remedies		Applicable in all contracts expected to exceed the micro-purchase threshold
52.222-20	Contracts for Materials, Supplies, Articles and Equipment		
52.222-21	Prohibition of Segregated Facilities	X	
52.222-26	Equal Opportunity	X	
52.222-34	Project Labor Agreement		
52.222-35	Equal Opportunity for Veterans	X	Applicable if value of contract is \$150,000 or more.
52.222-36	Affirmative Action for Workers with Disabilities	X	Applicable if value of contract is \$15,000 or more
52.222-37	Employment Reports on Veterans	X	Applicable if value of contract is \$150,000 or more
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	X	Applicable if value of contract is \$10,000 or more
52.222-41	Service Contract Labor Standards		Applicable if the contract exceeds \$2,500
52.222-50	Combating Trafficking in Persons	X	Applicable if the contract has an estimated value that exceeds \$550,000
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		Applicable if the contract exceeds \$150,000
52.222-55	Minimum Wages under Executive Order 13658	X	
52.222-62	Paid Sick Leave Under Executive Order 13706	x	
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving		
52.224-3	Privacy Training	X	
52.225-1	Buy American-Supplies		Applicable if the contract exceeds the micro-purchase threshold but not exceeding \$25,000
52.225-2	Buy American Certificate		
52.225-5	Trade Agreements		Applicable if the contract exceeds \$182,000
52.225-6	Trade Agreements – Certificate		
52.225-8	Duty-Free Entry		Applicable if the contract (1) Supplies identified in the Schedule to be accorded duty-free entry will be imported into the customs territory of the United States; or (2) Other foreign supplies in excess of \$15,000 may be imported into the customs territory of the United States
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		
52.225-26	Contractors Performing Private Security Functions Outside the United States	X	Applicable if contract will be performed outside the U.S. in areas of Combat operations or other significant military operations
52.226-6	Promoting Excess Food Donation to Nonprofit Organizations		Applicable if contract is greater than \$30,000 if it deals with the service or sale of food in the United States
52.227-1	Authorization and Consent		

52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement		
52.227-9	Refund of Royalties		Applicable if the amount of royalties reported during the negotiation of the contract exceeds \$250
52.227-10	Filing of Patent Applications--Classified Subject Matter		Applicable if the contract is likely to cover classified subject matter
52.227-11	Patent Rights-- Ownership by the Contractor		
52.227-13	Patent Rights-Ownership by the Government		
52.227-14	Rights in Data – General		
52.229-8	Taxes-Foreign Cost-Reimbursement Contracts		
52.229.9	Taxes-Cost-Reimbursement Contracts with Foreign Governments		
52.230-2	Cost Accounting Standards		
52.230-3	Disclosure and Consistency of Cost Accounting Practice		Applicable if the contract amount is in excess of \$2,000,000 but less than \$50,000,000
52.230-4	Disclosure and Consistency of Cost Accounting Practices-Foreign Concerns		
52.230-5	Cost Accounting Standards-Educational Institution		
52.230-6	Administration of Cost Accounting Standards		
52.232-40	Providing Accelerated Payments to Small Business Subcontractors	X	
52.234-1	Industrial Resources Developed Under Title II, Defense Production Act		
52.234-4	Earned Value Management System		
52.237-7	Indemnification and Medical Liability Insurance		
52.242-15	Stop Work Order		
52.242-17	Government Delay of Work		
52.243-1	Changes-Fixed-Price		
52.244-6	Subcontracts for Commercial Items		

52.245-1	Government Property		
52.246-26	Reporting Nonconforming Items		
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	X	
52.248-1	Value Engineering		
52.248-3	Value Engineering-Construction		
52.249-1	Termination for Convenience of the Government (Fixed-Price) (Short Form)		

***Clauses marked “X” in this column, per 52.244-6 (Subcontracts for Commercial Items), shall be incorporated in subcontracts for Commercial Items (as defined in Federal Acquisition Regulation 2.101, “Definitions.”).**

DFAR CLAUSE	TITLE	COMMERCIAL ITEMS*	NOTE
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense Contract-Related Felonies		Applicable if the contract exceeds \$250,000
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	X	
252.203-7004	Display of Hotline Posters		Applicable if contract exceed \$6 million, except when the subcontract is for the acquisition of a commercial item
252.204-7000	Disclosure of Information		
252.204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information	X	
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	X	
252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting	X	
252.204-7014	Limitations on the Use or Disclosure of Information by Litigation Support Contractors	X	
252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support	X	
252.204-7020	NIST SP 800-171 DoD Assessment Requirements	X	
252.204-7021	Cybersecurity Maturity Model Certification Requirement	X	Applicable in all contracts excluding commercially available off-the-shelf items
252.209-7002	Disclosure of Ownership or Control by a Foreign Government		
252.211-7003	Item Unique Identification and Valuation	X	

252.215-7010	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data		
252.219-7003	Small Business Subcontracting Plan (DoD Contracts)		
252.222-7000	Restrictions on Employment of Personnel		
252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements		Applicable if value of the contract exceeds \$1,000,000
252.223-7008	Prohibition of Hexavalent Chromium	X	
252.225-7001	Buy American Act and Balance of Payments Program		
252.225-7004	Report of Intended Performances Outside the United States and Canada – Submissions after Awards		Applicable if value of the contract exceeds \$15,000,000
252.225-7007	Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies	X	
252.225-7008	Restriction on Acquisition of Specialty Metals		
252.225-7009	Restriction on Acquisition of Certain Articles Containing Specialty Metals	X	
252.225-7013	Duty-Free Entry		
252.225-2016	Restrictions on Acquisition of Ball & Roller Bearings		Applicable in all contracts except those for (1) commercial items or (2) items that do not contain ball or roller bearings
252.225-7019	Restriction on Acquisition of Anchor and Mooring Chain		Applicable in all contracts for items containing welded shipboard anchor and mooring chain, four inches or less in diameter
252.225-7020	Trade Agreements Certificate		
252.225-7021	Trade Agreements		Applicable if the contract exceeds \$182,000
252.225-7025	Restriction on Acquisition of Forgings		Applicable in all contracts for items containing forging items or for other items that contain forging items

252.225-7033	Waiver of United Kingdom Levies		Applicable if the contract exceeds \$1,000,000 with a U.K. firm
252.225-7036	Buy American Act-Free Trade Agreements-Balance of Payments Program		Applicable if the contract equals or exceeds \$25,000 but is less than \$182,000
252.225-7039	Defense Contractors Performing Private Security Functions Outside the United States	X	
252.225-7040	Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States		Applicable when subcontractor personnel are supporting U.S. Armed Forces deployed outside the United States in— (1) Contingency operations; (2) Peace operations consistent with Joint Publication 3-07.3; or (3) Other military operations or military exercises, when designated by the Combatant Commander or as directed by the Secretary of Defense
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		Applicable in all contracts that may require exports or transfers of qualifying defense articles in connection with deliveries under the contract
252.225-7048	Export-Controlled Items	X	
252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns		Applicable if the value of the contract exceeds \$500,000
252.227-7015	Technical Data- Commercial Items	X	
252.227-7016	Rights in Bid or Proposal Information	X	
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions		
252.227-7019	Validation of Asserted Restrictions - Computer Science	X	

Regal Rexnord Terms and Conditions of Purchase, Supplement 1 -- US -- Effective 10/4/21

252.227-7037	Validation of Restrictive Markings on Technical Data	X	Applicable in all contracts requiring the delivery of technical data
252.227-7038	Patent Rights – Ownership by the Contractor (Large Business)	X	Applicable in all contracts for experimental, developmental, or research work to be performed by a small business concern or nonprofit organization
252.228-7001	Ground and Flight Risk	X	
252.228-7005	Mishap Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles		Applicable if the contract requires subcontractor cooperation and assistance in mishap investigations
252.232-7017	Accelerating Payments to Small Business Subcontractors – Prohibition on Fees and Consideration	X	
252.234-7002	Earned Value Management System		Applicable if the contract is values at or exceeds \$50,000,000. Applicable if the contract values less than \$50,000,000, excluding paragraph (c) of this clause
252.236-7013	Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers	X	Applicable if the contract involves the acquisition of steel as a construction material
252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel	X	
252.237-7019	Training for Contractor Personnel Interacting with Detainees	X	
252.237-7023	Continuation of Essential Contractor Services		Applicable if the contract involves essential services
252.239-7010	Cloud Computing Services	X	Applicable if the contract involves cloud services
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services		Applicable if the contract requires securing telecommunications
252.244-7000	Subcontracts for Commercial Items	X	
252.245-7001	Tagging, Labeling, and Marking of Government-Furnished Property		

252.245-7002	Reporting Loss of Government Property		
252.246-7003	Notification of Potential Safety Issues	X	
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System	X	Applicable if the contract includes electronic parts or assemblies containing electronic parts
252.246-7008	Sources of Electronic Parts	X	Applicable if subcontract is for electronic parts or assemblies containing electronic parts, unless the subcontractor is the original manufacturer
252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer	X	Applicable if the contract includes motor carriers, brokers, or freight forwarders
252.247-7023	Transportation of Supplies by Sea	X	
252.249-7002	Notification of Anticipated Contract Termination or Reduction		

***Clauses marked "X" in this column are mandatory flow down clauses for all subcontracts for Commercial Items and shall be incorporated in such subcontracts.**

3. DISPUTES – GOVERNMENT CONTRACTS. Any reference to "Disputes" in any applicable FAR Clause contained herein shall mean this Section: Disputes -- Government Contracts.

(a) Any dispute arising under this Order relating to any decision of the Contracting Officer under the prime contract shall be resolved in accordance with Paragraph (b) below. All other disputes will be resolved by the Dispute Resolution section in the Terms and Conditions of Purchase.

(b)

(1) Notwithstanding any other provisions in this Order, 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 Order, provided that: (1) Buyer notifies Seller of such decision with reasonable promptness; and (2)(i) Buyer, at its sole discretion, authorizes Seller in writing the Seller to appeal in the name of the Buyer such decision at Seller's own expense, or (ii) 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.

(2) Any decision upon such appeal, when final, shall be binding upon Seller and Seller shall have no recourse against Buyer for any damages that allegedly resulted from the decision of the Contracting Officer.

(3) Seller shall keep Buyer informed of any appeal it makes by providing copies of all pertinent documents to Buyer.

Regal Rexnord Terms and Conditions of Purchase, Supplement 1 -- US -- Effective 10/4/21

(4) Seller shall indemnify and save harmless Buyer 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, (41 U.S.C. 7103 (c)(2), Fraudulent Claims) if Seller is unable to support any part of its claim and it is determined that such inability is attributable to fraud or misrepresentation of fact on the part of Seller.

(c) Pending any prosecution, appeal, or final decision or settlement of any dispute arising under this Order, Seller shall proceed diligently, as directed by Buyer, with the performance of this Order.

(d) Nothing in this Section nor any authorization or offer that may be made shall be deemed to constitute acceptance or acknowledgment 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, including available remedies, it deems appropriate to protect its own interests.

(e) As used in this Section, the word "appeal" means an appeal taken under the Contract Disputes Act of 1978, as amended.