

APPLICABLE TO PRIME CONTRACTS ISSUED ON OR AFTER JUNE 14, 2007  
SPECIAL TOOLING AND SPECIAL TEST EQUIPMENT (HEREIN AFTER  
JOINTLY CALLED TOOLING) IS DEFINED IN FAR 2.101.

I. INITIAL PROCUREMENT

A. SELLER AGREES THAT IT WILL FABRICATE AND FURNISH TO BUYER  
(PURSUANT TO DELIVERY OR DISPOSITION) ALL TOOLING  
(INCLUDING  
ALL MODIFICATIONS THERETO) NECESSARY TO PRODUCE PARTS TO BE  
DELIVERED BY SELLER UNDER THE PURCHASE ORDER AS SPECIFIED  
IN THE SCHEDULE HERETO.

B. SELLER AGREES THAT TOOLING COSTS (FOR NEW OR REWORK OF  
EXISTING  
TOOLING) INCLUDED IN THIS PURCHASE ORDER SHALL BE SUBJECT  
TO AUDIT BY BUYER AND REVISION DOWNWARD ONLY, TO REFLECT  
FAIR  
AND REASONABLE REIMBURSEMENT TO SELLER FOR TOOLING COSTS  
BASED  
UPON SELLER'S ACTUAL TOOLING COSTS AND UPON BUYERS AUDIT.  
IN  
NO EVENT WILL SUCH REVISED AMOUNT EXCEED:

(1) SELLER'S ACTUAL TOOLING COSTS, OR

(2) THE AMOUNT OF TOOLING COSTS INCLUDED IN THIS ORDER,  
WHICHEVER IS LESS.

C. UPON COMPLETION OF TOOLING UNDER THIS PURCHASE ORDER,  
SELLER  
SHALL SUBMIT TO BUYER A VENDOR TOOL RECORD (VTR,  
84-00-3156)  
PROVIDED HEREWITH OF ALL TOOLING REQUIRED TO FABRICATE/TEST  
SAID PARTS ALONG WITH AN ACTUAL DETAIL COST OF EACH TOOL  
AND  
DRAWING, SKETCHES OR PHOTOGRAPHS OF SAID TOOLING. SELLER  
SHALL ALSO INCLUDE A COPY OF THE GOVERNMENT LETTER  
APPROVING  
THEIR PROPERTY CONTROL SYSTEM OR, AT A MINIMUM, A COPY OF  
THEIR  
PROPERTY CONTROL PROCEDURE(S). AFTER THE PURCHASER  
APPROVAL  
OF VTR, SELLER SHALL INVOICE AND PAYMENT BE MADE FOR SAID  
TOOLING, AND TITLE TO THE TOOLING SHALL VEST IN THE BUYER  
OR

THE GOVERNMENT AS SPECIFIED IN THE BUYER'S PRIME CONTRACT  
WITH  
THE GOVERNMENT.

D. SELLER AGREES NOT TO USE ANY ITEM OF TOOLING COVERED BY  
THIS  
PURCHASE ORDER EXCEPT IN THE PERFORMANCE OF PURCHASE ORDERS  
ISSUED BY BUYER. SELLER AGREES NOT TO INCLUDE IN THE PRICE  
FOR ANY SUCH PURCHASE ORDER THE COST OF THIS TOOLING OR ANY  
ALLOWANCES OR CHARGES TO COVER DEPRECIATION OR  
AMORTIZATION.

E. SELLER AGREES THAT IT WILL COMPLY WITH THE PROVISIONS OF  
THE  
FOLLOWING DOCUMENTS, WHICH BY THIS REFERENCE ARE  
INCORPORATED  
HEREIN:

(1) "SELLERS TOOL REQUIREMENTS INSTRUCTION" (SEE BELOW).  
(2) IF THE TOOLING IS GOVERNMENT PROPERTY, PARTS  
45,52.245-1

AND 52.245-2 OF FAR SHALL PREVAIL IN THE EVENT OF  
INCONSISTENCY WITH THE ABOVE REFERENCED DOCUMENT.

F. SELLER SHALL REQUEST DISPOSITION INSTRUCTIONS FOR TOOLING  
AS  
SOON AS IT BECOMES KNOWN THAT THE TOOLING IS NO LONGER RE-  
QUIRED BY SELLER. BUYER AGREES TO PAY REASONABLE TRANSPORT  
CHARGES CONNECTED WITH DELIVERY OR DISPOSITION IN  
ACCORDANCE  
WITH BUYERS WRITTEN INSTRUCTION.

II. FOLLOW ON PRODUCTION  
TOOLING REQUIRED FOR PERFORMANCE HEREUNDER IS FURNISHED TO  
SELLER UNDER BUYER'S PURCHASE ORDER. EXCEPT FOR SUCH  
ADDITIONAL TOOLING OR TOOLING MODIFICATION AS MAY BE  
SPECIFICALLY AUTHORIZED HEREIN, SELLER CERTIFIES THAT  
ADDITIONAL TOOLING OR TOOLING  
MODIFICATIONS IS NOT REQUIRED FOR PERFORMANCE HEREUNDER,

AND  
THAT THE PRICE OF THIS PURCHASE ORDER DOES NOT INCLUDE ANY  
AMOUNT FOR TOOLING. IF CHARGES FOR TOOLING OR  
MODIFICATIONS

THERE TO ARE SPECIFIED HEREIN, TITLE TO SUCH TOOLING OR  
MODIFICATIONS SHALL VEST IN THE BUYER OR THE GOVERNMENT AS  
THE

CASE MAY BE.

III. BUYER FURNISHED TOOLING

A. BUYER WILL FURNISH TO SELLER, ON A LOAN BASIS AND AT NO CHARGE,

THE TOOLING REFERENCED IN THIS ORDER (WITH SUCH MODIFICATIONS

AS MAY HAVE BEEN REQUESTED BY SELLER AND AGREED TO BY BUYER)

FOR SUCH USE, IF ANY, AS SELLER REASONABLY MAY ELECT TO MAKE

OF SUCH TOOLING FOR THE SOLE PURPOSE OF PERFORMANCE AGAINST

THIS ORDER.

UPON REQUEST, BUYER WILL ADVISE SELLER WHERE PURCHASER-FURNISHED TOOLING MAY BE EXAMINED.

BUYER ASSUMES NO RESPONSIBILITY OF ANY

KIND FOR THE ACCURACY OR SUITABILITY OF SUCH TOOLING FOR

THE

PURPOSES OF THIS ORDER. BY HIS ACCEPTANCE AND USE OF SUCH TOOLING, SELLER EXPRESSLY ASSUMES THE ENTIRE RISK OF THEIR ACCURACY AND SUITABILITY AND THEREFORE CAUTIONED TO TAKE NECESSARY STEPS TO ASSURE SAME BEFORE USING THEM. THE FURNISHING OF SUCH TOOLING BY BUYER, UNDER THE CONDITIONS

SET

FORTH ABOVE, SHALL NOT IN ANY WAY, RELIEVE SELLER OF COMPLETE

RESPONSIBILITY FOR FURNISHING THE SUPPLIES COVERED BY THIS ORDER IN STRICT ACCORDANCE WITH THE DRAWINGS AND SPECIFICATIONS AND ALL OTHER REQUIREMENTS OF THIS ORDER.

SELLER MAY NOT USE BUYER FURNISHED TOOLING TO ACCOMPLISH

WORK

FOR OTHER CUSTOMERS WITHOUT EXPRESS WRITTEN CONSENT OF BUYER.

B. THE TOOLING DETAILED IN THIS ORDER IS GOVERNMENT-OWNED OR PURCHASER-OWNED. SELLER AGREES THAT IT WILL COMPLY WITH THE

THE

PROVISIONS OF THE FOLLOWING DOCUMENTS:

(1) "SELLERS'S TOOL REQUIREMENTS INSTRUCTION" (SEE BELOW).

(2) IF THE TOOLING IS GOVERNMENT PROPERTY, PARTS

45, 52.245-1

AND 52.245-2 OF FAR SHALL PREVAIL IN THE EVENT OF INCONSISTENCY WITH THE ABOVE REFERENCED DOCUMENT.

(3) THE SELLER AGREES TO ASSUME THE RISK OF LIABILITY FOR LOSS,  
DAMAGE OR DESTRUCTION OF GOVERNMENT PROPERTY IN THEIR POSSESSION IN ACCORDANCE WITH FAR PROPERTY CLAUSE  
52.245-2  
WHEN INVOKED.

#### IV. SELLER'S TOOL REQUIREMENTS INSTRUCTION

SELLERS SHOULD BE PREPARED TO SHOW POSITIVE EVIDENCE OF THE FOLLOWING:

##### A. PROCEDURES

THE SELLER SHALL ESTABLISH AND MAINTAIN A SYSTEM TO CONTROL,  
PROTECT, PRESERVE AND MAINTAIN ALL GOVERNMENT-OWNED AND PURCHASER-OWNED PROPERTY WHILE IN HIS POSSESSION. THE PROPERTY CONTROL SYSTEM SHALL BE IN WRITING AND WILL BE SUBJECT TO REVIEW BY PURCHASER. A COPY OF SELLER'S GOVERNMENT PROPERTY CONTROL PROCEDURE SHALL BE SUBMITTED TO THE BUYER.

##### B. IDENTIFICATION

PHYSICAL MARKING OF SPECIAL TOOLING AND/OR SPECIAL TEST EQUIPMENT WILL BE AS FOLLOWS:

(1) A SEVEN-DIGIT IDENTIFICATION NUMBER ALONG WITH A PREFIX STARTING WITH "USN8" OR "EB8" WILL BE STAMPED OR ETCHED ONTO A NAMEPLATE ATTACHED TO THE SURFACE OF THE TOOL IN A LEGIBLE, PERMANENT, CONSPICUOUS, TAMPERPROOF METHOD. ALSO, THE TOOL MUST BE STAMPED WITH THE SAME SEVEN-DIGIT IDENTIFICATION NUMBER SO THAT IT CAN BE MATCHED WITH THE NAMEPLATE, SHOULD THEY BECOME SEPARATED.

(2) IN INSTANCES WHERE IT IS IMPRACTICAL TO USE METHODS LISTED ABOVE, ALTERNATIVE METHODS MAY BE IMPROVISED, I.E., A SMALL HOLE MAY BE DRILLED THROUGH THE TOOL FOR ATTACHMENT OF A STOCK NAMEPLATE BY WIRE. THIS HOLE, HOWEVER, MUST

BE IDENTIFIED AS A TAG ATTACHMENT HOLE BY SHOWING A  
PROMINENT "T" NEXT TO IT. ALSO, THE TOOL MUST BE  
MARKED  
CAN  
WITH THE SEVEN-DIGIT IDENTIFICATION NUMBER SO THAT IT  
BE MATCHED WITH THE NAMEPLATE, SHOULD THEY BECOME  
SEPARATED.

(3) THE IDENTIFICATION NUMBER (USN8000000 OR EB8000000)  
WILL  
PURCHASER  
BE PROVIDED TO THE SELLER IN THE COLUMN "FOR THE  
USE ONLY" ON THE COMPLETED VENDOR TOOL RECORD (FORM  
84-00-3156) RETURNED TO SELLER UPON APPROVAL/PAYMENT OF  
THE SPECIAL TOOL AND/OR SPECIAL TEST EQUIPMENT.

#### C. TOOLING INVENTORY AND RECORD REQUIREMENTS

THE SELLER SHALL MAINTAIN AT ALL TIMES A CURRENT INVENTORY  
LISTING AND RECORD OF ACCOUNTABILITY OF THE PURCHASER  
AND/OR GOVERNMENT-OWNED TOOLS LOCATED AT SELLER'S FACILITY  
OR AT THE FACILITY OF HIS SUBCONTRACTOR. UPON REQUEST, THE  
INVENTORY RECORDS OF ALL PURCHASER-OWNED AND/OR GOVERNMENT-  
OWNED TOOLS SHALL BE SUBMITTED TO THE PURCHASER. READILY  
ACCESSIBLE FILES OF DOCUMENTS AND OTHER DOCUMENTS ARE  
REQUIRED  
TO SUPPORT THE ACTIVITIES DESCRIBED IN PARAGRAPHS A THROUGH  
K, AS WELL AS SUCH OTHER PROPERTY RECORDS AS MAY BE  
REQUIRED  
UNDER THE PURCHASE AGREEMENT. ORDINARILY, THE PROPERTY  
RECORD FOR EACH ITEM OF SPECIAL TOOLING AND SPECIAL TEST  
EQUIPMENT WILL INDICATE THE FOLLOWING:

- (1) PURCHASE ORDER NUMBER
- (2) NOMENCLATURE/DESCRIPTION
- (3) QUANTITY RECEIVED OR FABRICATED
- (4) LOCATION OR DISPOSITION
- (5) UNIT PRICE (AS REQUIRED)
- (6) POSTING REFERENCES FOR EACH TRANSACTION
- (7) IDENTIFICATION NUMBER (SEVEN-DIGIT NUMBER PREFIXED BY  
USN OR EB) OR AS DESIGNATED BY THE PURCHASER
- (8) USAGE INFORMATION (WHEN USED)
- (9) ITEM ON WHICH USED

#### D. ACQUISITION

THE SYSTEM SHOULD HAVE THE ABILITY TO SHOW THE AUTHORITY BY WHICH THE PROPERTY WAS ACQUIRED. SUCH AUTHORIZATION USUALLY CONSISTS OF A FULLY EXECUTED VENDOR TOOL RECORD (FORM 84-00-3156) AND THE PURCHASE ORDER.

E. MAINTENANCE AND PROTECTION

AN EFFECTIVE PROGRAM FOR PREVENTIVE AND REPAIR MAINTENANCE FOR PROTECTION OF SPECIAL TOOLING AND SPECIAL TEST EQUIPMENT

IN ACCORDANCE WITH SOUND INDUSTRIAL PRACTICES IS REQUIRED INCLUDING RECORDS OF SUCH ACTIONS.

F. ALTERATION AND/OR REIDENTIFICATION

NO TOOL SHALL BE ALTERED OR REIDENTIFIED IN ANY MANNER BY THE SELLER WITHOUT PRIOR WRITTEN APPROVAL BY THE BUYER.

G. LOSS, DAMAGE OR DESTRUCTION

THE SELLER SHALL REPORT TO THE PURCHASER ALL CASES OF LOSS, DAMAGE OR DESTRUCTION OF ELECTRIC BOAT OR GOVERNMENT-OWNED TOOLING IN HIS POSSESSION OR CONTROL (INCLUDING SUCH TOOLING

AS IN THE POSSESSION OR CONTROL OF HIS SUBCONTRACTOR) AS SOON AS

THE FACT BECOMES KNOWN.

AS SOON AS FACTUAL DATA CAN BE OBTAINED, THE FOLLOWING INFORMATION SHALL BE SUBMITTED.

- (1) SELLERS NAME AND PURCHASE ORDER,
- (2) DESCRIPTION OF ITEMS LOST, DAMAGED, DESTROYED OR UNREASONABLY CONSUMED,
- (3) COST OF TOOLING LOST, DAMAGED, ETC.
- (4) DATE, TIME (IF PERTINENT) AND CAUSE OR ORIGIN OF THE LOSS, DAMAGE, ETC.,
- (5) KNOWN INTERESTS IN ANY COMMINGLED TOOLING OF WHICH PURCHASER-OWNED OR GOVERNMENT-OWNED TOOLING LOST, DAMAGED, ETC., IS (OR WAS) A PART,
- (6) INSURANCE, IF ANY, COVERING THE TOOLING AND
- (7) ACTIONS TAKEN BY THE SELLER TO PREVENT REPETITION OF SIMILAR INCIDENTS.

H. INACTIVE TOOLS

THE SELLER AND/OR HIS SUBCONTRACTOR WHO HAS IN HIS POSSESSION

TOOLS WHICH HAVE BECOME INACTIVE SHALL OBSERVE THE FOLLOWING;

(1) PREPARE A LETTER TO THE PURCHASER REQUESTING DISPOSITION

OF THE TOOLS LISTED, AND

(2) STATING THE LENGTH OF TIME THAT THE TOOLS HAVE BEEN INACTIVE

SELLER SHALL NOT TRANSFER OR OTHERWISE DISPOSE OF ANY TOOL WITHOUT SPECIFIC WRITTEN AUTHORITY FROM THE PURCHASING BUYER.

#### I. PHYSICAL INVENTORIES

THE SELLER SHALL ANNUALLY (IN THE SECOND QUARTER OF THE YEAR) PHYSICALLY INVENTORY ALL PURCHASER-OWNED AND GOVERNMENT OWNED PROPERTY IN HIS POSSESSION AND SHALL CAUSE SUBCONTRACTORS TO DO LIKEWISE. RESULTS OF PHYSICAL INVENTORIES SHALL BE FORWARDED TO THE PURCHASER AND SHALL INCLUDE:

- (1) A LISTING (BY ID NUMBER) OF ALL ITEMS INVENTORIED WITH WRITTEN CERTIFICATION THAT THE ITEMS WERE SIGHTED, AND
- (2) A LISTING OF DISCREPANCIES NOTED.

#### J. CONTRACT CLOSEOUT

THE SELLER SHALL REPORT, INVESTIGATE, AND SECURE CLOSURE OF ALL LOSS, THEFT, DAMAGE, OR DESTRUCTION CASES; PHYSICALLY INVENTORY ALL PROPERTY UPON TERMINATION OR COMPLETION OF THIS CONTRACT; AND REQUEST DISPOSITION OF ITEMS AT THE TIME THEY ARE DETERMINED TO BE EXCESS TO CONTRACTUAL NEEDS.

#### K. SUBCONTRACTOR CONTROL

THE SELLER SHALL REQUIRE ANY OF HIS SUBCONTRACTORS TO COMPLY

WITH THIS INSTRUCTION AND FAR PARTS 45, 52.245-1 AND 52.245-2

(ONLY WHEN GOVERNMENT PROPERTY IS INVOLVED) .