

**CUSTOMER CONTRACT REQUIREMENTS
(INTEGRATED SPACE COMMAND AND CONTROL ISC2)[Through Mod. 12]
CUSTOMER CONTRACT 312074**

CUSTOMER CONTRACT REQUIREMENTS

If Form GP1 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 29. If Form GP2 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 28. If Form GP3 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 41. If Form GP4 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 31. If this contract is for the procurement of commercial items, as defined in FAR Part 2.101, see Section 4 below.

1. The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller.

52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 1995). This clause applies only if this contract exceeds \$100,000.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 1997). This clause applies only if this Contract exceeds \$100,000. Paragraph (c)(4) is modified to read as follows: "(c)(4) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor.

52.204-2 Security Requirements (AUG 1996). "Changes clause" means the changes clause of this contract. This clause applies only if access to classified material is required. Delete paragraph (c) of the clause.

52.211-5 New Material (OCT 1997). "Contracting Officer" shall mean Buyer. Any notice will be given to Buyer rather than the Contracting Officer.

52.211-15 Defense Priority and Allocation Requirements (SEP 1990). This clause is applicable if a priority rating is noted in this contract.

52.215-2 Audit and Records – Negotiation (JUN 1999). This clause applies only if this contract exceeds \$100,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types; (ii) Seller was required to provide cost or pricing data; or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause.

52.215-10 Price Reduction For Defective Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds \$500,000 and is not otherwise exempt. In subparagraph (3) of paragraph (a), insert "of this contract" after "price or cost." In Paragraph (c), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Paragraphs (c)(1), (c)(1)(ii), and (c)(2)(i), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Subparagraph (c)(2)(i)(A), delete "to the Contracting Officer." In Subparagraph (c)(2)(ii)(B), "Government" shall mean "Government or Buyer." In Paragraph (d), "United States" shall mean "United States or Buyer."

52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (OCT 1997). This clause applies only if this contract exceeds \$500,000 and is not otherwise exempt. "Contracting Officer" shall mean "Contracting Officer or Buyer." In subparagraph (d)(2)(i)(A), delete "to the Contracting Officer." In subparagraph (d)(2)(ii)(B), "Government" means "Government" or "Buyer." In Paragraph (e), "United States" shall mean "United States or Buyer."

52.215-12 Subcontractor Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds \$500,000 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall

be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "The Boeing Company or any of its wholly owned subsidiaries."

52.215-13 Subcontractor Cost or Pricing Data – Modifications (OCT 1997). This clause applies only if this contract exceeds \$500,000 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's."

52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (OCT 1997). This clause applies except for contracts at or below \$100,000; construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.

52.215-15 Pension Adjustments and Asset Reversions (DEC 1998). This Clause applies to this contract if it meets the requirements of FAR 15.408(g).

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB) (OCT 1997). This Clause applies to this contract if it meets the requirements of FAR 15.408(j).

52.215-19 Notification of Ownership Changes (OCT 1997). This Clause applies to this contract if it meets the requirements of FAR 15.408(k).

52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4. The term "Contracting Officer" shall mean Buyer.

52.219-8 Utilization of Small Business Concerns (OCT 1999).

52.219-9 Small Business Subcontracting Plan (JAN 1999). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$500,000 and Seller is not a small business concern.

52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation (JUL 1995). This clause applies only if this contract exceeds \$100,000. Buyer may withhold or recover from Seller the amount of any sums the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.

52.222-21 Prohibition of Segregated Facilities (FEB 1999).

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (FEB 1999).

52.222-27 Affirmative Action Compliance Requirements for Construction (FEB 1999). This clause applies only if this contract exceeds \$10,000.

52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans (APR 1998). This clause applies only if this contract exceeds \$10,000.

52.222-36 Affirmative Action for Workers With Disabilities (JUN 1998). This clause applies only if this contract exceeds \$ 10,000.

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (JAN 1999). This clause applies only if this contract exceeds \$10,000.

52.223-2 Clean Air and Water (APR 1984)

52.223-3 Hazardous Material Identification and Material Safety Data (JAN 1997). This clause applies only if Seller delivers hazardous material under this contract.

52.223-7 Notice of Radioactive Materials (JAN 1997). This clause applies only if this contract involves (i) radioactive material requiring specific licensing under the regulations issued pursuant to the Atomic Energy Act of 1954, as amended, as set forth in Title 10 of the Code of Federal Regulations, in effect on the date of this contract, or (ii) other radioactive material not requiring specific licensing in which the specific activity is greater than 0.002 microcuries per gram or the activity per item equals or exceeds 0.01 microcuries. "Contracting Officer" shall mean Buyer. In the blank in paragraph (a), insert "60 days."

52.223-11 Ozone Depleting Substances (JUN 1996).

52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e)) (OCT 1996). This clause applies only if this contract was competitively awarded, exceeds \$100,000 (including all options).

52.225-10 Duty Free Entry (APR 1984) This clause applies only if supplies are to be afforded duty-free entry or foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States. For the purposes of this clause, the blank(s) are completed as follows: (f)(3) The notation "UNITED STATES GOVERNMENT, DEPARTMENT OF DEFENSE, Duty –free entry to be claimed pursuant to Schedule 8, Part 3, Item No. 832.00 Tariff Schedules of the United States (19 U.S.C.1202). Upon arrival of shipment at port of entry, District Director of Customs, please release shipment under 19 CFR 142 and notify the appropriate contract administration office for execution of Customs Forms 7501-A and any required duty-free entry certificates." In subparagraph (b)(1) the notice provisions shall be 30 days. Insert "and Boeing" after "Government" or "Contracting Officer", as appropriate, throughout this clause. Communication/notification required under this clause from/to the Seller shall be through the Buyer.

52.225-11 Restrictions on Certain Foreign Purchases (AUG 1998) For purposes of this clause all communication/notification required under this clause from/to the Seller shall be through the Boeing Buyer. "Contracting Officer" shall mean Buyer.

52.227-1 Authorization and Consent (JUL 1995). In subparagraph (a)(1) insert "or Boeing" after "Government" throughout this clause. In subparagraph (a)(2)(ii) substitute "Boeing Buyer" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause. Applies to all subcontracts at any tier for supplies or services expected to exceed the simplified acquisition threshold.

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 1996). A copy of each notice sent to the Government will be sent to Buyer. "Contracting Officer" shall mean "Buyer". This clause applies only if this contract exceeds \$100,000.

52.227-9 Refund of Royalties (APR 1984). This clause applies only if the amount of royalties reported during negotiation of this contract exceeds \$250.

52.227-10 Filing of Patent Applications - Classified Subject Matter (APR 1984). This clause applies only if this contract will involve access to classified information.

52.227-11 Patent Rights - Retention by the Contractor (Short Form) (JUN 1997). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is a small business firm or nonprofit organization.

52.227-12 Patent Rights - Retention by the Contractor (Long Form) (JUN 1997). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is other than a small business firm or nonprofit organization.

52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (APR 1984)

52.228-5 Insurance - Work on a Government Installation (JAN 1997). Seller shall provide and maintain insurance as set forth in this contract. Substitute "Boeing Buyer" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.

52.229-10 State of New Mexico Gross Receipts and Compensating Tax (OCT 1988). This clause applies only if (1) this contract is a cost-reimbursement contract; (2) this contract directs or authorizes Seller to acquire tangible personal property as a direct cost under a contract and title to such property passes directly to and vests in the United States upon delivery of the property by the subcontractor, and (3) this contract is for services to be performed in whole or in part in the State of New Mexico. This clause applies only to SLINs 0100-0500, 0200, 0300, 0402 and 0403. In paragraph (c) and (g) the Agency name is "United States Department of Air Force".

52.230-6 Administration of Cost Accounting Standards (NOV 1999). Add "Buyer and the" before "Contracting Officer in paragraph (f). This provision applies if Clause H002 is included in Buyer's contract.

52.234-1 Industrial Resources Developed Under Defense Production Act Title III (DEC 1994). Substitute "Boeing Buyer" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.

52.237-2 Protection of Government Buildings, Equipment, and Vegetation (APR 1984). This clause applies only if work will be performed on a Government installation. "Contracting Officer" shall mean Buyer.

52.242-13 Bankruptcy (JUL 1995)

52.242-15 Stop Work Order (AUG 1989) and Alternate I (APR 1984). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer.

52.244-6 Subcontracts for Commercial Items (OCT 1998)

52.245-18 Special Test Equipment (FEB 1993). Change "30 days" to "45 days" in paragraph (b) and (c). The notice of intent to procure special test equipment required by this clause shall be forwarded to the Buyer.

52.247-63 Preference for U.S.-Flag Air Carriers (JAN 1997). This clause only applies if this contract involves international air transportation.

52.248-1 Value Engineering (Deviation) (MAR 1989)

2. DoD Contracts. If this Contract is placed under a Department of Defense Contract, the following contract clauses are incorporated by reference from the Department of Defense Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller except as otherwise noted. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (MAR 1999). This clause applies only if this contract exceeds \$100,000 and does not apply to the purchase of commercial items or commercial components. "Contractor" and "contract" are not changed in paragraphs (a) and (b). In paragraph (e), "Government" shall mean Government or Buyer. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer". Paragraph (g) is deleted and "Contracting Officer" shall mean Contracting Officer.

252.204-7000 Disclosure of Information (DEC 1991). Seller will submit requests for authorization to release through Buyer.

252.209-7000 Acquisition From Subcontractors Subject to On-site Inspection Under the Intermediate-Range Nuclear Forces Treaty (NOV 1995). This clause applies only if this contract exceeds \$100,000 and does not apply to the purchase of commercial items or commercial components. Communication/modification required under this clause shall be Seller to Buyer only.

252.211-7000 Acquisition Streamlining (DEC 1991). This clause applies only if this contract exceeds \$1 million.

252.215-7000 Pricing Adjustments (DEC 1991). This clause applies only if this contract exceeds \$500,000.

252.219-7003 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (APR 1996). Delete subparagraph (g).

252.223-7001 Hazard Warning Labels (DEC 1991). This clause applies only if Seller delivers hazardous material under this contract.

252.223-7002 Safety Precautions for Ammunition and Explosives (MAY 1994). This clause applies only if this contract involves ammunition or explosives. "Government" means Government or Buyer in paragraph (b)(2), each time it appears in (e), (f)(1), (f)(2), the first time it appears in (g)(1)(i), and in (g)(3). "Government" means Buyer in paragraphs (c)(3), (c)(4), (c)(5), and the second time it appears in (g)(1)(i). "Contracting Officer" means Contracting Officer and Buyer in paragraph (g)(4). "Contracting Officer" means Buyer in paragraphs (c)(1), (c)(2), (c)(3), (c)(4), (c)(5), and each time it appears in (d).

252.223-7003 Change in Place of Performance – Ammunition and Explosives (DEC 1991). This clause applies only if DFARS 252.223-7002 is applicable to this contract. The term "Contracting Officer" means Buyer.

252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (FEB 1996). (Applicable, if the subcontract is for the development, production, manufacture or purchase of arms, ammunition, and explosives or when arms, ammunition, and explosives will be provided to the Supplier by the Buyer or U.S. Government.

252.225-7009 Duty-Free Entry — Qualifying Country Supplies (End Products and Components) (MAR 1998). Substitute "Boeing Buyer" for "Contracting Officer", "Administrative Contracting Officer", and "ACO" throughout this clause.

252.225-7010 Duty-Free Entry — Additional Provisions (MAR 1998).

252.225-7014 Preference for Domestic Specialty Metals (MAR 1998), Alternate I (MAR 1998). Applicable if the work to be furnished hereunder contains specialty metals.

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (AUG 1998). This clause does not apply to the purchase of commercial items other than ball or roller bearings or to items which contain no ball or roller bearings.

252.225-7025 Restriction on Acquisition of Forgings (JUN 1997). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

252.225-7026 Reporting of Contract Performance Outside the United States (MAR 1998). Delete paragraph (c). This clause applies only if this contract exceeds \$500,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.

252.225-7032 Waiver of United Kingdom Levies (OCT 1992). This clause applies if this contract is over \$1,000,000 and is with a United Kingdom firm.

252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States (JUN 1998). This clause applies only if this contract requires Seller to perform or travel outside the United States and Seller is not (i) a foreign government, (ii) a representative of a foreign government, or (iii) a foreign corporation wholly owned by a foreign government.

252.227-7013 Rights in Technical Data - Noncommercial Items (NOV 1995). This clause applies only if the delivery of data is required for noncommercial items under this contract.

252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (JUN 1995). This clause applies only if the delivery of noncommercial computer software or noncommercial computer documentation may be originated, developed or delivered under this contract.

252.227-7016 Rights in Bid or Proposal Information (JUN 1995).

252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 1995). This clause applies only if computer software may be originated, developed, or delivered under this contract.

252.227-7026 Deferred Delivery of Technical Data or Computer Software (APR 1988). This clause applies only if the delivery of data is required or if computer software may be originated, developed or delivered under this contract.

252.227-7027 Deferred Ordering of Technical Data or Computer Software (APR 1988). This clause applies only if technical data or computer software may be generated as part of the performance of this contract.

252.227-7030 Technical Data - Withholding of Payment (OCT 1988). In this clause, "Government" and "Contracting Officer" shall mean Buyer. This clause applies only if the delivery of technical data is required under this contract.

252.227-7036 Declaration of Technical Data Conformity (JAN 1997). This clause applies only if the delivery of data is required by this contract.

252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 1995). This clause applies only if the delivery of data is required by this contract.

252.231-7000 Supplemental Cost Principles (DEC 1991)

252.234-7001 Earned Value Management System (MAR 1998). This clause is applicable only if this contract states that the Earned Value Management System criteria applies to Seller.

252.235-7003 Frequency Authorization (DEC 1991). This clause applies only if this contract requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.

252.245-7001 Reports of Government Property (MAY 1994). Seller will provide information that the Buyer may require to complete Buyer's annual report. Applicable if Government Property provided or acquired under this subcontract.

252.247-7023 Transportation of Supplies by Sea (NOV 1995). This clause applies only if this subcontract exceeds the FAR simplified acquisition threshold. In the first sentence of paragraph (c), "45 days" is changed to "60 days". In paragraph (f) delete the reference to the "Prompt Payment" clause.

252.247-7024 Notification of Transportation of Supplies by Sea (NOV 1995). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

252.249-7002 Notification of Anticipated Contract Termination or Reduction (DEC 1996). This clause applies only if this contract is \$500,000 or more. Delete subparagraph (d) (1) and the first five words of subparagraph (d) (2). Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

3. United States Air Force Contract Clauses. The following clauses are incorporated by reference from the Air Force Federal Acquisition Regulation Supplement (AFFARS) and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller except as otherwise noted. Unless otherwise provided, the clauses are those in effect as of the date of this subcontract.

5352.215-9000 Facility Clearance (MAY 1996)

5352.223-9000 Elimination of Use of Class I Ozone Depleting Substances (ODS) (MAY 1996)

5352.223-9001 Health and Safety on Government Installations (JUN 1997)

5352.242-9000 Contractor Access to Air Force Installations (MAY 1996)

4. If goods or services being procured under this contract are for commercial items and [Clause H203](#) is set forth in the purchase order, the foregoing Government clauses in Sections 1 and 2 above are deleted and the following FAR/DFARS clauses are inserted in lieu thereof:

52.219-8 Utilization of Small Business Concerns (OCT 2000). Include in all subcontracts that offer further subcontracting opportunities. If a subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), Seller and any lower tier subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (APR 2002).

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (Dec 2001). This clause applies only if this contract exceeds \$25,000.

52.222-36 Affirmative Action for Handicapped Workers (JUN 1998). This clause applies only if this contract exceeds \$10,000.

52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (APR 2003). This clause only applies if this contract is (i) a contract or agreement for ocean transportation services; or a construction contract; or (ii) the supplies being transported are (a) Items the Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to the items when it subcontracts items for f.o.b. destination shipment); or (b) shipped in direct support of U.S. military (1) contingency operations; (2) exercises; or (3) forces deployed in connection with United Nations or North Atlantic Treaty Organization humanitarian or peacekeeping operations.

252.225-7014, Preference for Domestic Specialty Metals (MAR 1998), Alternate I (MAR 1998).

252.247-7023 Transportation of Supplies by Sea (MAR 2000). This clause applies only if this contract exceeds \$100,000 and are a type of supplies described in paragraph (b)(2) of this clause. In paragraph (c), "45 days" is changed to "60 days". In paragraph (g) "Government" means Buyer.

252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

5. Cost Accounting Standards

(1) (Applicable if this contract incorporates clause H001). The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause H001 is the version dated APRIL 1998.

(2) (Applicable if this contract incorporates clause H002). The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause H002 is the version dated *April 1998*.

(3) (Applicable if this contract incorporates clause H003). The version of FAR 52.230-4, Consistency in Cost Accounting Practices, incorporated by clause H003 is the version dated *August 1992*.

(4) (Applicable if this contract incorporates clause H004). The version of FAR 52.230-5, Cost Accounting Standards – Educational Institution, incorporated by clause H004 is the version dated *April 1998*.

6. The following prime contract special provisions apply to this purchase order:

A. NOTIFICATION OF DEBARMENT/SUSPENSION STATUS

Seller shall provide immediate notice to Buyer in the event of being suspended, debarred or declared ineligible by any Department or other Federal Agency, or upon receipt of a notice of proposed debarment from any DoD Agency, during the performance of this Contract.

B. ELIMINATION OF USE OF CLASS I OZONE DEPLETING SUBSTANCES (ODS)

(1) It is Air Force policy to preserve mission readiness while minimizing dependency on Class I Ozone Depleting Substances (ODS), and their release into the environment, to help protect the Earth's stratospheric ozone layer.

(2) Unless a specific waiver has been authorized, Air Force procurements:

(A) May not include any specification, standard, drawing, or other document that requires the use of a Class I ODS in the design, manufacture, test, operation, or maintenance of any system, subsystem, item, component, or process;

(B) May not include any specification, standard, drawing or other document that establishes a requirement that can only be met by use of a Class I ODS; and

(C) May not require the delivery of any item of supply that contains a Class I ODS or any service that includes the use of a Class I ODS.

(3) For the purposes of the Air Force policy, the following are Class I ODS:

(A) Halons: 1011, 1202, 1211, 1301, and 2402

(B) Chlorofluorocarbons (CFC): CFC-11, CFC-12, CFC-13, CFC-111, CFC-112, CFC-113, CFC-114, CFC-115, CFC-211, CFC-212, CFC-213, CFC-214, CFC-215, CFC-216, CFC-217, and the blends R-500, R-501, R-502, and R-503.

(C) Other controlled substances: carbon tetrachloride, methyl chloroform, and methyl bromide.

(4) The Air Force has reviewed the requirements specified in this contract to reflect this policy. Where considered essential, specific approval has been obtained to require use of the following substances: NONE.

(5) To assist the Air Force in implementing this policy, Seller is required to notify Buyer if any Class I ODS not specifically listed above is required in the performance of this contract.

C. FOREIGN NATIONALS - FOREIGN SOURCES

(1) For the purposes of this clause,

(A) Foreign nationals are those persons not citizens of, not nationals of, or resident/immigrant aliens to, the United States;

(B) Foreign representative is anyone, regardless of nationality or citizenship, acting as an agent, representative, official, or employee of a foreign government, a foreign-owned or influenced firm, corporation, or person; and

(C) Foreign sources are those sources (vendors, subcontractors, and suppliers) not owned and controlled by citizens or immigrant aliens of the United States.

(2) Nothing in this clause is intended to waive any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export-controlled data and information.

(3) Seller acknowledges that equipment and technical data generated or delivered in the performance of this contract is controlled by the International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121 through 128, and require an export license before assigning any foreign national to perform work under this contract or before granting access to foreign nationals to any equipment and technical data generated or delivered in performance of this contract (see 22 CFR Section 125). Seller agrees to notify and obtain the written approval of Buyer prior to assigning or granting access to any work, equipment, or technical data generated or delivered in the performance of this contract to foreign nationals or their representatives. This notification will include the name and country of origin of the foreign national or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign national is cleared to have access to technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPO)).

D. EXPORT CONTROLLED DATA RESTRICTIONS

(1) For the purpose of this clause,

(A) Foreign person is any person who is not a citizen of the U.S. or lawfully admitted to the U.S. for permanent residence under the Immigration and Nationality Act, and includes foreign corporations, foreign organizations, and foreign governments;

(B) Foreign representative is anyone, regardless of nationality or citizenship, acting as an agent, representative, official, or employee of a foreign government, a foreign-owned or influenced firm, corporation, or person; and

(C) Foreign sources are those sources (vendors, subcontractors, and suppliers) owned and controlled by a foreign person.

(2) Seller shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause.

(3) Nothing in this clause waives any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export-controlled data and information.

(4) Equipment and technical data generated or delivered in the performance of this contract are controlled by the International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121 through 128. An export license is required before assigning any foreign source to perform work under this contract or before granting access to foreign persons to any equipment and technical data generated or delivered during performance (see 22 CFR Section 125). Seller shall notify Buyer and obtain the written approval of Buyer prior to assigning or granting access to any work, equipment, or technical data generated or delivered in the performance of this contract to foreign persons or their representatives. This notification shall include the name and country of origin of the foreign person or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign person is cleared to have access to technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPO)).

E. COMMUNICATION WITH BOEING OR LOCKHEED MARTIN CUSTOMER

Boeing shall be solely responsible for all liaison and coordination with the Boeing or Lockheed Martin customer, including the U.S. Government, as it affects the applicable Prime Contract, this subcontract, and any related contract.

F. INSURANCE/ENTRY ON BOEING OR LOCKHEED MARTIN PROPERTY

In the event that Seller, its employees, agents, or subcontractors enter the site(s) of Boeing or Lockheed Martin or their customers for any reason in connection with this subcontract, then Seller and its subcontractors shall procure and maintain worker's compensation, comprehensive general liability, bodily injury and property damage insurance in reasonable amounts, and such other insurance as Boeing or Lockheed Martin may require. In addition, Seller and its subcontractors shall comply with all site requirements. Seller shall indemnify and hold harmless Boeing and/or Lockheed Martin, its officers, employees, and agents from any losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expenses of litigation and/or settlement, and court costs, by reason of property damage or loss or personal injury to any person caused in whole or in part by the actions or omissions of Seller, its officers, employees, agents, suppliers, or subcontractors. Seller shall provide Boeing thirty (30) days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of Seller's required insurance. If requested, Seller shall send a "Certificate of Insurance" showing Seller's compliance with these requirements. Seller shall name Boeing and Lockheed Martin as additional insured for the duration of this subcontract. Insurance maintained pursuant to this clause shall be considered primary as respects the interest of Boeing or Lockheed Martin and is not contributory with any insurance which Boeing or Lockheed Martin may carry. "Subcontractor" as used in this clause shall include Seller's subcontractors at any tier.

G. RELEASE OF INFORMATION

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this subcontract or the subject matter thereof, will be made by Seller without the prior written approval of Boeing.

H. SUBCONTRACTS

No subcontract placed under this subcontract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in paragraph 15.404-4 (c)(4)(i) of the FAR.

I. SECURITY REQUIREMENTS

Subcontractor shall provide appropriate security measures when working with the classified portions of work under this subcontract. Compliance with the DoD Industrial Security Manual, DoD 5220.22M as well as the provisions of AFR 205.1 is required. Subcontractor personnel assigned to the classified work hereunder shall possess valid and current security clearance consistent with the security requirements.

Subcontractor employees will comply with Boeing and Lockheed Martin Mission Systems and Government Security, Safety and other plant/facility regulations while performing services on Boeing or Lockheed Martin Mission Systems premises.

Contract Security Classifications Specification, DD Form 254, is applicable to this subcontract.

J. ISC2 PROGRAM MANAGEMENT/INDEMNIFICATION

- 1.1 The VLCS (Vendor Labor Claiming System) is required for the ISC2 Execution Phase. All personnel, including personnel not located at LM-MS facilities, who are working on the ISC2 Program, must record timecards weekly in the VLCS system. Those personnel not located at a LM-MS facility will provide their weekly labor hour data to their company's designated person at LM-MS in Colorado Springs to be recorded in VLCS. Each Seller will identify a focal point person in Colorado Springs, who will have the responsibility for timecard approvals and submission to LM-MS. Sellers must also notify LM-MS of any rate changes within thirty (30) days of the change.

- 1.2 Sellers shall adhere to the ISC2 Master Evolution Plan (IMEP). Sellers should keep in mind that the IMEP is a dynamic Document. A copy of the IMPE may be found on the ISC2 EDAMS website.
- 1.4 Security Information Protection Program (SIPP) Electronic Account Access is acquired through completion of the Export Control Survey. The collection of this data is necessary to assure and promote Lockheed Martin Corporation's compliance with export control laws and other contractual and legal requirements relating to release and distribution of sensitive or export controlled information. In order to obtain or continue your Lockheed Martin Electronic Account Access privileges, each team member must complete this survey upon contract award.
- 1.5 The Seller agrees to indemnify Buyer for any amounts required to be paid to the United States government by virtue of the Seller's violation of Public Law 100-679 (see FAR 52.203-10). This applies to Subcontracts over \$50,000 or Subcontract modifications over \$50,000.

K. INFORMATION SYSTEM SECURITY

2.1 Point Of Responsibility

The seller shall designate an individual as the principal responsible for all aspects of implementing and maintaining the required protection measures and procedures. This individual shall maintain necessary records, review compliance, and report to buyer immediately any breach or non-compliance with the protection requirements.

2.2 Authorized Users

The seller shall advise buyer in writing of seller's personnel assigned to the project who have need to access the system and to receive project data. Changes in assignment or authorization shall be promptly brought to buyer's attention. No persons other than those designated shall have access to the terminals, user identification, passwords or project data.

2.3 System Access

Access to the terminals and to the development system provided by buyer will be controlled and monitored as defined in the following subparagraphs.

2.4 Project Security

The seller shall provide protection for all work related to this project. The terminals, printers and all project data shall be adequately protected and locked during non-working hours and when not occupied by an authorized project team member. Access to project data and equipment shall be limited to authorized users.

2.5 System User Identification

Each authorized system user will be assigned a unique user identification and access password for his or her specific use. Accesses to buyer's internal systems are controlled by unique user identification and access passwords. Seller will be required to comply with 1) Existing buyer's access password controls, and use access passwords to obtain access to buyer's internal systems and 2) In the event of vendor personnel termination or suspected compromise of access password, the vendor must immediately notify buyer.

2.6 Harmful Code

Seller must include appropriate hardware, software, and procedural control measures designed to prevent the propagation and execution of harmful code (e.g. computer viruses, worm, etc.). If seller detects or suspects presence of harmful code on buyer or seller systems, the seller must notify buyer immediately.

2.7 Data Protection and Disposal

All data pertaining to the project, including but not limited to, computer printouts, program listings, program documentation, design specifications and programmer notebooks shall be protected from unauthorized access. Such material shall be disposed of by shredding before disposal except that programmers notebooks pertaining to this project shall be turned over to LM-MS upon project completion. Such notebooks should not contain data from

work or projects other than the tasks released under this Subcontract. At the completion to this Subcontract, seller shall provide to buyer a written certification signed by an officer of seller's corporation that all such material has been destroyed.

L. SELLER ON BUYER PREMISES ("Buyer" for this Special Provision shall mean Boeing or Lockheed Martin) The following provisions shall apply to any work performed under this subcontract by Seller employees on Buyer owned or leased premises or near premise facilities provided by Buyer.

3.1 Employment Solicitation

Except as provided below in 3.1.1, each Party to this Agreement agrees that neither it nor its employees shall, either directly or indirectly, recruit or solicit for employment any employee of the other Party to this Agreement or any employee of any ISC2 LM-MS subcontractor or vendor for the duration of the ISC2 Prime Contract (Contract No. F19628-00-C-0019) plus for a period of one-year thereafter. More over, each Party will notify the other Party should they become aware of any improper employee to employee employment solicitation. However, neither Party to this Agreement is precluded by this provision from hiring any person who contacts a Party based on a general widely disseminated media advertisement issued by a Party and not as a result of any prohibited solicitation activity as described. Finally, neither Party will charge the other Party with any personnel placement fees, damages, or any other charges connected in the event of such permissible hiring.

- 3.1.1. As the prime contractor for the ISC2 contract, LM-MS must maintain mission integrity and acceptable levels of system availability to its Customer—the U.S. Government. Accordingly, either Party, after prior advance notice to the other Party, may recruit or solicit for employment any employee of the other Party or any employee of any ISC2 LM-MS subcontractor or vendor who is deemed by LM-MS to be "mission critical", and is unable to perform the mission or fulfill contractual duties in a complete and satisfactory manner, based upon contractual restrictions or direction imposed on him by his employer. This limited exception will ensure continued support to the ISC2 Customer(s). Currently, the following positions are considered "mission critical": 10 AMWC SPA's and 6 CMC AW SPA's.

3.2 Seller Employees

- 3.2.1 Seller agrees to take appropriate preventive steps before the assignment of any of its employees to perform work under this agreement that it reasonably believes will ensure that its employees and its sellers' employees at any level, will not engage in inappropriate conduct while on Buyer premises. Inappropriate conduct shall include, but is not limited to: being under the influence of or affected by alcohol, illegal drugs, or controlled substances; the manufacture, use, distribution, or sale or possession of alcohol, illegal drugs or any other controlled substance, except for approved medical purposes; the possession of a weapon of any sort; and/or harassment, threats or violent behavior. Violation of this provision may result in termination of this contract and any other remedy available to the Buyer at law or in equity.
- 3.2.2 Buyer may, at its sole discretion, have Seller remove for cause any specified employee of Seller from Buyer's premises and request that such employee not be reassigned to any Buyer premises under this Subcontract.
- 3.2.3 Seller shall make reasonable inquiry of its employees regarding any past employment with Buyer and Seller shall inform LM-MS before assigning any known former Buyer employee to perform work under this Subcontract. Buyer may request that Seller not make such assignment.

3.3 Solicitation and Distribution

No solicitation or distribution of any kind is permitted on Buyer premises except as required and permitted by law.

3.4 Warranties

Seller warrants that it shall perform all services contracted for under this Subcontract in a workmanlike manner and in accordance with the requirements set forth in the Statement of Work and/or Subcontracts issued hereunder.

3.5 Subcontractors and Consultants

Any lower tier subcontractors and consultants required by the Seller in connection with the services covered by this subcontract will be limited to individuals or firms that were specifically identified and agreed to during negotiations. The Seller shall obtain advance written consent from Buyer before making any substitution for these lower tier subcontractors and consultants.

3.6 Arms Export Control Act (“Foreign Person”)

The Arms Export Control Act (22 U.S.C. 2778 et seq) generally prohibits “Foreign Persons” from having access to certain categories of technical data and other controlled information. In support of this statutory requirement, the Seller agrees that it will not assign for work any individual who is a “Foreign Person” as that phrase is defined in the Arms Export Control Act (see 22 C.F.R., section 2778 (G) (9)) or its implementing regulations (see 22 U.S.C., section 120.16).

3.7 Immigration

Seller shall comply with the Immigration Reform and Control Act of 1986 as amended.

3.8 Access To/Use Of Buyer Facilities

- 3.8.1 Seller employees shall enter and leave Buyer premises via designated entrances and sign in and out as specified by Buyer.
- 3.8.2 Seller shall provide Buyer the names of Seller employees prior to their reporting to work on Buyer premises. All such employees shall be provided a Seller badge that they must prominently display while on Buyer premises.
- 3.8.3 Seller employees may park in available Buyer lots in spaces not restricted for other use. Improperly parked cars may be towed away at Seller’s expense. Difficulty in obtaining parking places shall not constitute justification for late performance or for additional compensation to Seller.
- 3.8.4 Seller employees may have access within the Buyer work location to cafeterias, restrooms and in the event of a medical emergency, Buyer medical facilities for first aid. Other than these, Seller employees’ access is restricted to those areas required for the performance of Seller’s services under this Subcontract.
- 3.8.5 Seller employees may not participate in recreational or social activities, education course, seminars, internal award programs, library privileges and other benefits and facilities provided for Buyer employees, without prior approval.
- 3.8.6 Seller shall ensure that Seller employees use Buyer telephones only for Buyer business purposes. Seller shall reimburse LM-MS any unauthorized calls.
- 3.8.7 Seller employees may not send or receive personal mail on Buyer premises or use Buyer’s information system networks for other than Buyer business purposes.
- 3.8.8 Seller employees shall not have access to or use of Buyer Internal use documents or forms, unless such access is required to perform services under this Subcontract. Seller shall comply with ISC2 processes as required, i.e., Earned Value Management, engineering, hardware and software processes, etc. Buyer shall provide training in these processes as needed. Seller shall ensure that Seller employees do not provide such documents to others and shall return them to Buyer at the completion of the services for which they are required.
- 3.8.9 Seller employees shall not bring onto Buyer premises weapons of any sort, cameras, recording equipment, radios, or any other equipment not specifically authorized by Buyer.
- 3.8.10 Seller shall ensure that Seller employees wear appropriate business attire unless otherwise specified in the Statement of Work.
- 3.8.11 Seller employees shall follow Buyer’s current smoking guidelines for the specified work location.

3.9 Termination, Resignation or Replacement of Seller Employees

On the day of termination, resignation or replacement of any Seller employee assigned to Buyer premises, all of the following, items in possession of the employee shall be returned to the Buyer's designated manager/technical coordinator:

3.9.1 Buyer confidential materials (if authorized via appropriate agreement and "Internal Use Only" material).

3.9.2 Buyer keys, books, tools, or other equipment, and identification badges.

The Seller shall also notify the Buyer's designated manager/technical coordinator immediately by telephone, and confirm in writing within one (1) working day, the name of any Seller employee who resigns or is terminated, if the employee has access to Buyer's data processing interface procedures or to the Buyer's data facility. Electronic mail notification is sufficient to meet the terms of this clause.

3.10 General Business Activities

3.10.1 General business activities not related to the Subcontract shall not be conducted by the Seller on Buyer premises, e.g., general recruitment, employment or termination interviews, general employee meetings, etc.

3.10.2 On an exception basis, the Seller may conduct training meeting for their employees when it is related to work performed under the Subcontract and approved in advance by the Buyer's procurement representative. The subject for such meetings shall also be submitted to and approved in advance by the Buyer's procurement representative.

3.11 Holidays and Other Closings

3.11.1 Unless authorized, Seller shall not provide services on Buyer designated holidays or when the work location is otherwise closed.

3.11.2 Buyer shall provide Seller with Buyer's established holiday schedule for the work location.

3.11.3 Buyer shall advise Seller as soon as reasonably possible of any unplanned or emergency closing. Seller shall have the responsibility to notify its personnel of such closing. Should emergency closing occur prior to the start of a normal shift, the Seller will not be reimbursed for the time not worked. In the event of an emergency closing during a normal shift, the Seller will be paid for the remaining normal workday of the shift. Seller resident supervision shall use their own judgment regarding the early release of their personnel because of inclement weather when the site has not closed. This action must be communicated to and coordinated with Buyer's management and/or technical coordinator(s).

3.12 Notice On Sexual Harassment

Seller shall distribute the following notice on sexual harassment to all of its employees who are assigned to work on Buyer premises: "Buyer is committed to providing a work environment free from sexual harassment. Sexual harassment is unwelcome sexual conduct which has the purpose or effect of unreasonably interfering with an individual's work performance or which creates an offensive or hostile work environment. If you believe that you have been the victim of sexual harassment while working on Buyer premises, you are encouraged to report such incidents directly to your employer. All complaints to Buyer of such conduct will be investigated promptly and dealt with appropriately." Seller shall notify Buyer immediately of any incident involving Buyer employees or Buyer premises.

3.13 Safety and Security

3.13.1 Seller shall take all necessary precautions for the safety of its employees and of Buyer's employees while on Buyer's premises. Seller shall comply with Buyer location safety and security requirements, which shall be provided by Buyer at the start of this Subcontract and as such requirements are revised.

Safety glasses, safety shoes or other necessary equipment shall be furnished by the Seller for use in areas where the Buyer requires such equipment.

All accidents involving Seller personnel shall be immediately reported to the Buyer's manager/technical coordinator or procurement representative, and to the Buyer's site safety department. A copy of the accident report shall be furnished to the Buyer's procurement representative. Buyer's medical department or first aid stations may be used by Seller's employees for emergency assistance and symptomatic relief of minor health problems. For other health problems, Seller employees shall contact their own physician or contact Seller management for advice and service.

3.13.2 Seller shall comply with all Buyer security requirements. Buyer reserves the right to review any site where Seller is performing work for conformity to Buyer security requirements. Seller shall notify the Buyer technical coordinator for any security problems.

3.13.3 Equipment/Asset Security

Buyer equipment/assets remain the property of Buyer and are provided for use only on Buyer premises where Seller is located and only for the purposes of this Subcontract. Such equipment/assets shall not be altered or moved without Buyer's written permission. Seller shall not permit any liens or attachments to be filed against Buyer equipment/assets. Seller shall pay for any damage to Buyer equipment/assets resulting from Seller's use thereof, normal wear and tear excepted.

Seller shall instruct its employees in the importance of protecting Buyer assets. At a minimum, procedures to protect Buyer assets shall include the following:

Clear work areas of all papers and materials at end of day.

Secure confidential or valuable items in locked desks, file cabinets or credenzas at end of day.

Seller shall cooperate with Buyer in any investigation conducted by Buyer involving Buyer assets.

3.13.4 Information Asset Security

Seller shall not connect or allow connection to any Buyer-owned computer without the prior written approval of Buyer and will only connect with, interact with, inspect and/or use those programs, tools or routines specifically made available by Buyer and which are necessary for Seller to provide services under this Subcontract.

Seller shall ensure that:

Terminals connected to Buyer-owned computers are used only for the purposes of this Subcontract:

Unattended terminals are protected from unauthorized use or access;

Telephone numbers for computer dial ports are not posted for general view; and

Terminals connected to Buyer-owned computers are attended by authorized personnel or protected from access by unauthorized personnel

3.13.5 Seller shall ensure that any programs, tools or routines made available on Buyer-owned computers are not copied.

3.13.6 Seller shall ensure that information access passwords and cipher keys are protected from inadvertent disclosure and disclosed only to Seller employees with a need to know.

3.13.7 Seller shall ensure that user identifiers and verification passwords are not shared and are protected from inadvertent disclosure. Seller shall notify Buyer immediately in the event of suspected compromise of such user identifiers and verification passwords or upon termination of a user's business need for access.

3.13.8 Buyer may perform periodic audits of Seller's data sets residing on Buyer computers.

3.13.9 Emergency Procedures

Seller shall instruct its employees to follow Buyer's emergency procedures for the assigned Buyer work location. Buyer shall furnish Seller with a copy of Buyer's Emergency Planning Program for the work location. Each Seller employee shall be briefed by Seller on his/her assigned building and assembly area.

3.14 Seller's Agreement With Employees

It is the Seller's responsibility to advise each of its employees the specific conditions and procedures set herein and to obtain an appropriate signed agreement with each employee, or others whose service Seller may require, sufficient to ensure compliance with said conditions and procedures for work performed on Buyer premises. Such agreements shall be signed by Seller's employees prior to the start date of assignment. Upon request, the Seller shall provide to the Buyer's procurement representative a copy of the executed agreement between the Seller and its employees.

M. MARKETING ADDITIONAL SUBCONTRACT TASKS

The seller shall obtain the approval of the Buyer to market to the Government Customer a specific effort, which would fall within the scope of the prime contract. If permission is granted for such efforts, the Seller may be tasked (without additional compensation) to periodically apprise the Buyer on progress towards achieving contractual tasking of these marketing initiatives.

N. For any travel, the Seller shall be required to obtain an ISC2 Travel Authorization request from his/her ISC2 IPT Lead.

O. The SIPP Survey/Export Survey referred to in Section 1.4 can be obtained from Tresa Tayson.