

CUSTOMER CONTRACT REQUIREMENTS
WGS Block II Follow-on
CUSTOMER CONTRACT 40-0196

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

1. FAR Clauses 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 (SEP 2006).

This clause applies only if this contract exceeds \$100,000.

52.203-7 Anti-Kickback Procedures (JUL 1995). Buyer may withhold from sums owed Seller the amount of any kickback paid by Seller or its subcontractors at any tier if (a) the Contracting Officer so directs, or (b) the Contracting Officer has offset the amount of such kickback against money owed Buyer under the prime contract. This clause applies only if this contract exceeds \$100,000.

52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997). This clause applies to this contract if the Seller, its employees, officers, directors or agents participated personally and substantially in any part of the preparation of a proposal for this contract. The Seller shall indemnify Buyer for any and all losses suffered by the Buyer due to violations of the Act (as set forth in this clause) by Seller or its subcontractors at any tier.

52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (JAN 1997). This clause applies only if this contract exceeds \$100,000. If the Government reduces Buyer's price or fee for violations of the Act by Seller or its subcontractors at any tier, Buyer may withhold from sums owed Seller the amount of the reduction.

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2007). This clause applies only if this contract exceeds \$100,000.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (SEP 2007). This clause applies only if this contract exceeds \$100,000. Paragraph (g)(2) is modified to read as follows: "(g)(2) 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."

52.203-13 Contractor Code of Business Ethics and Conduct (DEC 2008). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.

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.

52.204-4 Printed or Copied Double-Sided on Recycled Paper (AUG 2000).

52.204-9 Personal Identity Verification of Contractor Personnel (SEP 2007). This clause applies only if performance under this contract requires Seller to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

52.208-8 Required Sources for Helium and Helium Usage Data (APR 2002). This clause only applies if helium is required.

52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment (SEP 2006).

52.211-5 Material Requirements (AUG 2000). Any notice will be given to Buyer rather than the Contracting Officer.

52.211-15 Defense Priority and Allocation Requirements (APR 2008). This clause is applicable if a priority rating is noted in this contract.

52.215-2 Audit and Records - Negotiation (MAR 2009).

52.215-2 Audit and Records - Negotiation (ALT 1) Alternate I (MAR 2009).

52.215-10 Price Reduction for Defective Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 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."

52.215-12 Subcontractor Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 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 "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government)."

52.215-14 Integrity of Unit Prices (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.

52.215-14 Integrity of Unit Prices Alternate I (OCT 1997).

52.215-15 Pension Adjustments and Asset Reversions (OCT 2004). 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 Post-Retirement Benefits (PRB) Other Than Pensions (JUL 2005). 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).

52.217-7 Option for Increased Quantity-Separately Priced Line Item (MAR 1989).

52.219-8 Utilization of Small Business Concerns (MAY 2004).

52.219-9 Small-Business Subcontracting Plan (APR 2008).

This clause applies only if this contract exceeds \$550,000 and Seller is not a small business concern. Seller shall adopt a subcontracting plan that complies with the requirements of this clause. In addition, Seller shall submit to Buyer

Form X31162, Small and Small Disadvantaged Business and Women-Owned Small Business Subcontracting Plan Certificate of Compliance. In accordance with paragraph (d)(10)(iv), Seller agrees that it will submit the ISR and/or SSR using eSRS, and, in accordance with paragraph (d)(10)(vi), Seller agrees to provide the prime contract number, its own DUNS number, and the email address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to its subcontractors with subcontracting plans.

52.219-16 Liquidated Damages-Subcontracting Plan (JAN 1999).

52.222-20 Walsh-Healey Public Contracts Act (DEC 1996). This clause applies only if this contract exceeds \$10,000.

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

52.222-26 Equal Opportunity (MAR 2007).

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006). This clause applies only if this contract exceeds \$100,000.

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 (SEP 2006). This clause applies only if this contract exceeds \$100,000.

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004). This clause applies only if this contract exceeds \$100,000.

52.222-50 Combating Trafficking in Persons (FEB 2009). In paragraph (d), the term "Contracting Officer" means Buyer, and in paragraph (e), the term "the Government" means Buyer.

52.223-6 Drug-Free Workplace (MAY 2001).

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 (MAY 2001).

52.223-13 Certification of Toxic Chemical Release Reporting (AUG 2003). Except for commercial items as defined in FAR Part 2, this clause applies to competitive procurements expected to exceed \$100,000 (including all options). If Seller is not subject to the Form R filing and reporting requirements, Seller shall inform Buyer which exemption or exemptions in subparagraph (b)(2) of this clause apply.

52.223-14 Toxic Chemical Release Reporting (AUG 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).

52.225-13 Restriction on Certain Foreign Purchases (JUN 2008).

52.227-1 Authorization and Consent (DEC 2007).

52.227-1 Authorization and Consent Alternate I (APR 1984).

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (DEC 2007). A copy of each notice sent to the Government will be sent to Buyer.

52.227-10 Filing of Patent Applications - Classified Subject Matter (DEC 2007).

52.227-11 Patent Rights -- Ownership by the Contractor (DEC 2007). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business firm or nonprofit organization.

52.228-5 Insurance - Work on a Government Installation (JAN 1997). Seller shall provide and maintain insurance as set forth in this contract.

52.230-6 Administration of Cost Accounting Standards (MAR 2008). Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if clause H001, H002, or H004 is included in this contract.

52.234-1 Industrial Resources Developed Under Defense Production Act Title III (DEC 1994).

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

52.245-1 Government Property (JUN 2007). This clause applies only if Government property is acquired or furnished for contract performance. The Government-Owned Property article in GP4 is hereby deleted.

52.248-1 Value Engineering (FEB 2000). The term "Contracting Officer" means Buyer. This clause applies only if this contract is for \$100,000 or more. If Value Engineering Change Proposal is accepted by the Government, Seller's share will be 50% of the instant, concurrent and future contract net acquisition savings and collateral savings that Buyer receives from the Government. Seller's negotiated share of the net acquisition savings and collateral savings shall not reduce the Government's share of concurrent or future savings or collateral savings. Buyer's payments to Seller under this clause are conditioned upon Buyer's receipt of authorization for such payments from the Government.

2. DoD FAR Supplement Clauses DoD Contracts. 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.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC 2008). This clause applies only if this contract exceeds \$100,000 and is not for the purchase of commercial items or commercial components. Except in paragraph (a), "this contract" and "the contract" mean the contract between Buyer and Seller. In subparagraph (d)(1), delete the words "or first-tier subcontractor." In paragraph (e), the remedies described in subparagraphs (2) and (3) are available to Buyer, not the Government. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer." Paragraph (g) is deleted.

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

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 \$650,000.

252.219-7003 Small Business Subcontracting Plan (DOD Contracts) (APR 2007). Except paragraph (g) which is hereby deleted.

252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements (MAY 2010).

This clause applies to contracts valued in excess of \$1 million, except for contracts for the acquisition of commercial items, including commercially available off-the-shelf-items. Seller agrees to flow down this clause to all covered subcontractors.

252.225-7001 Buy American Act and Balance of Payment Program (JAN 2009).**252.225-7002 Qualifying Country Sources as Subcontractors (APR 2003).**

252.225-7004 Reporting Of Contract Performance Outside The United States And Canada - Submission After Award (MAY 2007). The term "Contractor" in paragraph (b) and the term "Contracting Officer" in paragraphs (c) and (d) means "Buyer." This clause applies only if this contract exceeds \$550,000.

252.225-7006 QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (MAY 2007). This clause applies only if this contract exceeds \$550,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.

252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies (SEP 2006).**252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (JUL 2009).**

Paragraph (d) of this clause is excluded and paragraph (c)(6) of the clause is modified as follows:

(c)(6) End items of the prime contract containing a minimal amount of otherwise noncompliant specialty metals (i.e., specialty metals not melted or produced in the United States, an outlying area, or a qualifying country, that are not covered by one of the other exceptions in this paragraph (c)), if the total weight of such noncompliant metals does not exceed 2 percent of the total weight of all specialty metals in that end item. This exception does not apply to high performance magnets containing specialty metals. If the Seller will furnish goods that contain otherwise noncompliant specialty metals (i.e., specialty metals not melted or produced in the United States, an outlying area, or a qualifying country, that are not covered by one of the other exceptions in this paragraph (c)), then the Seller shall disclose to the Buyer (i) the total weight of all specialty metals in each of the goods of this contract, and (ii) the total weight of the noncompliant specialty metals in each of those goods.

252.225-7012 Preference for Certain Domestic Commodities (DEC 2008).

252.225-7013 Duty Free Entry (OCT 2006). This clause applies if Seller is located in a qualifying country (as defined in DFARS Part 225.8) or if Seller is located in any other country and the estimated U.S. duty for the deliverable items will exceed \$200 per unit. Seller shall include the prime contract number on all shipping documents submitted to Customs for supplies for which duty-free entry is claimed pursuant to this clause. See Section 5 for the information required by paragraph (j)(3) of this clause.

252.225-7014 Preference for Domestic Specialty Metals (JUN 2005).

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (MAR 2006). 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 (JUL 2006). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

252.225-7043 Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States (MAR 2006). 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..

252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises--DoD Contracts and Native Hawaiian Small Business Concerns (SEP 2004). This clause applies only if this contract exceeds \$500,000.

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.

252.227-7015 Technical Data -- Commercial Items (NOV 1995). This clause applies only if the delivery of data is required for commercial items 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.

252.227-7030 Technical Data -- Withholding of Payment (MAR 2000). 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.

252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 1999). This clause applies only if the delivery of data is required by this contract.

252.227-7038 PATENT RIGHTS—OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS) (DEC 2007). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business firm or nonprofit organization.

252.231-7000 Supplemental Cost Principles (DEC 1991).

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (JAN 2009).

252.247-7023 Transportation of Supplies by Sea (MAY 2002). This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

252.247-7023 Transportation of Supplies by Sea Alternate I (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 (d), "45 days" is changed to "60 days". In paragraph (g) "Government" means Buyer.

252.249-7002 Notification Of Anticipated Contract Termination Or Reduction (DEC 2006). This clause applies only if this contract is \$550,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

3. Commercial Items If goods or services being procured under this contract are 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:

52.203-13 Contractor Code of Business Ethics and Conduct (DEC 2008). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.

52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (MAR 2009).

52.219-8 Utilization of Small Business Concerns (MAY 2004).

This clause applies only if this contract offers further subcontracting opportunities. If this contract exceeds \$550,000 (\$1,000,000 for construction of any public facility) and Seller is not a small business concern, Seller must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

52.222-26 Equal Opportunity (MAR 2007).**52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006).****52.222-36 Affirmative Action For Workers With Disabilities (JUN 1998).****52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004).****52.222-50 Combating Trafficking in Persons (FEB 2009).**

52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (FEB 2006). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.

252.212-7001 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to Defense Acquisitions of Commercial Items (JUL 2009).**252.225-7001 Buy American Act and Balance of Payments Program (JAN 2009).****252.225-7012 Preference for Certain Domestic Commodities (DEC 2008).****252.247-7023 Transportation of Supplies by Sea (MAY 2002).****252.247-7023 Transportation of Supplies by Sea Alternate I (MAR 2000).****4. Cost Accounting Standards**

52.230-2 Cost Accounting Standards (OCT 2008). (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 October 2008.

(2) (Applicable if this contract incorporates clause H002) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by H002 is the version dated October 2008.

(3) (Applicable if this contract incorporates clause H003) The version of FAR 52.230-5, Cost Accounting Standards - Educational Institution, is the version dated October 2008.

(4) (Applicable if this contract incorporates clause H007) The version of FAR 52.230-4, Disclosure and Consistency of Cost Accounting Standards for Contracts Awarded to Foreign Concerns, is the version dated October 2008.

5. Prime Contract Special Provisions The following prime contract special provisions apply to this purchase order

252.247-7001 Pricing of Contract Modifications (DEC 1991). Applies to Firm Price Incentive CLINs only

252.247-7023, ALT II Transportation of supplies by sea (MAR 2000). Clause included in sections 2 and 3 of CCR.

Further, 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 (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means "Buyer."

HR 3326-46 Arbitration of Employee and Independent Contractor Claims (full text) .

(a) For contracts in excess of \$1,000,000 the subcontractor agrees not to:

(1) enter into any agreement with any of its employees or independent contractors that requires, as a condition of employment, that the employee or independent contractor agree to resolve through arbitration any claim under title VII of the Civil Rights Act of 1964 or any tort related to or arising out of sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention; or

(2) take any action to enforce any provision of an existing agreement with an employee or independent contractor that mandates that the employee or independent contractor resolve through arbitration any claim under title VII of the Civil Rights Act of 1964 or any tort related to or arising out of sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention.

(b) The subcontractor certifies that it requires each of its covered subcontractor to agree not to enter into, and not to take any action to enforce any provision of, any agreement as described in paragraphs (1) and (2) of subsection (a), with respect to any employee or independent contractor performing work related to such subcontract. For purposes of this subsection, a "covered subcontractor" is an entity that has a subcontract in excess of \$1,000,000 on a contract subject to subsection (a).

(c) The prohibitions in this section do not apply with respect to a contractor's or subcontractor's agreements with employees or independent contractors that may not be enforced in a court of the United States.

SMC--H106 ENABLING CLAUSE FOR GENERAL SYSTEMS ENGINEERING AND INTEGRATION (SEP 2005).

For the purposes of this clause, Contractor means Buyer and "Subcontractor" means the Seller who is under contract with the Buyer.

(a) This contract covers part of the WGS program which is under the general program management of SMC. The Air Force has entered into a contract with The Aerospace Corporation for the services of a technical group which will support the DoD program office by performing General Systems Engineering and Integration.

(b) General Systems Engineering and Integration (GSE&I) deals with overall system definition; integration both within the system and with associated systems; analysis of system segment and subsystem design; design compromises and tradeoffs; definition of interfaces; review of hardware and software, including manufacturing and quality control; observation, review and evaluation of tests and test data; support of launch, flight test, and orbital operations; appraisal of the Contractors' and Subcontractors' technical performance through meetings with Contractors and subcontractors, exchange and analysis of information on progress and problems; review of plans for future work; developing solutions to problems; technical alternatives for reduced program risk; providing comments and recommendations in writing to the DoD System Program Manager and/or Project Officer as an independent technical assessment for consideration for modifying the program or redirecting the Contractor's efforts; all to the extent necessary to assure timely and economical accomplishment of program objectives consistent with mission requirements.

(c) In the performance of this contract, the Contractor and Subcontractor agrees to cooperate with The Aerospace Corporation by responding to invitations from authorized personnel to attend meetings; by providing access to WGS program technical information and research, development planning data such as, but not limited to, design and development analyses; test data and results; equipment and process specifications; test and test equipment specifications and procedures, parts and quality control procedures, records and data; manufacturing and assembly procedures; and schedule and milestone data; all in their original form or reproduced form and including cost* data; by delivering data as specified in the Contract Data Requirements List; by discussing technical matters relating to this program; by providing access to Contractor and Subcontractor facilities utilized in the performance of this contract; and by allowing observation of technical activities by appropriate Aerospace technical personnel. The Aerospace personnel engaged in general systems

engineering and integration effort are authorized access to any WGS program technical information pertaining to this contract.

(d) The Contractor further agrees to include in each subcontract over \$1 million or 10 percent of prime contract value, whichever is less, a clause requiring compliance by subcontractor and succeeding levels of subcontractors with the response and access provisions of paragraph (c) above, subject to coordination with the Contractor. This agreement does not relieve the Contractor of its responsibility to manage the subcontracts effectively and efficiently nor is it intended to establish privity of contract between the Government or The Aerospace Corporation and such subcontractors. For subcontracts for commercial items, the requirement for access to cost data is not applicable.

(e) The Aerospace Corporation personnel are not authorized to direct the Contractor or Subcontractor in any manner. The Contractor agrees to accept technical direction as follows:

(1) Technical direction under this contract will be given to the Contractor solely by SMC.

(2) Whenever it becomes necessary to modify the contract and redirect the effort, a Change Order signed by the Contracting Officer or a Supplemental Agreement signed by both the Contracting Officer and the Contractor will be issued.

* Cost data is defined as information associated with the programmatic elements of life cycle (concept, development, production, operations, and retirement) of the system/program. As defined, cost data differs from "financial" data, which is defined as information associated with the internal workings of a company or contractor that is not specific to a project or program.

SMC--H109 ENABLING CLAUSE BETWEEN PRIME CONTRACTORS AND SERVICE CONTRACTORS (SEP 2005).

For the purposes of this clause, Contractor means Buyer and "Subcontractor" means the Seller who is under contract with the Buyer.

(a) This contract covers part of the WGS program which is under the general program management of SMC. The Air Force has entered into contracts with Business Technologies and Solutions (Business Operations Support), Jackson & Tull (Configuration Management), Northrop-Grumman (Security, System Engineering & Test), LinQuest (System Engineering), Booz Allen Hamilton (Acquisition & JTEO Support) and Tecolote Research (Cost Estimating and Analysis) for services to provide technical, evaluation, cost estimating, and acquisition management support.

(b) Service tasks involve the application of a broad range of education, skills, knowledge, and experience in many disciplines in support of weapon system acquisition tasks. Tasks involve technical analysis of interim and final written reports and results (simulations; protocol studies; requirements recommendations; trade studies; other); use of Contractor models and analyses to reproduce and independently assess Contractor tests, results, and recommendations; participation in technical interchanges; evaluation of Contractor study assumptions and Contractor trades; similar engineering and programmatic tasks required to support government review and monitoring of contract performance.

(c) In the performance of this contract, the Contractor and Subcontractor agrees to cooperate with Business Technologies and Solutions, Jackson & Tull, Northrop-Grumman, LinQuest, Booz Allen Hamilton and Tecolote Research, and subsequent successor service contractors, by: responding to invitations from authorized personnel to attend meetings; providing access to WGS program technical information and research, development and planning data, test data and results, schedule and milestone data, cost data including the Contractor's and Subcontractor's cost/schedule management system/records, all in original form or reproduced; discussing technical matters related to the program; providing access to Contractor and Subcontractor facilities utilized in the performance of this contract; and allowing observation of technical activities by appropriate support Contractor and Subcontractor technical personnel.

(d) The Contractor further agrees to include in each subcontract over \$1 million or 10 percent of prime contract value, whichever is less, a clause requiring compliance by a subcontractor and succeeding levels of subcontractors with the response and access provisions of paragraph (c) above, subject to coordination with the Contractor. For subcontracts for commercial items, the requirement for access to cost data is not applicable. This agreement does not relieve the Contractor of responsibility to manage subcontracts effectively and efficiently, nor is it intended to establish privity of contracts between the Government or the service contractor(s) and such subcontractors.

(e) Service contractor personnel are not authorized to direct a contractor or subcontractor in any manner.

(f) Service contracts contain an organizational conflict of interest clause that requires the service contractors to protect the data and

prohibits the service contractors from using the data for any purpose other than that for which the data was presented.

(g) Neither the Contractor nor their subcontractors shall be required in the satisfaction of the requirements of this clause to perform any effort or supply any documentation not otherwise required by their contract or subcontract.