

**CUSTOMER CONTRACT REQUIREMENTS**  
**WGS Block II**  
**CUSTOMER CONTRACT 40-0169**

**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** (Jul 1995). This clause applies only if this contract exceeds \$100,000.

**52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1))** (Jul 1995). Buyer may withhold 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** (Apr 1991). This clause applies only if this contract exceeds \$100,000.

**52.203-12 Limitation on Payments to Influence Certain Federal Transactions** (Sep 2005). 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.

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

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

**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 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 "The Boeing Company or any of its wholly owned subsidiaries." .

**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** (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 Postretirement Benefits Other Than Pensions (PRB)** (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).

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

**52.219-9 Small Business Subcontracting Plan** (Sep 2006). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$550,000. and Seller is not a small business concern.

**52.222-1 Notice to Government of Labor Disputes** (Feb 1997). Contracting Officer shall mean Buyer.

**52.222-20 Walsh-Healy 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 (subparagraph (b)(1) through (11))** (Apr 2002).

**52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans** (Dec 2001). This clause applies only if this contract exceeds \$25,000.

**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** (Dec 2001). This clause applies only if this contract exceeds \$25,000.

**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.

**52.223-3 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** (Mar 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 (excluding subparagraph (e))** (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 Restrictions on Certain Foreign Purchases** (Mar 2005).
- 52.227-1 Authorization and Consent** (Jul 1995).
- 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.
- 52.227-10 Filing of Patent Applications - Classified Subject Matter** (Apr 1984). This clause applies only if this contract will involve access to classified information.
- 52.227-12 Patent Rights - Retention by the Contractor (Long Form)** (Jan 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.
- 52.228-5 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** (Nov 1999). Add "Buyer and the" before "Contracting Officer in paragraph (f). This provision applies if Clause H001, H002 or H004 is included in Buyer's 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.
- 52.244-5 Competition in Subcontracting** (Dec 1996).
- 52.244-6 Subcontracts for Commercial Items** (Sep 2006).
- 52.245-2 Government Property (Fixed Price Contracts)** (May 2004). This clause is not applicable if this contract incorporates Form GP4. "Government" shall mean

Government throughout except the first time it appears in paragraph (f) when "Government" shall mean the Government or the Buyer.

**52.248-1 Value Engineering (excluding subparagraph (f))** (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 (excluding paragraph (g))** (Dec 2004). 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.

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

**252.211-7003 Item Identification and Valuation** (Jun 2005). Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components, and parts specified elsewhere in this contract. Such identification and marking shall be a high-capacity 2D machine readable code to comply with the version of MIL-STD-130, Identification Marking of U.S. Military Property, set forth elsewhere in this contract; or if not so stated, then the Seller shall comply with MIL-STD-130 L. The code may include, as space is available, linear bar code and human readable characters. Unless otherwise specified in Boeing product drawings or specifications, the seller may use either Construct #1 or Construct #2. The Seller shall not be required to furnish item valuations as set forth in this clause.

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

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

**252.225-7001 Buy American Act and Balance of Payment Program.** (Jun 2005).

**252.225-7002 Qualifying Country Sources as Subcontractors** (Apr 2003).

**252.225-7004 Report of Intended Performance Outside the United States and Canada - Submission After Award** (Jun 2005). The term "Contractor" in paragraph (a) and the term "Contracting Officer" in paragraphs (b) and (c) means "Buyer." This clause applies only if this contract exceeds \$500,000.

**252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States** (Jun 2005). 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.

**252.225-7012 Preference for Certain Domestic Commodities** (Jun 2004).

**252.225-7013 Duty-Free Entry** (Jun 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.

**252.225-7014 Preference for Domestic Specialty Metals** (Apr 2003) - Alternate I

**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 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** (Sep 2004). This clause applies if this contract exceeds

\$100,000 and does not apply to the acquisition of commercial items/services as defined in FAR 2.101.

**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.

**252.231-7000 Supplemental Cost Principles** (Dec 1991).

**252.242-7002 Earned Value Management System** (Mar 2005).

**252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts)** (Nov 2005).

**252.245-7001 Reports of Government Property** (May 1994). Seller will provide information that the Buyer may require to complete Buyer's annual report.

**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.

**252.247-7024 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.

**252.249-7002 Notification of Anticipated Contract Terminations or Reduction** (Dec 1996). This clause applies only if this contract is \$500,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

**252.251-7000 Ordering From Government Supply Sources** (Nov 2004).

This clause applies only if Seller is notified by Buyer that Seller is authorized to purchase from Government supply sources in the performance of this contract.

**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:

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

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.

**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.

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

**52.247-64 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.

**252.225-7014 Preference for Domestic Specialty Metals (JUN 2005) & Alternate I** (Apr 2003).

**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.

**252.247-7024 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.

#### **4. 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 H004). The version of FAR 52.230-5, Cost Accounting Standards ? Educational Institution, incorporated by clause H004 is the version dated April 1998.

**5. The following prime contract special provisions apply to this purchase order:****A. EVMS Requirements**

Pursuant to DFARS 252.242-7002, L3 Communications Electron Technologies have been selected for application of EVMS.

**B. HEALTH AND SAFETY ON GOVERNMENT INSTALLATIONS**

(Applies only work is performed on a Government installation)

- (1) In performing work under this contract on a Government installation, the Seller shall:
  - (a) Comply with the specific health and safety requirements established by this contract;
  - (b) Comply with the health and safety rules of the Government installation that concern related activities not directly addressed in this contract;
  - (c) Take all reasonable steps and precautions to prevent accidents and preserve the health and safety of contractor and Government personnel performing or in any way coming in contact with the performance of this contract; and
  - (d) Take such additional immediate precautions as the contracting officer may reasonably require for health and safety purposes.
- (2) The contracting officer may, by written order, direct Air Force Occupational Safety and Health (AFOSH) Standards and/or health/safety standards as may be required in the performance of this contract and any adjustments resulting from such direction will be in accordance with the Changes clause of this contract.
- (3) Any violation of these health and safety rules and requirements, unless promptly corrected as directed by the contracting officer, shall be grounds for termination of this contract in accordance with the Default clause of this contract.

**C. NOTIFICATION OF GOVERNMENT SECURITY ACTIVITY AND VISITOR GROUP SECURITY AGREEMENTS**

NOTIFICATION OF GOVERNMENT SECURITY ACTIVITY AND VISITOR GROUP SECURITY AGREEMENTS (Applies only work is performed on a Government installation)

This contract contains a DD Form 254, DOD Contract Security Classification Specification, and requires performance at a government location in the or overseas. Prior to beginning operations involving classified information on an installation identified on the DD Form 254, the Seller shall take the following actions:

- (1) At least thirty days prior to beginning operations, notify the security police activity shown in the distribution block of the DD Form 254 as to:
  - (a) The name, address, and telephone number of this contract company's representative and designated alternate in the U.S. or overseas area, as appropriate;
  - (b) The contract number and military contracting command;
  - (c) The highest classification category of defense information to which contractor employees will have access;
  - (d) The Air Force installations in the (in overseas areas, identify only the APO number(s)) where the contract work will be performed;
  - (e) The date Seller operations will begin on base in the or in the overseas area;
  - (f) The estimated completion date of operations on base in the or in the overseas area; and

(g) Any changes to information previously provided under this clause. This requirement is in addition to visit request procedures contained in DOD 5220.22-M, National Industrial Security Program Operating Manual.

(2) Prior to beginning operations involving classified information on an installation identified on the DD Form 254 where the Seller is not required to have a facility security clearance, the Seller shall enter into a Visitor Group Security Agreement (or understanding) with the installation commander to ensure that the Seller's security procedures are properly integrated with those of the installation. As a minimum, the agreement shall identify the security actions that will be performed:

(a) By the installation for the Seller, such as providing storage and classified reproduction facilities, guard services, security forms, security inspections under DOD 5220.22-M, classified mail services, security badges, visitor control, and investigating security incidents; and

(b) Jointly by the Seller and the installation, such as packaging and addressing classified transmittals, security checks, internal security controls, and implementing emergency procedures to protect classified material.