

CUSTOMER CONTRACT REQUIREMENTS
TSAT Blocks 1 and 2
CUSTOMER CONTRACT 40-0174

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 (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.

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

52.211-15 Defense Priority and Allocation Requirements (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.

52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (Oct 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 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." .

52.215-13 Subcontractor Cost or Pricing Data - Modifications (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).

52.215-21 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 (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.

52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation (Jul 2005). 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.

52.222-20 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.

52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006). 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 (Sep 2006). This clause applies only if this contract exceeds \$25,000.

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

52.223-11 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 (Feb 2006).

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.

52.227-14 Rights in Data - General (Jun 1987). This clause applies only if data will be produced, furnished or acquired under this contract.

52.230-6 Administration of Cost Accounting Standards (Apr 2005). Add "Buyer and the" before "CFAO" in paragraph (m). 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).

52.237-2 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.

52.242-15 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.

52.245-18 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.

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.

252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material (Dec 1991). The term "Offeror" shall mean Seller. This clause applies only if this contract exceeds \$100,000 and if an item being purchased contains precious metal.

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).
- 252.225-7014 Preference for Domestic Specialty Metals (June 2005), Alternate I** (Apr 2003).
- 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.
- 252.227-7030 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).
- 252.235-7003 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.
- 252.242-7001 Notice of Earned Value Management System** (Mar 2005).
- 252.242-7002 Earned Value Management System** (Mar 2005).

252.242-7005 Cost/Schedule Status Report (Mar 1998). This clause applies to this contract if the contract is more than 12 months in duration and is other than firm-fixed-price.

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.

252.246-7001 Warranty of Data (Dec 1991). The warranty period in paragraph (b) is three years from the Government's acceptance of the final items of data under this contract. "Government" and "Contracting Officer" shall mean Buyer.

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.

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. APPLICATION FOR EQUIPMENT FREQUENCY AUTHORIZATION

The Contractor must ensure that radio frequencies are available to support electromagnetic radiating devices in their intended environment and that adequate protection from interference can be provided to receiving devices. Accordingly, the Contractor shall submit DD Form 1494, Application for Equipment Frequency Allocation, in triplicate to the buyer at the issuing office indicated on the cover of this document within 45 days after contract award. Instructions for preparing the form are contained in AFI 33-118, Radio Frequency Spectrum Management, and on the form itself. The DD Form 1494 will be routed through the Administrative Activity Quality Control Office indicated on the cover of the form in accordance with AFI 33-118. Upon verification of frequency requirements, the Contractor shall submit, if required, information to prepare a "Standard Frequency Action Format (SFAF) Request" to the person and address specified above. Instructions for preparing an SFAF are contained in AFI 33-118. Attention is directed to DFARS 252.235-7003, Frequency Authorization.

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. ENABLING CLAUSE BETWEEN PRIME CONTRACTORS AND SERVICE CONTRACTORS

(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), Booz Allen Hamilton (Acquisition & JTEO Support), Jet Propulsion Lab, Linquest (Systems Engineering), MIT Lincoln Labs (Systems Engineering and Integration), Kalman and Company (System Safety), 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 agrees to cooperate with Business Technologies and Solutions, Jackson & Tull, Northrop-Grumman, Booz Allen Hamilton, Jet Propulsion Lab, Linquest, MIT Lincoln Labs, Kalman and Company, and Tecolote Research, and subsequent successor service contractors, by: responding to invitations from authorized personnel to attend meetings; providing access to TSAT Space Segment program technical information and research, development and planning data, test data and results, schedule and milestone data, financial data including the Contractor's cost/schedule management system/records, all in original form or reproduced; discussing technical matters related to the program; providing access to Contractor facilities utilized in the performance of this contract; and allowing observation of technical activities by appropriate support Contractor 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. 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 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.

D. ENABLING CLAUSE FOR GENERAL SYSTEMS ENGINEERING AND INTEGRATION

- (a) This contract covers the TSAT Space Segment which is under the general program management of the Air Force Space and Missile Systems Center (SMC). The Air Force has entered into a contract with The Aerospace Corporation, The MITRE Corporation, and Software Engineering Institute (SEI) 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 trade-offs; 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' technical performance, through meeting with contractors and subcontractors, exchange and analysis of information on progress and problems, review of plans for future work; developing of 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 contractors' 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 agreement, the contractor agrees to cooperate with The Aerospace Corporation, The MITRE Corporation, and SEI by responding to invitations from authorized personnel to attend meetings; by providing access to technical information and research, development and 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 facilities utilized in the performance of this Agreement; and by allowing observation of technical activities by appropriate Aerospace Corporation, The MITRE Corporation, and SEI technical personnel. The Aerospace Corporation, The MITRE Corporation, and SEI personnel engaged in general systems engineering and integration effort are authorized access to any technical information pertaining to this contract.
- (d) The contractor further agrees to include in each subcontract a clause requiring compliance by the 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 his/her responsibility to manage the subcontracts effectively and

efficiently nor is it intended to establish privity of contract between the Government or The Aerospace Corporation, The MITRE Corporation, and SEI and such subcontractors.

(e) The Aerospace Corporation, The MITRE Corporation, and SEI personnel are not authorized to direct the contractor 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.

E. ENABLING CLAUSE FOR TSAT SYSTEMS ENGINEERING AND INTEGRATION

(a) The Air Force has entered into a contract with a TSAT Systems Engineering Partnership contractor (and selected subcontractors) for the services of a contractor team, which will support the DOD program office by performing Transformational Satellite Communications System (TSAT) Systems Engineering and Integration.

(b) TSAT Systems Engineering and Integration (SE&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 trade-offs; 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' technical performance, through meeting with contractors and subcontractors, exchange and analysis of information on progress and problems, review of plans for future work; developing of 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 contractors' 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 agreement, the contractor agrees to cooperate with the SE&I contractor by responding to invitations from authorized personnel to attend meetings; by providing access to technical information and research, development and 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 excluding financial 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 facilities utilized in the performance of this Agreement; and by allowing observation of technical activities by appropriate

SE&I technical personnel. The SE&I personnel engaged in general systems engineering and integration effort are authorized access to any technical information pertaining to this Agreement.

(d) The contractor further agrees to include in each subcontract a clause requiring compliance by the 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 his/her responsibility to manage the subcontracts effectively and efficiently nor is it intended to establish privity of contract between the Government or the SE&I contractor and such subcontractors.

(e) The SE&I contractor personnel are not authorized to direct the contractor 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 Agreement 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.

F. 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.

G. 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.

H. TSAT STANDARD CMMI APPRAISAL METHOD FOR PROCESS IMPROVEMENT

The contractor must assure that CMMI maturity level 3 (or higher) compliant processes are used across the entire TSAT Space Segment team. The contractor shall conduct periodic Standard CMMI Appraisal Method For Process Improvement (SCAMPI) Class B appraisals as outlined in their proposal. The government reserves the right to observe contractor led appraisals. The government also reserves the right to perform an independent appraisal at any time during the program with 30 days notice and intends to conduct an appraisal within the first 9 months after contract award. In addition, for all risks and weakness identified during any appraisals, an action plan will be submitted to the government. Weaknesses and risks will be reassessed as per the action plan to ensure issues have been corrected. Lack of progress in addressing the risks and weaknesses maybe be addressed through contractual remedies and/or award fee. The contractor must include in each subcontract a clause requiring compliance by subcontractor and succeeding levels of subcontractors to the provisions of this paragraph.