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# CUS TOMER CONTRACT REQUIREMENTS Airborne Information Management System (AIMS) CUS TOMER CONTRACT 4500512913

#### 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.
- **52.203-10 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.
- **52.203-14 Display of Hotline Poster(s)** (DEC 2007). This clause applies only if this contract is in excess of \$5,000,000 and is not for a commercial item or performed entirely outside the United States. For the purposes of this clause, the United States is defined as the 50 states, the District of Columbia, and outlying areas.
- **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.
- **52.204-9 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.

- **52.211-5 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). 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."
- **52.215-11 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."
- **52.215-12 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)."
- **52.215-13** 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 (c) 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.
- **52.215-15 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).

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52.215-21 Requirement for Cost or Pricing Data or Information Other Than Cost and 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 Contracting Plan Deviation (FEB 2009).

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 SF 294 and/or SSR using eSRS, in accordance with paragraph (l) of this clause.

- 52.222-1 Notice to the Government of Labor Disputes (FEB 1997). Contracting Officer shall mean Buyer.
- **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.
- 52.222-15 Certification of Eligibility (FEB 1988).
- **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).
- **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.
- **52.223-3 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 (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).
- **52.224-2 Privacy Act** (APR 1984). This clause applies only if Seller is required to design, develop, or operate a system of records contemplated by this clause.
- 52.225-13 Restriction on Certain Foreign Purchases (JUN 2008).
- **52.227-1** Authorization and Consent (DEC 2007).
- **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).
- 52.228-4 Workers' Compensation and War Hazard Insurance Overseas (APR 1984).
- **52.228-5 Insurance Work on a Government Installation** (JAN 1997). Seller shall provide and maintain insurance as set forth in this contract.
- **52.229-10 State of New Mexico Gross Receipts and Compensating Tax** (APR 2003). This clause applies only if (1) this contract is a cost-reimbursement contract; (2) this contract directs or authorizes Seller to acquire tangible personal property as a direct cost under a contract and title to such property passes directly to and vests in the United States upon delivery of the property by the subcontractor, and (3) this contract is for services to be performed in whole or in part in the State of New Mexico..
- **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).
- **52.237-2 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.
- **52.237-8 Restriction on Severance Payments to Foreign Nationals** (AUG 2003).
- **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 (MAR 2009).
- **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.
- **52.245-2 Government Property Installation Operation Services** (JUN 2007).
- **52.247-63 Preference for U.S.-Flag Air Carriers** (JUN 2003). This clause only applies if this contract involves international air transportation.
- **52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels** (FEB 2006). This clause applies only if this contract is (i) a contract or agreement for ocean transportation services; or a construction contract; or (ii) the supplies being transported are (a) items the Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to the items when it subcontracts items for f.o.b. destination shipment); or (b) shipped in direct support of U.S. military (1) contingency operations; (2) exercises; or (3) forces deployed in connection with United Nations or North Atlantic Treaty Organization humanitarian or peacekeeping operations.
- **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.
  - **252.208-7000 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.
  - 252.211-7003 Item Identification and Valuation (AUG 2008). 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 N. 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 \$650,000.

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

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

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

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

252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials (APR 1993).

252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (SEP 1999). This clause applies only if (1) this contract, or a subcontract at any tier, is for the development, production, manufacture, or purchase of arms, ammunition, and explosives (AA&E) or (2) AA&E will be provided to Seller, or to a subcontractor at any tier, as Government-furnished property. "Arms, ammunition, and explosives (AA&E)" means those items within the scope (chapter 1, paragraph B) of DoD 5100.76-M, Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives.

252.225-7000 Buy American Act-Balance of Payments Program Certificate (JAN 2009).

252.225-7001 Buy American Act and Balance of Payments 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 OUTS IDE 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.

252.225-7012 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.

252.225-7015 Restriction on Acquisition of Hand or Measuring Tools (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.

**252.225-7019 Restriction on Acquisition of Anchor and Mooring Chain** (JUN 2005). This clause does not apply if no restricted welded shipboard anchor or mooring chain are being delivered under this contract.

252.225-7021 Trade Agreements (NOV 2008).

The Buy American Act restriction of this clause applies to the end items of the prime contract. If the items that you supply under this purchase contract are (1) components that are incorporated into such higher tier end items to be delivered under the prime contract, or (2) spare or replacement parts that must be acquired from the original foreign manufacturer or supplier, then your source of supply is not affected by this clause. However, in both cases you must report to the Buyer using a DD Form 2139 any foreign sources of supply for items that you deliver under this contract. If the items that you supply under this contract do not fall within one of those two categories (for example, if you are furnishing lab, test, or support equipment), and if they are not "domestic end products" as defined by this clause, then your source of supply may be affected by this clause. Report the facts to the Buyer using the DD Form 2139 and seek further guidance.

252.225-7024 Requirement for Products or Services from Iraq or Afghanistan (SEP 2008).

**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.

252.225-7036 Buy American Act-Free Trade Agreements-Balance of Payments Program (JAN 2009).

252.225-7038 Restriction on Acquisition of Air Circuit Breakers (JUN 2005).

**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.

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

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

**252.227-7030 Technical Data -- Withholding of Payment** (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.

252.227-7033 Rights in Shop Drawings (APR 1996).

**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).

**252.234-7001 Notice of Earned Value Management System** (APR 2008). This clause applies only if 252.234-7002 is applicable.

**252.234-7002** Earned Value Management System (APR 2008). This clause applies only if it is indicated elsewhere in this contract that Seller must use an earned value management system (EVMS).

**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.

**252.242-7005** Cost/S chedule Status Report (MAR 2005). This clause applies to this contract if the contract is more than 12 months in duration and is other than firm-fixed-price.

**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.

**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).

- **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.
- 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. AFFARS Clauses** The following contract clauses are incorporated by reference from the Air Force Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" means Seller.
  - **5352.204-9000** Notification of Government Security Activity and Visitor Group Security Agreement (APR 2003).
  - 5352.242-9001 Common Access Cards (CACs) for Contractor Personnel (AUG 2004).
- **6. Prime Contract Special Provisions** The following prime contract special provisions apply to this purchase order
  - $\textbf{L-3 Special Flowdown Provisions} \ .$

#### **Insurance**

- 1. Insurance Requirements. Supplier agrees to secure and carry as a minimum the following insurance with respect to all work to be performed under this Agreement:
  - 1.1 Workers' Compensation Insurance, inclusive of an alternate employer endorsement, in an amount sufficient by virtue of the laws of the U.S., foreign country, state, or other governmental subdivision in which the work or any portion of the work is performed and Employer's Liability Insurance in the minimum amount of \$1,000,000 for any one occurrence;
  - 1.2 Commercial General Liability Insurance including Premises Liability and contractual Liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a Combined Single Limit of \$5,000,000 for any one occurrence. If the Supplier carries a

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higher limit of liability, the higher limit must be certified to Buyer;

- 1.3 If Supplier vehicles are used on Buyer's or Buyer's customer's premises and/or used to accomplish work under this order or otherwise on behalf of Buyer, Automobile Liability Insurance in which the limit of liability for property damage and bodily injuries, including accidental death, shall be a combined single limit of \$1,000,000 for any one occurrence. If the Supplier carries a higher limit of liability, the higher limit must be certified to Buyer;
- 1.4 If Supplier or its subcontractors have Buyer's materials or equipment in its care, custody or control, Supplier shall have and maintain All-Risk Property Insurance in an amount sufficient to meet or exceed the value of such material;
- 1.5 If Supplier is performing Professional Services on behalf of Buyer; Supplier shall maintain Professional Liability Insurance with a limit of no less than \$5,000,000.
- 2. <u>Aircraft Requirements</u>. The following shall apply if Supplier is providing product, component parts, materials, Goods or work to be incorporated in Aircraft where such products, parts, Goods or materials are classified as Flight Safety Parts (FSP) or its equivalent or having Critical Characteristics (CC) or its equivalent in accordance with the current revision of G6013.00.29 and/or any documents referenced therein:
  - 2.1 Supplier shall maintain Aircraft Product Liability, Completed Operations Liability and Hangar keepers Liability Insurance coverage in a minimum amount of Combined Single Limit of \$50,000,000 for any one occurrence and in the aggregate where applicable, including AV52 Coverage. In the event Supplier carries higher limits of liability, the higher limits of liability must be certified to Buyer.
- Insurance Carrier. All such insurance shall be issued by companies authorized to do business under the laws of
  the State or jurisdiction in which all or part of the Services are to be performed, and must have an AM Best
  financial rating of A- or better or an equivalent rating as produced by another rating agency acceptable to
  Buyer.
- 4. Insurance Terms. The insurance coverages described above shall be in form satisfactory to Buyer, and shall contain a provision prohibiting cancellation or material change except upon at least ten (10) days (seven (7) days in the case of War Risks Insurance) prior notice toBuyer. All such insurance policies will be primary in the event of a loss arising out of the Supplier's performance of work and shall provide that where there is more than one insured the policy will operate, except for the limits of liability, as if there were a separate policy covering each insured and shall operate without right of contribution from any other insurance carrier by Buyer. Certified copies of said policies or certificates evidencing such insurance and endorsements naming L-3 and L-3 as an additional insured or, in the case of All Risk Property Insurance, naming Buyer as a loss payee, shall be filed with Buyer upon execution of the Agreement and before commencement of any work hereunder, and within thirty (30) days after any renewals or changes to such policies are issued. To the extent permitted by law, Supplier and its insurer(s) agree that subrogation rights against Buyer are hereby waived. Supplier shall reflect such waiver in any policy(ies) required under this Agreement and shall advise the amount of available policy limits as of execution of this Agreement and shall identify the amounts of any self-insured retention.
- 5. <u>Certificate of Insurance</u>. The certificate of insurance shall identify the Agreement number or work to be performed and shall acknowledge that such coverage applies to liabilities incurred by Supplier, its employees, invitees or agents under this Agreement and that such insurance shall not be invalidated by any act or neglect of the Supplier whether or not such act or neglect is a breach or violation of any warranty, declarations or conditions of the policies.
- 6. <u>Supplier's Vendor Agreements</u>. Supplier agrees to insert the applicable substance of this provision in all subcontracts entered into by Supplier to support work performed under this Agreement.

### Toxic, Hazardous, or Carcinogenic Substances

- 1. <u>Supplier's Representations and Warranty</u>. Supplier represents and warrants that:
  - 1.1 the Goods, and substances contained therein including parts, subparts, components, and chemical constituents;
  - 1.2 substances used in the manufacture of the Goods, including parts, subparts, components and chemical constituents:

- 1.3 use of the Goods in the manner intended; and
- 1.4 substances required for the maintenance of the Goods provided under this Agreement are not prohibited by any laws or regulations of any country or other jurisdiction in the world, including:

The United States through a Department or Agency such as the Environmental Protection Agency acting under the Toxic Substances Control Act (15 U.S.C., § 2601 et seq.) or the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. § 121 et seq.) or any other statute or regulation;

Individual states in the U.S.;

The European Community through European Communion Council Directive of 27 July 1976 "on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations" (76/769/EEC) and other Directives;

Nations in the European Community that have implemented legislation concerning 76/769/EEC and other Directives; and

Nations that are not in the European Community but which implement legislation similar to 76/769/EEC and other Directives;

- 1.5 each chemical substance, including chemicals substances contained in the Goods delivered under this Agreement, is on the Inventory List (see 40 C.F.R. § 710) published by the Environmental Protection Agency pursuant to the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.) at the time of such delivery,
- 1.6 delivery of any Goods, including their chemical constituents, under this Agreement shall be made in accordance with transportation, labeling and other requirements enacted by any government or regulatory body anywhere in the world, and
- 1.7 the Goods, including their chemical constituents, shall meet the environmental, health and safety requirements of all jurisdictions such that Boeing may freely transport, export, import, use, maintain, market and sell the product or article throughout the world. Where there is regulation or restriction pertaining to the Goods, Supplier shall a) inform Buyer of such regulations or restrictions in writing, specifying the jurisdictions in which the Goods is regulated, b) provide Buyerwith a written copy of the appropriate compliance recommendations on handling or use and c) obtain Buyer's written approval for the delivery of any Goods that are regulated or restricted.
- 2. MSDS. If Supplier provides Goods under this Agreement which: 1) contains a toxic or hazardous substance as identified under Occupational Safety and Health Standards, 29 C.F.R. § 1910.20 or 29 C.F.R. § 1910.1000 et. seq. (Subpart Z), or 2) is a carcinogenic substance, or 3) the use of is regulated or restricted under 76/769/EEC or other European Community Directive, Supplier shall provide Buyerwith a Material Safety Data Sheet (meeting the requirements of 29 C.F.R. § 1910.1200(g) and the latest revision of Federal Standard No 313), that shall include information on the presence of all chemical substances in the product, including concentrations of chemicals equal to or greater than 0.1% and any other information required by any applicable law. This information shall be provided with the initial shipment of the Goods. When a change in formulation occurs supplier shall label each container or such products in a clearly legible and conspicuous form, stating that a toxic or hazardous substance is contained therein, and providing Buyer with a copy of any existing or new restrictions on handling or use.
- 3. News Releases Any release of information relating to this Agreement, including news releases, articles, brochures, advertisements, speeches, etc., requires written permission of Buyer and Buyer's customer. The Supplier further agrees to include this provision in any subcontract awarded as a result of this Agreement. In addition, Supplier shall not, without first obtaining the written consent of Buyer and Buyer's customer, in any manner advertise or publish the fact that Supplier has contracted to furnish Buyer the Goods or Services ordered by Buyer or use any trademarks or trade names of Buyer in Supplier's advertising or promotional materials. In the event of Supplier's breach of this provision, Buyer shall, in addition to other available remedies, have the right to cancel the undelivered portion of any Goods or Services ordered by Buyer and, further, Buyer shall not be required to make further payments to Supplier except for conforming Goods delivered or Services rendered prior to Buyer's cancellation as herein provided.
- 4. Report on Non-U.S. Sources. Upon Buyer's request the Supplier shall (i) report all subcontract sources outside the United States utilized in the fulfillment of this Agreement, including the name and location of each such source, amounts paid and committed thereto and identification of the goods or services procured, and (ii) require its subcontractors, including those at all lower tiers, to maintain records of the above information.

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# $\textbf{Contractor Identification} \ (MAR\ 2003).$

- (a) Contractor personnel and their subcontractors must identify themselves as Contractors or subcontractors during meetings, telephone conversations, in electronic messages, or correspondence related to this contract.
- (b) Contractor-occupied facilities (on AFMC or other Government installations) such as offices, separate rooms, or cubicles must be clearly identified with Contractor supplied signs, name plates or other identification, showing that these are work areas for Contractor or subcontractor personnel.