

CUSTOMER CONTRACT REQUIREMENTS
JTRS Cluster 1
CUSTOMER CONTRACT DAAB07-02-C-C403

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

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

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

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 2005) . The clause applies only if the 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 (Oct 1997) . Any proposal will be submitted 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 (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 (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 (Jan 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) (Oct 1997) . This Clause applies to this contract if it meets the requirements of FAR 15.408(j).

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

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

52.219-9 Small Business Subcontracting Plan (Jan 2002) . In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$500,000. and Seller is not a small business concern.

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

52.222-26 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.

52.225-13 Restrictions on Certain Foreign Purchases (Mar 2005) .

52.227-1 Authorization and Consent (JUL 1995) - Alternate I (APR 1984) (Apr 1984) - Alternate Alt I .

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

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

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

52.227-12 Patent Rights - Retention by the Contractor (Long Form) (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.

52.230-6 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 this contract.

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

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

52.244-5 Competition in Subcontracting (Dec 1996) .

52.244-6 Subcontracts for Commercial Items (Dec 2004) .

52.245-2 Government Property (Fixed Price Contracts) (Dec 1989) . 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..

52.245-17 Special Tooling (May 2004) . (CLASS DEVIATION FAR TRACKING, MAY 2004) This clause applies only if tooling is acquired for or furnished by the Government and to be retained for use by the Seller.

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

52.248-1 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.

252.219-7003 Small Business Subcontracting Plan (DoD Contracts) (Apr 1996) .

Except paragraph (g) which is hereby deleted.

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.

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

252.225-7025 Restriction on Acquisition of Forgings (Jun 2005) . This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

252.225-7026 Reporting of Contract Performance Outside the United States (Jun 2000) . 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.

252.227-7013 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.

252.227-7027 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.

252.227-7037 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 Earned Value Management System (Mar 1998) . This clause is applicable only if this contract states that the Earned Value Management System criteria applies to Seller.

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

252.242-7002 Earned Value Management System (Mar 2005) . This clause applies only if it is indicated elsewhere in this contract that Seller must use an earned value management system (EVMS)..

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

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000) . Contracting Officer and, in the first sentence of paragraph (a), Contractor mean Buyer. This clause applies only if the supplies being transported are noncommercial items or

commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

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

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

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

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

52.222-26 Equal Opportunity (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 Workers With Disabilities (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 (Apr 2003) . . In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.

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

252.247-7023 Transportation of Supplies by Sea (Mar 2000) . This clause applies only if this contract exceeds \$100,000 and are a type of supplies described in paragraph

(b)(2) of this clause. In paragraph (c), "45 days" is changed to "60 days". In paragraph (g) "Government" means Buyer.

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..