

CUSTOMER CONTRACT REQUIREMENTS
Radar System Improvement Program
CUSTOMER CONTRACT F19628-01-D-0016 DO 0080

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 (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.

52.203-12 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.

52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (JUL 1995). Seller agrees it is not debarred, suspended or proposed for debarment by the Federal Government. Seller shall disclose to Buyer in writing, whether as of the time of award of this contract, Seller or its principals is or is not debarred, suspended or proposed for debarment by the Federal Government.

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.

52.215-10 Price Reduction for Defective Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. In subparagraph (3) of paragraph (a), insert "of this contract" after "price or cost." In Paragraph (c), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Paragraphs (c)(1), (c)(1)(ii), and (c)(2)(i), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Subparagraph (c)(2)(i)(A), delete "to the Contracting Officer." In Subparagraph (c)(2)(ii)(B), "Government" shall mean "Government or Buyer." In Paragraph (d), "United States" shall mean "United States or Buyer."

52.215-12 Subcontractor Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government)."

52.215-14 Integrity of Unit Prices (OCT 1997). This clause applies except for contracts at or below \$100,000; construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.

52.215-15 Pension Adjustments and Asset Reversions (DEC 1998). 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).

52.215-21 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.

52.215-21 Requirement for Cost or Pricing Data or Information Other Than Cost and Pricing Data - Modifications Alternate I (OCT 1997).

52.219-8 Utilization of Small Business Concerns (OCT 2000).

52.219-9 Small Business Subcontracting Plan (OCT 2000). This clause applies only if this contract exceeds \$500,000 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.

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

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 (APR 2002).

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

52.222-36 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.

52.223-7 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 (JUN 1996).

52.225-8 Duty-Free Entry (FEB 2000). This clause applies only if this contract identifies supplies to be afforded duty-free entry or if foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States. For the purposes of this clause, the blanks in paragraph (g)(3) are completed as follows: UNITED STATES GOVERNMENT, DEPARTMENT OF DEFENSE, Duty-free entry is claimed pursuant Section XXII, Chapter 98, Subchapter VIII, Item No. 9808.00.30 of the Harmonized Tariff Schedule of the United States. Upon arrival of shipment at port of entry, the importer or authorized agent will notify Commander, Defense Contract Management Area Operations (DCMAO, New York, 201 Varick Street, New York, New York, 10014-4811, Attention DCRN-NCT) for execution of Customs Forms 7501, 7501-A, or 7506 and required duty free entry certificates.

52.225-13 Restrictions on Certain Foreign Purchases (JUL 2000).

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.

52.230-6 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).

52.244-5 Competition in Subcontracting (DEC 1996).

52.244-6 Subcontracts for Commercial Items and Commercial Components (OCT 1998).

52.245-1 Government Property (JUN 2007). This clause applies only if Government property is acquired or furnished for contract performance. "Government" shall mean Government throughout except the first time it appears in paragraph (g)(1) when "Government" shall mean the Government or the Buyer. Paragraph (h)(1) is deleted and replaced by the following: Seller assumes the

risk of, and shall be responsible for, any loss, damage, destruction, or theft of Government property upon its delivery to Seller as Government-furnished property. However, Seller is not responsible for reasonable wear and tear to Government Property or for Government property properly consumed in performing this contract. If the contract incorporates Boeing General Provision GP4, the Government-Owned Property article in GP4 is hereby deleted.

52.245-2 Government Property Installation Operation Services (JUN 2007).

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.

52.253-1 Computer Generated Forms (JAN 1991).

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 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.

252.209-7000 Acquisition From Subcontractors Subject to On-site Inspection Under the Intermediate-Range Nuclear Forces Treaty (NOV 1995). This clause applies only if this contract exceeds \$100,000 and does not apply to the purchase of commercial items or commercial components.

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

252.215-7000 Pricing Adjustments (DEC 1991). This clause applies only if this contract exceeds \$650,000.

252.223-7002 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.

252.225-7001 Buy American Act and Balance of Payment Program (MAR 1998).

252.225-7002 Qualifying Country Sources as Subcontractors (DEC 1991).

252.225-7004 Reporting Of Contract Performance Outside The United States And Canada, Submission After Award (JUN 2005). The term "Contractor" in paragraph (a) and the term "Contracting Officer" in paragraphs (b) and (c) means "Buyer." This clause

applies only if this contract exceeds \$500,000.

252.225-7006 QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (JUN 2005). This clause applies only if this contract exceeds \$500,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.

252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies (SEP 2006).

252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States (JUN 1998). 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...

252.227-7013 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.

252.227-7027 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.

252.227-7036 Declaration of Technical Data Conformity (JAN 1997). This clause applies only if the delivery of data is required by 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.

252.228-7001 Ground and Flight Risk (JUN 2010).

252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (DEC 1991).

252.231-7000 Supplemental Cost Principles (DEC 1991).

252.235-7003 Frequency Authorization Alternate I (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.

252.243-7001 Pricing of Contract Modifications (DEC 1991).

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

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 Termination Or Reduction (DEC 1996). This clause applies only if this contract is \$500,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

252.251-7000 Ordering From Government Supply Sources (MAY 1995). This clause applies only if Seller is notified by Buyer that it is authorized to purchase from Government supply sources in the performance of this contract.

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

52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (JUL 1995). Seller agrees it is not debarred, suspended or proposed for debarment by the Federal Government. Seller shall disclose to Buyer in writing, whether as of the time of award of this contract, Seller or its principals is or is not debarred, suspended or proposed for debarment by the Federal Government.

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).

52.244-6 Subcontracts for Commercial Items and Commercial Components (OCT 1998).

52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006). This clause does not apply if this contract is for the acquisition of commercial items unless (i) this contract is a contract or agreement for ocean transportation services; or a construction contract; or (ii) the supplies being transported are (a) items the Seller is reselling or distributing to the Government without adding value (generally, the Seller 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.

252.247-7023 Transportation of Supplies by Sea (MAY 2002).

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. AFMC Clauses The following contract clauses are incorporated by reference from the Air Force Material Command Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" means Seller.

5352.215-9008 Enabling Clause Between Prime Contractors and Service Contractors (AFMC) (JUL 1997). (This clause applies only if this contract is over \$1,000,000.)

Seller agrees to cooperate with Abacus Technology Corporation, Dynamics Research Corporation, Horizons Technology Incorporated, Sumaria Systems Incorporated, Windmill International Incorporated, Sencom Corporation, MCR Federal Incorporated (Management, Consulting, and Research Federal Incorporated), EDSI Incorporated (Engineering/Documentation Systems Incorporated), MEI Technology Corporation, Change Navigators, Quantec Services, SRA, and Jacobs Technology by: responding to invitations from authorized personnel to attend meetings; providing access to technical information and research, development and planning data, test data and results, schedule and milestone data, financial data including Seller's cost/schedule management system/records and accounting system, all in original form or reproduced; discussing technical matters related to the program; providing access to Seller's facilities utilized in the performance of this contract, and allowing observation of technical activities by appropriate technical personnel of the companies listed above, subject to coordination with Buyer. Seller shall include a similar requirement in all subcontracts over \$1,000,000.

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

ESC-H16 Foreign Disclosure Guidance (MAR 2001).

1. The approving agency for applicable technical data export under this contract is the designated United States Air Force Foreign Disclosure Policy Officer (FDPO), specifically Electronic Systems Center INF-B, Tinker AFB INF-B, Robins AFB INF-B or its designee. Technical data shall be prepared in accordance with the Statement of Work of this contract and may be subject to the Export Administration Act of 1979 (50 USC App. 2401-2420) and the Arms Export Control Act (22 USC 2751, et seq.) and the international Traffic in Arms Regulation (22 CFR, Subchapter M, 120-et seq.). Seller shall submit all such data to Buyer, who will forward it to the USAF FDPO. For purposes of this contract, timely delivery of such data to foreign addressees is contingent upon export authorization by the USAF FDPO.

2. If the USAF FDPO does not approve export of applicable data that has been prepared in accordance with this contract, Seller may be entitled to an equitable adjustment in this contract.

ESC-H30 Conduct of Contractor Personnel (JUL 1997).

(This clause applies only if this contract requires Seller to work in Saudi Arabia.)

- a. The term "contractor" as used in these supplement terms and conditions includes Buyer, Seller, and subcontractors.
- b. The contractor shall make every effort to obtain employee commitment to the full contract duration of the position for which hired. However, the minimum tour of duty for contractor employees requested by the Kingdom of Saudi Arabia is two years, or termination of the position/contract, whichever occurs first.
- c. The Contracting Officer may order the contractor to remove an employee for cause from an assignment to perform services under this program. The U.S. Government will notify the Saudi Arabia Government (SAG) Royal Saudi Air Force (RSAF) of any intent to remove an employee, stating the reasons for such removal. All requests for removal of contractor personnel shall be in writing, stating reasons for such a request for removal.
- d. If in the sole discretion of the U.S. Government Procuring Contracting Officer (PCO) it becomes necessary to replace any contractor employee for reasons of misconduct, the cost of replacement of the offending employee will be borne by the contractor and not charged to the U.S. Government or the RSAF under this or any other contract, unless otherwise required by US law or regulation.
- e. Contractor personnel in Saudi Arabia will observe six (6) days of holiday in a calendar year during Ramadan and Hadj. The contractor shall prepare a holiday schedule for the months of Ramadan and Hadj which provides each individual with six (6) days of total holidays during the months of Ramadan and Hadj and which has minimum impact on mission capability. This holiday schedule will be coordinated and approved with the RSAF functional manager, the respective RSAF PEACE project Officer and the U.S. Government, at least ninety (90) days prior to the scheduled holiday. Four (4) additional U.S. Government holidays will be observed on 1 January, 4

July, the 4th Thursday in November, and 25 December. When any of the U.S. Government holidays fall on a non-work day, the holiday will be observed on either the preceding or succeeding workday. The choice of any preceding or succeeding workday will be coordinated with the respective RSAF PEACE Project Officer. In the event contractor/subcontractor personnel work on any of these U.S. Government holidays, or are prevented from observing the other six days of holidays during the months of Ramadan or Hadj or during the rest of the calendar year, the contractor shall be paid wages/salaries for such services in accordance with the U.S. Government Federal Acquisition Regulation (FAR).

ESC-H34 Special Terms Related to War, Armed Conflict, Insurrection, Civil or Military Strife or Similar Conditions (JAN 2004).

(This clause applies only if this contract requires Seller to work in Saudi Arabia.)

- a. In the event competent authority of the United States determines that due to war, armed conflict, insurrection, civil or military strife, or similar conditions, the safety of Seller's personnel is threatened, the parties hereto will negotiate an equitable adjustment to the contract for costs incurred to retain such personnel in the Kingdom of Saudi Arabia or to return such personnel and their dependents to the United States and secure replacements as applicable.
- b. The conditions stated in paragraph a of this clause shall be met if and when the United States Secretary of Defense, or any designated representative thereof, issues a determination that the safety of Seller's personnel is threatened and defines the area affected. In such event, the parties shall negotiate the retention of Seller's personnel in Kingdom of Saudi Arabia or the specified area, or removal of Seller's personnel and/or their dependents from Kingdom of Saudi Arabia or the specified area, and the price adjustment(s) for such actions.
- c. Seller shall, to the extent that qualified personnel willing to serve in Kingdom of Saudi Arabia or the specified area are not available, be relieved of the requirement for continuing service in Kingdom of Saudi Arabia or that area during the period of hostilities. The return to Seller's plant of any employee not willing to serve in Kingdom of Saudi Arabia or in such an area shall be determined to be for the convenience of Buyer. However, Seller shall make every responsible effort to provide uninterrupted contract performance by qualified personnel. The contract price shall be equitably adjusted by an amount arising from emergency evacuation of such personnel to the nearest place of safety and their return to the place of performance when and if appropriate. Likewise, the contract price shall be equitably adjusted by an amount associated with maintaining Seller's presence in the hostile environment.
- d. Notwithstanding the above, the activities and responsibilities of the United States Government (including the United States Air Force and Buyer and Seller services) under this program may be suspended at any time upon determination by the Secretary of State, or any designated representative thereof, that, due to war, armed conflict, insurrection, military or civil unrest, or any other conditions, the best interests of the United States so require. The parties hereto shall negotiate an equitable adjustment to the contract to reimburse Seller for any special or additional costs resulting from such suspension.
- e. Under no circumstances will Seller's personnel be required to perform activities that would violate international laws of war and/or armed conflict, or direct preparation thereof.

ESC-H37 Taxes, Customs, and Duties (JUL 1997).

(This clause applies only if this contract requires Seller to work in Saudi Arabia.)

It is understood that the imposition of local taxes and similar charges with respect to this contract would serve to increase the contract price. Therefore, it is understood by the parties that this contract is priced based on the following assumptions:

- a. All property, material, equipment, and supplies brought into Saudi Arabia by Seller and the employees and families of Seller or its subcontractors to carry out this contract, shall be exempt in Saudi Arabia from import and export duties, taxes, licenses, excises, impost bonds, port charges, deposits, and any other identifiable charges. Property, materials, equipment, and supplies that are not consumed in connection with this contract or do not become a part of completed works shall remain the property of the USG and/or Seller or its subcontractors and may at any time be removed from or disposed of in Saudi Arabia free of any restrictions or any claims which may arise by virtue of such removal or disposal, provided that the duty thereon shall be paid in the event of their sale or disposal in Saudi Arabia.
- b. Seller, its subcontractors, and their personnel shall be accorded exemption from Saudi Arabian Income Taxes.
- c. **In the event that taxes, duties, or similar charges are imposed in contravention of the above, such charges will be considered allowable costs and shall be subject to an equitable adjustment.**

ESC-H38 Saudi Air Carrier (JUL 1997).

(This clause applies only if this contract requires Seller to work in Saudi Arabia.)

Saudi Airlines shall be used to transport all personnel of Seller and its subcontractors, their dependents, and air freight on routes served

by Saudi. Reasonable effort will be made to coincide or adjust travel and cargo shipments with Saudi schedules. This provision applies to all travel of personnel of Seller and its subcontractors (including leave) and air freight, into or departing The Kingdom. For travel originating in The Kingdom, all tickets shall be purchased from a Saudi Airlines ticket office. For travel/air freight originating outside The Kingdom, Seller and its subcontractors shall purchase tickets from a Saudi Airlines ticket office or agent. The only exceptions to the above policy are instances of bona fide emergency personnel travel when space on Saudi is not available.

ES C-H39 Saudi Arabian Law (JUL 1997).

(This clause applies only if this contract requires Seller to work in Saudi Arabia.)

Personnel of Seller and its subcontractors shall respect the laws, customs, and regulations of Saudi Arabia, to the extent permitted by U.S. law, including laws prohibiting access to certain areas of the country to non-Muslims or non-Saudis. Personnel of Seller and its subcontractors, while in Saudi Arabia, shall be subject to the criminal and civil jurisdiction of the Saudi Arabian Government.

5252.227-9000 Export-Controlled Data Restrictions (AFMC) (JUL 1997).

(In this clause, "Contractor" means Seller. Seller shall forward the Contracting Officer notifications and requests for approval required by paragraph (d) to Buyer's Authorized Procurement Representative.)

(a) For the purpose of this clause,

(1) Foreign person is any person who is not a citizen or national of the U.S. or lawfully admitted to the U.S. for permanent residence under the Immigration and Nationality Act, and includes foreign corporations, international organizations, and foreign governments;

(2) Foreign representative is anyone, regardless of nationality or citizenship, acting as an agent, representative, official, or employee of a foreign government, a foreign-owned or influenced firm, corporation or person;

(3) Foreign sources are those sources (vendors, subcontractors, and suppliers) owned and controlled by a foreign person; and

(b) The Contractor shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause.

(c) Nothing in this clause waives any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export controlled data and information.

(d) Equipment and technical data generated or delivered under this contract are controlled by the International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121 through 128. An export license is required before assigning any foreign source to perform work under this contract or before granting access to foreign persons to any equipment and technical data generated or delivered during performance (see 22 CFR Section 125). The Contractor shall notify the Contracting Officer and obtain written approval of the Contracting Officer prior to assigning or granting access to any work, equipment, or technical data generated or delivered under this contract to foreign persons or their representatives. The notification shall include the name and country of origin of the foreign person or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign person is cleared to have access to technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)).

5352.204-9001 Visitor Group Security Agreements (MAY 1996).

(This clause applies only if Seller will be working at a Government facility. In this clause, "Contractor" means Seller.)

Prior to beginning operations involving classified information on an installation identified on the DD Form 254 where the contractor is not required to have a facility security clearance, the contractor shall enter into a security agreement (or understanding) with the installation commander to ensure that the contractor's security procedures are properly integrated with those of the installation. As a minimum, the agreement shall identify the security actions which will be performed: (a) By the installation for the contractor, 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 contractor and the installation, such as packaging and addressing classified transmittals, security checks, internal security controls, and implementing emergency procedures to protect classified material.

5352.223-9000 Elimination of Use of Class I Ozone Depleting Substances (ODS) (MAY 1996).

(In this clause, "offeror/contractor" means Seller, and "contracting officer" means Buyer.)

- (a) 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.
- (b) Unless a specific waiver has been approved, Air Force procurements: (1) 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; and (2) 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.
- (c) For the purposes of Air Force policy, the following are Class I ODS: (1) Halons: 1011, 1202, 1211, 1301, and 2402; (2) Chlorofluorocarbons (CFCs): 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, and CFC-217, and the blends R-500, R-501, R-502, and R-503; and (3) Other Controlled Substances: Carbon Tetrachloride, Methyl Chloroform, and Methyl Bromide.
- (d) 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: Substance Application Use Quantity (lbs.) None
- (e) To assist the Air Force in implementing this policy, the offeror/contractor is required to notify the contracting officer if any Class I ODS not specifically listed above is required in the performance of this contract.**