

CUSTOMER CONTRACT REQUIREMENTS
Saudi Link 16
CUSTOMER CONTRACT F19628-01-D-0016 DO 0048

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.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Sep 2005). This clause applies only if this Contract exceeds \$100,000. Paragraph (c)(4) is modified to read as follows: "(c)(4) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor.

52.204-2 Security Requirements (Aug 1996). Changes clause means the changes clause of this contract. This clause applies only if access to classified material is required.

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

52.215-2 Audit and Records - Negotiation (Jun 1999). This clause applies only if this contract exceeds \$100,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types: (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause.

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

52.215-12 Subcontractor Cost or Pricing Data (Oct 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "The Boeing Company or any of its wholly owned subsidiaries." .

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

52.215-15 Pension Adjustments and Asset Reversions (Oct 2004). This Clause applies to this contract if it meets the requirements of FAR 15.408(g).

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB) (Jul 2005). This Clause applies to this contract if it meets the requirements of FAR 15.408(j).

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

52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications (Oct 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4. The term "Contracting Officer" shall mean Buyer.

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

- 52.222-21 Prohibition of Segregated Facilities** (Feb 1999).
- 52.222-26 Equal Opportunity** (Mar 2007).
- 52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans** (Sep 2006). This clause applies only if this contract exceeds \$25,000.
- 52.222-36 Affirmative Action for Workers With Disabilities** (Jun 1998). This clause applies only if this contract exceeds \$ 10,000.
- 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans** (Jan 1999). This clause applies only if this contract is for \$10,000 or more.
- 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).
- 52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e))** (Aug 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).
- 52.225-8 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** (Feb 2006).
- 52.227-1 Authorization and Consent** (Jul 1995).

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

52.227-10 Filing of Patent Applications - Classified Subject Matter (Apr 1984). This clause applies only if this contract will involve access to classified information.

52.230-6 Administration of Cost Accounting Standards (Nov 1999). Add "Buyer and the" before "Contracting Officer in paragraph (f). This provision applies if Clause H001, H002 or H004 is included in Buyer's contract.

52.244-5 Competition in Subcontracting (Dec 1996).

52.245-2 Government Property (Fixed Price Contracts) (May 2004). This clause is not applicable if this contract incorporates Form GP4. "Government" shall mean Government throughout except the first time it appears in paragraph (f) when "Government" shall mean the Government or the Buyer.

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.

252.209-7000 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.

252.211-7003 Item Identification and Valuation (Jun 2005). Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components, and parts specified elsewhere in this contract. Such identification and

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

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

252.215-7004 Excessive Pass - Through Charges (Apr 2007). The term "subcontractor" means Seller's subcontractors.

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

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

252.225-7012 Preference for Certain Domestic Commodities (Jan 2007).

252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States (Mar 2006). This clause applies only if this contract requires Seller to perform or travel outside the United States and Seller is not (i) a foreign government, (ii) a representative of a foreign government, or (iii) a foreign corporation wholly owned by a foreign government..

252.227-7013 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).

252.227-7026 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.

252.227-7036 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.

252.228-7005 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 (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.

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

252.247-7023 Transportation of Supplies by Sea (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 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 (Oct 2002). This clause applies only if Seller is notified by Buyer that Seller is authorized to purchase from Government supply sources in the performance of this contract.

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

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

This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (Apr 2002).

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (Dec 2001). This clause applies only if this contract exceeds \$25,000.

52.222-36 Affirmative Action for Handicapped Workers (Jun 1998). This clause applies only if this contract exceeds \$10,000.

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

52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (Feb 2006). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.

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.

5. The following prime contract special provisions apply to this purchase order:**A. 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (DEC 1991)**

No person, partnership, corporation, or other entity performing functions pursuant to this contract, shall, in employing or assigning personnel to participate in the performance of any such function, whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where such policies or practices are based on race, religion, national origin, or sex.

B. 5352.215-9008 ENABLING CLAUSE BETWEEN PRIME CONTRACTORS AND SERVICE CONTRACTORS (AFMC) (JUL 1997)

a. The Air Force has entered into contracts 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), AND MEI TECHNOLOGY CORPORATION, CHANGE NAVIGATORS INC. for services to provide technical, evaluation, and acquisition management support.

b. Service tasks involve the application of a broad range of education, skills, knowledge, and experience in many disciplines in support of weapon system acquisition tasks. Tasks involve:

1. Evaluate from a technical standpoint whether system concept and performance can be expected to be achieved on schedule and within cost.

2. Assure that the impact of new data, new developments, and modified requirements is properly assessed and exploited.

3. Assure that Manpower Support Services (MSS) contractors have available data on the status and technology of Government programs and projects to enable it to carry out its inter-system integration responsibilities to the Government.

c. In the performance of this contract, the Contractor 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), AND MEI TECHNOLOGY CORPORATION 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 the Contractor'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 Contractor facilities utilized in the performance of this contract; and allowing observation of technical activities by appropriate support Contractor technical personnel.

d. The Contractor further agrees to include in each subcontract over \$1 million or 10 percent of prime contract value, whichever is less, a clause requiring compliance by a subcontractor and succeeding levels of subcontractors with the response and access provisions of paragraph (c) above, subject to coordination with the Contractor. This agreement does not relieve the Contractor of responsibility to manage subcontracts

effectively and efficiently, nor is it intended to establish privity of contracts between the Government or the service Contractor(s) and such subcontractors.

e. Service Contractor personnel are not authorized to direct a Contractor in any manner.

f. Service contracts contain an organizational conflict of interest clause that requires the service Contractors to protect the data and prohibits the service Contractors from using the data for any purpose other than that for which the data was presented.

g. Neither the Contractor nor their subcontractors shall be required in the satisfaction of the requirements of this clause to perform any effort or supply any documentation not otherwise required by their contract or subcontract.

C. Saudi Link 16 Special Provisions

ESC H38 CONDUCT OF CONTRACTOR PERSONNEL (JUL 1997)

a. The term "contractor" as used in these supplement terms and conditions includes the contractors and its 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 shall be two years, or termination of the position/contract, whichever occurs first.

c. The ACO may request 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 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 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 Government Federal Acquisition Regulation (FAR).

ESC H39 TAXES, CUSTOMS, AND DUTIES (JUL 1997)

It is understood that the imposition of local taxes and similar charges with respect to the AWACS Program 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 by the Contractor, Subcontractor, and the employees and families of Contractor or its Subcontractors to carry out this contract, shall be exempt in 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 the program or do not become a part of completed works shall remain the property of the USG and/or its Contractors or Subcontractors and may at any time be removed from or disposed of in 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 .

b. The Contractor, Subcontractors, and their personnel shall be accorded exemption from Saudi Arabia 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 H40 SAUDI AIR CARRIER (JUL 1997)

Saudia Airlines shall be used to transport all contractor/subcontractor personnel, their dependents and air freight on routes served by Saudia. Reasonable effort will be made to coincide or adjust travel and cargo shipments with Saudia schedules. This provision applies to all contractor/subcontractor personnel travel (including leave) and air freight, into or departing The Kingdom. For travel originating in the Kingdom, all tickets shall be purchased from a Saudia Airlines ticket office. For travel/air freight originating outside the kingdom, contractor shall purchase tickets from a Saudia 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.

ESC H41 SAUDI ARABIAN LAW (JUL 1997)

Contractor personnel shall respect the laws, customs, and regulations of , to the extent permitted by law, including laws prohibiting access to certain areas of the country to non-Muslims or non-Saudis. The Contractor and its personnel, while in , shall be subject to the criminal and civil jurisdiction of the SAG.

ESC H42 CURRENCY EXCHANGE (JUL 1997)

The Contractor, its Subcontractors, and their employees shall obey the laws and regulations of regarding the exchange and importation of currency. However, the SAG shall allow:

(a) The Contractor, Subcontractors, and their personnel in direct support of AWACS, and their dependents, to freely exchange dollars for Riyals and Riyals for dollars, during the period of this contract, at the prevailing rate of exchange.

(b) Contractor and Subcontractor personnel in direct support of the AWACS, and their dependents, freely to import and export dollars for their personal use.

ESC-H44 SALES COMMISSIONS AND AGENTS FEE (MAR 2006)

For Firm Fixed-Price contracts or fixed-priced contracts with economic price adjustments:

"The Contractor certifies that the contract price (including any subcontracts awarded hereunder) does not include any direct or indirect costs of sales commissions or agent fees for contractor sales representatives for the solicitation or promotion or otherwise to secure the conclusion of the sale of any of the supplies or services called for by this contract.