

**CUSTOMER CONTRACT REQUIREMENTS  
KC-135 Flight Control Surface Repairs  
CUSTOMER CONTRACT FA8103-06-D-0070**

**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. 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). (Applicable when the Simplified acquisition threshold is exceeded). This clause applies only if this contract exceeds \$100,000.

52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1)) (JUL 1995). (Applicable when the simplified acquisition threshold is exceeded). Buyer may withhold sums owed Seller the amount of any kickback paid by Seller or its subcontractors at any tier if (a) the Contracting Officer so directs, or (b) the Contracting Officer has offset the amount of such kickback against money owed Buyer under the prime contract. This clause applies only if this contract exceeds \$100,000.

52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997). (Applicable when noncommercial and the simplified acquisition threshold is exceeded). 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). (Applicable when the simplified acquisition threshold is exceeded). 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. In paragraph (d), the term "Government" shall mean Buyer.

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2005). By signing and returning its solicitation response, Seller is executing the certification included in this clause. The certification required by this clause applies only if this contract exceeds \$100,000.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (SEP 2005). (Applicable over \$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.

52.211-15 Defense Priority and Allocation Requirements (SEP 1990). This clause is applicable if a priority rating is noted in this contract. This is a rated order certified for national defense use, and the Contractor shall follow all the requirements of the Defense Priorities and Allocations System regulation (15 CFR 700). (Applicable to all rated orders)

52.215-2 Audit and Records - Negotiation (JUN 1999). (Applicable if negotiated and above the simplified acquisition threshold, except commercial items and utility services at public prices plus reasonable connection charge).

52.215-10 Price Reduction For Defective Cost or Pricing Data (OCT 1997). (Applicable if negotiated and exceeding \$550,000, when cost or pricing data is required). 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). (Applicable if negotiated and exceeding \$550,000, when FAR 52.215-10, Price Reduction for Defective Cost or Pricing Data, is included, and cost or pricing data is required). 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). (Applicable when negotiated and exceeding the simplified acquisition threshold).

52.215-14 Integrity of Unit Prices – Alternate I (OCT 1997). (Alternate I is applicable when negotiated and exceeding the simplified acquisition threshold and contracting was without full and open competition)

52.215-15 Pension Adjustments and Asset Reversions (OCT 2004). (Applicable exceeding \$550,000, when cost or pricing data is required, or for which any preaward or postaward cost determinations are subject to Part 31)

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB) (JUL 2005). (Applicable exceeding \$550,000 when cost or pricing data is required, or for which any preaward or postaward cost determinations are subject to Part 31)

52.215-19 Notification of Ownership Changes (OCT 1997). (Applicable exceeding \$550,000 when cost or pricing data is required, or for which any preaward or postaward cost determinations are subject to Part 31).

52.219-8 Utilization of Small Business Concerns (MAY 2004). (Applicable when exceeding the simplified acquisition threshold, except for personal service contracts or when performance is entirely outside of the United States and its outlying areas).

52.219-9 Small Business Subcontracting Plan (JUL 2005). 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.

52.219-9 Small Business Subcontracting Plan – ALTERNATE II (OCT 2001). (Applicable over \$500,000).

**9952.219-9000 INCORPORATION OF SUBCONTRACTING PLAN (JALC) (MAR 2003)**

(IAW JALC 9919.705-5(a))

In accordance with FAR 52.219-9, Small Business Subcontracting Plan, the subcontracting plan contained in \_\_\_\_\_\* dated \_\_\_\_\_\* is incorporated herein by reference.

<b>*Incorporation of Subcontracting Plan</b>	
Location of Plan	TAB 28 OF CONTRACT FOLDER
Date of Plan	20 OCTOBER 2005

52.222-1 Notice to Government of Labor Disputes (FEB 1997). “Contracting Officer” shall mean Buyer. Applicable when the head of the contracting activity designates programs or requirements for which it is necessary

that contractors be required to notify the Government of actual or potential labor disputes that are delaying or threaten to delay the timely contract performance (see [22.103-5\(a\)](#)).

52.222-20 Walsh-Healy Public Contracts Act (DEC 1996). This clause applies only if this contract exceeds \$10,000.

52.222-21 Prohibition of Segregated Facilities (FEB 1999). (Applicable when exceeding \$10,000, except those exempted by FAR 22.807 (b) which includes those for work to be performed outside the U.S. by employees who were not recruited within the U.S.)

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (APR 2002). (Applicable to all orders issued hereunder)

52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). (Applicable when the expected value is \$25,000 or more except when work is performed outside the United States by employees recruited outside the United States or the Deputy Assistant Secretary of Labor has waived, in accordance with 22.1305(a) or the head of the agency has waived, in accordance with 22.1305(b) all of the terms of the clause).

52.222-36 Affirmative Action for Workers With Disabilities (JUN 1998). (Applicable over \$10,000 except when performance of work and recruitment of workers will occur outside the United States, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island, or the agency head has waived, in accordance with 22.1403(a) or 22.1403(b) all the terms of the clause).

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). (Applicable when the expected value is \$25,000 or more and workers were recruited within the United States).

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. (Applicable to solicitations and contracts except those that do not exceed the simplified acquisition threshold or are covered by an exemption granted by the Secretary of Labor).

52.222-50 Combating Trafficking in Persons (APR 2006). (Applicable to all orders issued hereunder). In paragraph (d), the term "Contracting Officer" means Buyer, and in paragraph (e), the term "the Government" means Buyer. This clause applies if the contract includes the acquisition of services.

52.223-11 Ozone Depleting Substances (MAY 2001). (b) The Contractor shall label products which contain or are manufactured with ozone-depleting substances in the manner and to the extent required by 42 U.S.C. 7671j(b), (c), and (d) and 40 CFR Part 82, Subpart E, as follows:

**WARNING**

Contains (or manufactured with, if applicable) \_\_\_\_\_\*, a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere.

\*The Contractor shall insert the name of the substance(s).

(Applicable to all orders issued hereunder).

52.225-13 Restrictions on Certain Foreign Purchases (FEB 2006). (Applicable to supplies or services involving the furnishing of supplies over \$2,500, \$15,000 for acquisitions as described in 13.201(g)(1) unless an exception applies).

52.227-1 Authorization and Consent (JUL 1995). (Applicable except when both complete performance and delivery are outside the United States, its possessions and Puerto Rico).

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". (Applicable when the simplified acquisition threshold is exceeded except when both complete performance and delivery are outside the United States, its possessions and Puerto Rico, unless supplies are ultimately to be shipped into one of those areas).

52.230-6 Administration of Cost Accounting Standards (APR 2005). (Applicable when either clause FAR 52.230-2, 52.230-3 or 52.230-5 are incorporated). Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if Clause H001, H002 or H004 is included in Buyer's contract.

52.242-15 Stop Work Order (AUG 1989). (Applicable for supplies, services, or research and development). 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). (Applicable exceeding the simplified acquisition threshold when the order/contract results from noncompetitive procedures).

52.244-6 Subcontracts for Commercial Items (FEB 2006). (Applicable to supplies or services other than commercial items).

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

52.245-2 Government Property (Fixed Price Contracts) – ALTERNATE I (APRIL 1984).

{Use this Section 2 if the prime contract is with DoD}

2. DoD Contracts. If this Contract is placed under a Department of Defense Contract, 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. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (DEC 2004). (Applicable when exceeding the simplified acquisition threshold (except for commercial items)). 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".

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 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.

(a) *Definitions.* As used in this clause—

"Automatic identification device" means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

"Concatenated unique item identifier" means—

(1) For items that are serialized within the enterprise identifier, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, and unique serial number within the enterprise identifier; or

(2) For items that are serialized within the original part, lot, or batch number, the linking together of the unique identifier data elements in order of the issuing agency code; enterprise identifier; original part, lot, or batch; and serial number within the original part, lot, or batch number.

“Data qualifier” means a specified character (or string of characters) that immediately precedes a data field that defines the general category or intended use of the data that follows.

“DoD recognized unique identification equivalent” means a unique identification method that is in commercial use and has been recognized by DoD. All DoD recognized unique identification equivalents are listed at <http://www.acq.osd.mil/dpap/UID/equivalents.html>.

“DoD unique item identification” means a system of marking items delivered to DoD with unique item identifiers that have machine-readable data elements to distinguish an item from all other like and unlike items. For items that are serialized within the enterprise identifier, the unique item identifier shall include the data elements of the enterprise identifier and a unique serial number. For items that are serialized within the part, lot, or batch number within the enterprise identifier, the unique item identifier shall include the data elements of the enterprise identifier; the original part, lot, or batch number; and the serial number.

“Enterprise” means the entity (e.g., a manufacturer or vendor) responsible for assigning unique item identifiers to items.

“Enterprise identifier” means a code that is uniquely assigned to an enterprise by an issuing agency.

“Government’s unit acquisition cost” means—

- (1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery;
- (2) For cost-type or undefinitized line, subline, or exhibit line items, the Contractor’s estimated fully burdened unit cost to the Government at the time of delivery; and
- (3) For items produced under a time-and-materials contract, the Contractor’s estimated fully burdened unit cost to the Government at the time of delivery.

“Issuing agency” means an organization responsible for assigning a non-repeatable identifier to an enterprise (i.e., Dun & Bradstreet’s Data Universal Numbering System (DUNS) Number, Uniform Code Council (UCC)/EAN International (EAN) Company Prefix, or Defense Logistics Information System (DLIS) Commercial and Government Entity (CAGE) Code).

“Issuing agency code” means a code that designates the registration (or controlling) authority for the enterprise identifier.

“Item” means a single hardware article or a single unit formed by a grouping of subassemblies, components, or constituent parts.

“Lot or batch number” means an identifying number assigned by the enterprise to a designated group of items, usually referred to as either a lot or a batch, all of which were manufactured under identical conditions.

“Machine-readable” means an automatic identification technology media, such as bar codes, contact memory buttons, radio frequency identification, or optical memory cards.

“Original part number” means a combination of numbers or letters assigned by the enterprise at item creation to a class of items with the same form, fit, function, and interface.

“Parent item” means the item assembly, intermediate component, or subassembly that has an embedded item with a unique item identifier or DoD recognized unique identification equivalent.

“Serial number within the enterprise identifier” means a combination of numbers, letters, or symbols assigned by the enterprise to an item that provides for the differentiation of that item from any other like and unlike item and is never used again within the enterprise.

“Serial number within the part, lot, or batch number” means a combination of numbers or letters assigned by the enterprise to an item that provides for the differentiation of that item from any other like item within a part, lot, or batch number assignment.

“Serialization within the enterprise identifier” means each item produced is assigned a serial number that is unique among all the tangible items produced by the enterprise and is never used again. The enterprise is responsible for ensuring unique serialization within the enterprise identifier.

“Serialization within the part, lot, or batch number” means each item of a particular part, lot, or batch number is assigned a unique serial number within that part, lot, or batch number assignment. The enterprise is responsible for ensuring unique serialization within the part, lot, or batch number within the enterprise identifier.

“Unique item identifier” means a set of data marked on items that is globally unique, unambiguous.

“Unique item identifier type” means a designator to indicate which method of uniquely identifying a part has been used. The current list of accepted unique item identifier types is maintained at [http://www.acq.osd.mil/dpap/UID/uid\\_types.html](http://www.acq.osd.mil/dpap/UID/uid_types.html).

(b) The Contractor shall deliver all items under a contract line, subline, or exhibit line item.

(c) *DoD unique item identification or DoD recognized unique identification equivalents.*

(1) The Contractor shall provide DoD unique item identification, or a DoD recognized unique identification equivalent, for—

- (i) All delivered items for which the Government’s unit acquisition cost is \$5,000 or more; and
- (ii) The following items for which the Government’s unit acquisition cost is less than \$5,000:
  - (iii) Subassemblies, components, and parts embedded within delivered items as specified in Attachment Number (See Schedule as Applicable).

(2) The concatenated unique item identifier and the component data elements of the DoD unique item identification or DoD recognized unique identification equivalent shall not change over the life of the item.

(3) *Data syntax and semantics of DoD unique item identification and DoD recognized unique identification equivalents.* The Contractor shall ensure that—

(i) The encoded data elements (except issuing agency code) of the unique item identifier are marked on the item using one of the following three types of data qualifiers, as determined by the Contractor:

(A) Data Identifiers (DIs) (Format 06) in accordance with ISO/IEC International Standard 15418, Information Technology EAN/UCC Application Identifiers and ANSI MH 10 Data Identifiers and Maintenance.

(B) Application Identifiers (AIs) (Format 05), in accordance with ISO/IEC International Standard 15418, Information Technology EAN/UCC Application Identifiers and ANSI MH 10 Data Identifiers and Maintenance.

(C) Text Element Identifiers (TEIs), in accordance with the DoD collaborative solution “DD” format for use until the final solution is approved by ISO/IEC JTC1 SC 31. The “DD” format is described in Appendix D of the DoD Guide to Uniquely Identifying Items, available at <http://www.acq.osd.mil/dpap/UID/guides.htm> ; and

(ii) The encoded data elements of the unique item identifier conform to ISO/IEC International Standard 15434, Information Technology—Syntax for High Capacity Automatic Data Capture Media.

(4) DoD unique item identification and DoD recognized unique identification equivalents.

(i) The Contractor shall—

(A) Determine whether to serialize within the enterprise identifier or serialize within the part, lot, or batch number; and

(B) Place the data elements of the unique item identifier (enterprise identifier; serial number; and for serialization within the part, lot, or batch number only; original part, lot, or batch number) on items requiring marking by paragraph (c)(1) of this clause, based on the criteria provided in the version of MIL-STD-130, Identification Marking of U.S. Military Property, cited in the contract Schedule.

(ii) The issuing agency code—

(A) Shall not be placed on the item; and

(B) Shall be derived from the data qualifier for the enterprise identifier.

(d) For each item that requires unique item identification under paragraph (c)(1)(i) or (ii) of this clause, in addition to the information provided as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the Contractor shall report at the time of delivery, either as part of, or associated with, the Material Inspection and Receiving Report, the following information:

- (1) Concatenated unique item identifier; or DoD recognized unique identification equivalent.
- (2) Unique item identifier type.
- (3) Issuing agency code (if concatenated unique item identifier is used).
- (4) Enterprise identifier (if concatenated unique item identifier is used).
- (5) Original part number.
- (6) Lot or batch number.
- (7) Current part number (if not the same as the original part number).
- (8) Current part number effective date.
- (9) Serial number.
- (10) Government’s unit acquisition cost.

(e) For imbedded DoD serially managed subassemblies, components and parts that require unique item identification under paragraph (c)(1)(iii) of this clause, the Contractor shall report at the time of delivery, either as part of, or associated with the Material Inspection and Receiving Report specified elsewhere in this contract, the following information:

- (1) Concatenated unique item identifier or DoD recognized unique identification equivalent of the parent item delivered under a contract line, subline, or exhibit line item that contains the embedded subassembly, component, or part.
- (2) Concatenated unique item identifier or DoD recognized unique identification equivalent of the embedded subassembly, component, or part.
- (3) Unique item identifier type.\*\*
- (4) Issuing agency code (if concatenated unique item identifier is used).\*\*
- (5) Enterprise identifier (if concatenated unique item identifier is used).\*\*
- (6) Original part number.\*\*
- (7) Lot or batch number.\*\*
- (8) Current part number (if not the same as the original part number).\*\*
- (9) Current part number effective date.\*\*
- (10) Serial number.\*\*
- (11) Unit of measure.

(12) Description.  
\*\* Once per item.

(f) The Contractor shall submit the information required by paragraphs (d) and (e) of this clause in accordance with the data submission procedures at <http://www.acq.osd.mil/dpap/UID/DataSubmission.htm> .

(g) *Subcontracts*. If paragraph (c)(1) of this clause applies, the Contractor shall include this clause, including this paragraph (g), in all subcontracts issued under this contract.

(Applicable when delivery of one or more “items” as defined at 252.211-7003(c) is required)

252.211-7003 Item Identification and Valuation – ALTERNATE I (APRIL 2005).

252.215-7000 Pricing Adjustments (DEC 1991). (Applicable when cost or pricing data may be required from the contractor or any subcontractor).

252.225-7001 Buy American Act and Balance of Payment Program. (JUN 2005). (Applicable except when an exception to the Buy American Act or Balance of Payments Program is known to apply, or if using the clause at 252.225-7021, Trade Agreements; or 252.225-7036, Buy American Act—Free Trade Agreements—Balance of Payments Program).

252.225-7002 Qualifying Country Sources as Subcontractors (APR 2003). (Applicable if one of the following clauses are included: DFARS 252.225-7001, 252.225-7021 or 252.225-7036).

252.225-7004 Report of Intended Performance Outside the United States and Canada - Submission After Award (JUN 2005). The term "Contracting Officer" means "Buyer." This clause applies only if this contract exceeds \$500,000. (Applicable to solicitations and contracts for performance outside the United States and Canada over \$10 million).

252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States (JUN 2005). (Applicable to solicitations and contracts for performance outside the United States and Canada over \$500,000)

252.225-7012 Preference for Certain Domestic Commodities (JUN 2004). (Applicable when exceeding the simplified acquisition threshold for food; clothing; tents, tarpaulins or covers; cotton and other natural fiber products; woven silk or woven silk blends; spun silk yarn for cartridge cloth; synthetic fabric, coated synthetic fabric; canvas products; wool; or any item of individual equipment (FSC 8465) manufactured from or containing such fibers, yarns, fabrics, or materials; to waste and byproducts of cotton or wool used in the production of propellants and explosives).

252.225-7014 Preference for Domestic Specialty Metals (JUN 2005). (Applicable when exceeding the simplified acquisition threshold and requiring the delivery of an article containing specialty metals, unless waived by a Memorandum of Understanding)

252.225-7014 Preference for Domestic Specialty Metals, Alternate I (APR 2003). (Applicable when exceeding the simplified acquisition threshold and requiring delivery of any article containing specialty metals within the following six major classes of programs: aircraft, missile and space systems, ships, tank-automotive, weapons or ammunition, unless waived by a Memorandum of Understanding).

252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises – DoD Contracts (SEP 2004). (Applicable to supplies or services exceeding \$500,000).

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (NOV 2005). (Applicable to supplies or services other than commercial items, when any of the following clauses are also applicable: 252.225-7014 Preference for Domestic Specialty Metals, Alternate I; 252.247-7023 Transportation of Supplies by Sea; 252.247-7024 Notification of Transportation of Supplies by Sea).

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 (MAY 2002). (Applicable when procedures other than for direct purchase of ocean transportation services are utilized). 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. 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:

**The dates of the FAR clauses in this Section 3 should correspond to dates of those clauses as they appear in the version of FAR 52-244-6 included in the prime contract**

52.219-8 Utilization of Small Business Concerns (OCT 2000). Include in all subcontracts that offer further subcontracting opportunities. If a subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), Seller and any lower tier subcontractor 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 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 (APR 2003). This clause only applies 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.

252.225-7014, Preference for Domestic Specialty Metals (JUN 2005), Alternate I (APR 2003).

252.247-7023 Transportation of Supplies by Sea (MAY 2002). (Applicable when procedures other than for direct purchase of ocean transportation services are utilized). 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.

#### 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. (Applicable over \$500,000 unless exempted by FAR 30.201-1)

5. The following prime contract special provisions apply to this purchase order:

**A. VIRTUAL PROGRAM MANAGER AND BAND PRICING (JUL 2006)**

The Contractor and /or subcontractor shall maintain an electronic system that provides for program collaboration within and among the applicable Government offices and between prime/subcontractors. The Virtual Program Manager (VPM) system shall assure that transactions relative to program quality, delivery and performance are properly recorded, readily available for real time analysis, and updated and archived through contract term. The Contractor's and/or subcontractor's system shall provide total asset visibility to include contract management details, funding, schedules, and delivery order details for all components being remanufactured. The system shall track each component independently and will include in its database(s), as a minimum: component receipts in depot; Reports of Discrepancies (RODs); component induction details and schedules; budgeted man-hour accumulation to track and engage; "Tier" or "Band" pricing adjustments; all contract Delivery Orders and Modification data; MIRR (DD250) reports (or Wide Area Work Flow (WAWF) transaction reports); Master Integrated Schedules; CDRLs and CDRL deliverables; Defective GFP notices (components); Level II remanufacturing notices, and engineering reports. As applicable, electronic program alerts will be generated to a selected group of individuals as determined by the designated Contractor Representative, the Government Program Manager and /or the Contracting Officer. As a minimum, alerts will be electronically generated based on computer algorithms that notify the Contracting Officer, Government Program Manager and Contractor/Subcontractor when Level II remanufacturing are required and approved by the Contracting Officer's Technical Representative (COTR), a single or combination of Level I and Level II budgeted remanufacturing hours is approaching or has approached the Tier/Band reduced pricing threshold, shipments have been made and Delivery Orders have completed. The VPM system shall be flexible in design to accept change and produce other program management data or alerts as required by program management. The Contractor and/or subcontractor's VPM System will be World Wide Web (WWW) based and available 24/7. (OCALC 06-066)

**9952.245-9007** USE OF SPECIAL TOOLING/SPECIAL TEST EQUIPMENT ON A NON-INTERFERENCE BASIS (JALC) (MAR 2003)  
(IAW JALC 9945.306-5(90))

The Contractor is authorized to use during the performance of this contract on a rent-free, noninterference basis, the special tooling and special test equipment identified (\*). Noninterference means that use of the special tooling and/or test equipment will not interfere with the performance of the contract under which the property is accountable.

\* Specify where the special tooling and/or test equipment is identified or state "below" and list the items. List the contract number under which the items are accountable.

Item No	*Contract #
	FA8105-05-D-0004

Item No	**Noun	**NSN/TOOL ID	**Part No	**Quantity	**Tool Code (If Applicable)

**SEE APPENDIX B**

(The above Clause/Provision has been modified.)

**9952.245-9012** RENT-FREE USE OF GOVERNMENT-OWNED PROPERTY (JALC) (MAR 2003)  
(IAW JALC 9945.370(90))

The Contractor is authorized to use in the performance of this contract on a rent-free, noninterference basis the Government-owned property identified below, made available during the periods set forth below.

Item No	Item/Description	Period Available

**SEE APPENDIX B**

(The above Clause/Provision has been modified.)