

**CUSTOMER CONTRACT REQUIREMENTS
GMD DEVELOPMENT
CUSTOMER CONTRACT HQ0147-10-R-0016**

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

1. FAR Clauses The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller.

52.203-6 Restrictions on Subcontractor Sales to the Government (SEP 2006).

This clause applies only if this contract exceeds \$100,000.

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

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

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

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2007). This clause applies only if this contract exceeds \$100,000.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (SEP 2007). This clause applies only if this contract exceeds \$100,000. Paragraph (g)(2) is modified to read as follows: "(g)(2) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor."

52.203-13 Contractor Code of Business Ethics and Conduct (DEC 2008). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.

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

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

52.204-9 Personal Identity Verification of Contractor Personnel. (SEP 2007). This clause applies only if performance

under this contract requires Seller to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

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

52.211-15 Defense Priority and Allocation Requirements (APR 2008). This clause is applicable if a priority rating is noted in this contract.

52.215-2 Audit and Records - Negotiation (MAR 2009). This clause applies only if this contract exceeds \$100,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types; (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause.

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

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

52.215-13 Subcontractor Cost or Pricing Data -- Modifications (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. The certificate required by paragraph (c) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government)."

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

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

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

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

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

52.219-9 Small-Business Subcontracting Plan (APR 2008).

This clause applies only if this contract exceeds \$550,000 and Seller is not a small business concern. Seller shall adopt a subcontracting plan that complies with the requirements of this clause. In addition, Seller shall submit to Buyer

Form X31162, Small and Small Disadvantaged Business and Women-Owned Small Business Subcontracting Plan Certificate of Compliance. In accordance with paragraph (d)(10)(iv), Seller agrees that it will submit the ISR and/or SSR using eSRS, and, in accordance with paragraph (d)(10)(vi), Seller agrees to provide the prime contract number, its own DUNS number, and the email address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to its subcontractors with subcontracting plans.

52.222-4 Contract Work Hours and Safety Standards Act-Overtime Compensation (JUL 2005). Buyer may withhold or recover from Seller the amount of any sums the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.

52.222-6 Davis-Bacon Act (JUL 2005).

52.222-7 Withholding of Funds (FEB 1988).

52.222-10 Compliance With Copeland Act Requirements (FEB 1988).

52.222-11 Subcontracts (Labor Standards) (JUL 2005). Seller shall include this clause in its subcontracts and shall require such subcontractors to flow this clause to all lower tier subcontractors. The following FAR clauses are incorporated herein by this reference and made a part of this contract: 52.222-6 Davis Bacon Act; 52.222-7 Withholding of Funds; 52.222-8 Payrolls and Basic Records; 52.222-9 Apprentices and Trainees; 52.222-10 Compliance With Copeland Act Requirements; 52.222-12 Contract Termination - Debarment; 52.222-13 Compliance with Davis Bacon and Related Act Regulations; 52.222-14 Disputes Concerning Labor Standards; and 52.222-15 Certification of Eligibility.

52.222-12 Contract Termination-Debarment (FEB 1988).

52.222-13 Compliance With Davis-Bacon and Related Act Regulations (FEB 1988).

52.222-14 Disputes Concerning Labor Standards (FEB 1988).

52.222-15 Certification of Eligibility (FEB 1988).

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

52.222-21 Prohibition of Segregated Facilities (FEB 1999).

52.222-26 Equal Opportunity (MAR 2007).

52.222-27 Affirmative Action Compliance Requirements for Construction (FEB 1999). This clause applies only if this contract exceeds \$10,000.

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006). This clause applies only if this contract exceeds \$100,000.

52.222-36 Affirmative Action For Workers With Disabilities (JUN 1998). This clause applies only if this contract exceeds \$10,000.

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006). This clause applies only if this contract exceeds \$100,000.

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004).

52.222-50 Combating Trafficking in Persons (FEB 2009). In paragraph (d), the term “Contracting Officer” means Buyer, and in paragraph (e), the term “the Government” means Buyer.

52.222-54 Employment Eligibility Verification (JAN 2009).

This clause applies to all subcontracts that (1) are for (i) commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item, or an item that would be a COTS item, but for minor modifications performed by the COTS provider and are normally provided for that COTS item), or (ii) construction; (2) has a value of more than \$3,000; and (3) includes work performed in the United States.

52.223-3 Hazardous Material Identification and Material Safety Data (JAN 1997). This clause applies only if Seller delivers hazardous material under this contract.

52.223-11 Ozone Depleting Substances (MAY 2001).

52.223-13 Certification of Toxic Chemical Release Reporting (AUG 2003). Except for commercial items as defined in FAR Part 2, this clause applies to competitive procurements expected to exceed \$100,000 (including all options). If Seller is not subject to the Form R filing and reporting requirements, Seller shall inform Buyer which exemption or exemptions in subparagraph (b)(2) of this clause apply.

52.223-14 Toxic Chemical Release Reporting (AUG 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).

52.225-8 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 Restriction on Certain Foreign Purchases (JUN 2008).

52.227-1 Authorization and Consent (DEC 2007).

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (DEC 2007). A copy of each notice sent to the Government will be sent to Buyer.

52.227-10 Filing of Patent Applications - Classified Subject Matter (DEC 2007).

52.227-11 Patent Rights -- Ownership by the Contractor (DEC 2007). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business firm or nonprofit organization.

52.228-3 Workers' Compensation Insurance (Defense Base Act) (APR 1984).

52.228-4 Workers' Compensation and War Hazard Insurance Overseas (APR 1984).

52.228-5 Insurance - Work on a Government Installation (JAN 1997). Seller shall provide and maintain insurance as set forth in

this contract.

52.229-8 Taxes-Foreign Cost Reimbursement Contracts (MAR 1990).

52.230-6 Administration of Cost Accounting Standards (MAR 2008). Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if clause H001, H002, or H004 is included in this contract.

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

52.237-2 Protection of Government Buildings, Equipment, and Vegetation (APR 1984). This clause applies only if work will be performed on a Government installation. "Contracting Officer" shall mean Buyer.

52.244-5 Competition in Subcontracting (DEC 1996).

52.244-6 Subcontracts for Commercial Items (DEC 2009).

52.245-1 Government Property (JUN 2007). This clause applies only if Government property is acquired or furnished for contract performance. The Government-Owned Property article in GP4 is hereby deleted.

52.247-63 Preference for U.S.-Flag Air Carriers (JUN 2003). This clause only applies if this contract involves international air transportation.

2. DoD FAR Supplement Clauses DoD Contracts. The following contract clauses are incorporated by reference from the Department of Defense Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller except as otherwise noted.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC 2008). This clause applies only if this contract exceeds \$100,000 and is not for the purchase of commercial items or commercial components.

Except in paragraph (a), "this contract" and "the contract" mean the contract between Buyer and Seller. In subparagraph (d)(1), delete the words "or first-tier subcontractor." In paragraph (e), the remedies described in subparagraphs (2) and (3) are available to Buyer, not the Government. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer." Paragraph (g) is deleted.

252.204-7000 Disclosure of Information (DEC 1991). Seller will submit requests for authorization to release through Buyer.

252.204-7009 Requirements Regarding Potential Access to Export Controlled Items (JUL 2008). .

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.

252.215-7004 Excessive Pass-Through Charges (MAY 2008).

This clause applies unless this contract is (1) a firm-fixed-price contract awarded on the basis of adequate price competition; (2) a fixed-price contract with economic price adjustment awarded on the basis of adequate price competition; (3) a firm-fixed-price contract for the acquisition of a commercial item, or (4) a fixed-price contract with economic price adjustment for the acquisition of a commercial item. In paragraph (a), "Contractor" retains its original meaning. In paragraph (b), "Government" and "Contracting Officer" mean Buyer. In paragraph (c) "Contracting Officer" means Buyer.

In paragraph (d), "Government" and "Contracting Officer" mean Buyer. In paragraph (e), "Contracting Officer" retains its original meaning.

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

252.222-7000 Restrictions on Employment of Personnel (MAR 2000).

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

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

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

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

252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (SEP 1999).

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

252.225-7001 Buy American Act and Balance of Payments Program (JAN 2009).

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

252.225-7004 Reporting Of Contract Performance Outside The United States And Canada - Submission After Award (MAY 2007). The term "Contractor" in paragraph (b) and the term "Contracting Officer" in paragraphs (c) and (d) means "Buyer." This clause applies only if this contract exceeds \$550,000.

252.225-7006 QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (MAY 2007). This clause applies only if this contract exceeds \$550,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.

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

252.225-7008 Restriction on Acquisition of Specialty Metals (JUL 2009).

252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals (JUL 2009).

Paragraph (d) of this clause is excluded and paragraph (c)(6) of the clause is modified as follows:

(c)(6) End items of the prime contract containing a minimal amount of otherwise noncompliant specialty metals (i.e., specialty metals not melted or produced in the United States, an outlying area, or a qualifying country, that are not covered by one of the other exceptions in this paragraph (c)), if the total weight of such noncompliant metals does not exceed 2 percent of the total weight of all specialty metals in that end item. This exception does not apply to high performance magnets containing specialty metals. If the Seller will furnish goods that contain otherwise noncompliant specialty metals (i.e., specialty metals not melted or produced in the United States, an outlying area, or a qualifying country, that are not covered by one of the other exceptions in this paragraph (c)), then the Seller shall disclose to the Buyer (i) the total weight of all specialty metals in each of the goods of this contract, and (ii) the total weight of the noncompliant specialty metals in each of those goods.

252.225-7012 Preference for Certain Domestic Commodities (DEC 2008).

252.225-7013 Duty Free Entry (DEC 2009). This clause applies if Seller is located in a qualifying country (as defined in DFARS Part 225.8) or if Seller is located in any other country and the estimated U.S. duty for the deliverable items will exceed \$200 per unit. Seller shall include the prime contract number on all shipping documents submitted to Customs for supplies for which duty-free entry is claimed pursuant to this clause. See Section 5 for the information required by paragraph (j)(3) of this clause.

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (MAR 2006). This clause does not apply to the purchase of commercial items other than ball or roller bearings or to items which contain no ball or roller bearings.

252.225-7040 Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States (JUL 2009).

This clause, including this paragraph (q), applies only if, in performance of this contract, employees of Seller are authorized to accompany U.S. Armed Forces deployed outside the United States in (1) contingency operations; (2) humanitarian or peacekeeping operations; or (3) other military operations or military exercises, when designated by the Combatant Commander.

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

252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises--DoD Contracts and Native Hawaiian Small Business Concerns (SEP 2004). This clause applies only if this contract exceeds \$500,000.

252.227-7013 Rights In Technical Data -- Noncommercial Items (NOV 1995). This clause applies only if the delivery of data is required for noncommercial items under this contract.

252.227-7014 Rights In Noncommercial Computer Software And Noncommercial Computer Software Documentation (JUN 1995). This clause applies only if the delivery of noncommercial computer software or noncommercial computer documentation may be originated, developed or delivered under this contract.

252.227-7015 Technical Data -- Commercial Items (NOV 1995). This clause applies only if the delivery of data is required for commercial items under this contract.

252.227-7016 Rights in Bid or Proposal Information (JUN 1995).

252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (JUN 1995).

252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 1995). This clause applies only if computer software may be originated, developed, or delivered under this contract.

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

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

252.227-7030 Technical Data -- Withholding of Payment (MAR 2000). In this clause, "Government" and "Contracting Officer" shall mean Buyer. This clause applies only if the delivery of technical data is required under this contract.

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

252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 1999). This clause applies only if the delivery of data is required by this contract.

252.227-7038 PATENT RIGHTS—OWNERSHIP BY THE CONTRACTOR (LARGE BUSINESS) (DEC 2007). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business firm or nonprofit organization.

252.231-7000 Supplemental Cost Principles (DEC 1991).

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

252.234-7001 Removed and Reserved (2005).

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

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

252.235-7010 Acknowledgment of Support and Disclaimer (MAY 1995).

252.235-7011 Final Scientific or Technical Report (NOV 2004).

252.239-7001 Information Assurance Contractor Training and Certification (JAN 2008).

252.242-7004 Material Management and Accounting System Requirements and Standards (JUL 2009).

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

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (AUG 2009).

252.246-7003 Notification of Potential Safety Issues (JAN 2007).

This clause applies only if this subcontract is for (i) parts identified as critical safety items; (ii) systems and subsystems, assemblies and subassemblies integral to a system; or (iii) repair, maintenance, logistics support, or overhaul services for systems and subsystems, assemblies, subassemblies and parts integral to a system. The notification required by paragraph (c) of this clause will be provided to Buyer and to the administrative contracting officer (ACO) and the procuring contracting officer (PCO) if Seller is

aware of the ACO and PCO for the prime contract.

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 2006). This clause applies only if this contract is \$550,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

252.251-7000 Ordering From Government Supply Sources (NOV 2004).

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:

52.203-13 Contractor Code of Business Ethics and Conduct (APR 2009). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.

52.219-8 Utilization of Small Business Concerns (NOV 2009).

52.222-26 Equal Opportunity (MAR 2007).

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006).

52.222-36 Affirmative Action For Workers With Disabilities (JUN 1998).

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004).

52.222-50 Combating Trafficking in Persons (FEB 2009).

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

252.225-7001 Buy American Act and Balance of Payments Program (JAN 2009).

252.225-7012 Preference for Certain Domestic Commodities (DEC 2008).

252.246-7003 Notification of Potential Safety Issues (JAN 2007).

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. Cost Accounting Standards

52.230-2 Cost Accounting Standards (OCT 2008). (1) (Applicable if this contract incorporates clause H001) The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause H001 is the version dated October 2008.

(2) (Applicable if this contract incorporates clause H002) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by H002 is the version dated October 2008.

(3) (Applicable if this contract incorporates clause H003) The version of FAR 52.230-5, Cost Accounting Standards - Educational Institution, is the version dated October 2008.

(4) (Applicable if this contract incorporates clause H007) The version of FAR 52.230-4, Disclosure and Consistency of Cost Accounting Standards for Contracts Awarded to Foreign Concerns, is the version dated October 2008.

52.230-3 Disclosure and Consistency of Cost Accounting Practices (APR 1998). (2) (Applicable if this contract incorporates clause H002). The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause H002 is the version dated April 1998.

5. Prime Contract Special Provisions The following prime contract special provisions apply to this purchase order**HQ0147-10-R-0016 Ground-based Midcourse Defense Development and Sustainment Contract (GMD DSC) (NOV 2010).****1. ORGANIZATIONAL CONFLICT OF INTEREST**

a. The term "FOIA protected information" for purposes of this clause is any information considered a "trade secret and commercial or financial information obtained from a person that is privileged or confidential" and all information about individuals in "personnel and medical files and similar files" when the disclosure of such information "would constitute a clearly unwarranted invasion of personal privacy" or other information that is properly protected as the result of a FOIA exemption or exclusion.

b. It is recognized by the parties hereto that the effort to be performed by the Contractor and its subcontractors under this contract includes a myriad of systems engineering efforts; support to the Government in the preparation of specifications and work statements; technical evaluation of other contractors products and services; and access to other contractors' FOIA protected information.

Consequently, performance of this contract creates potential organizational conflicts of interest as contemplated by Federal Acquisition Regulation (FAR) 9.505. It is the intention of the parties that the Contractor and its subcontractors will not engage in any other contractual or other activities which could create an organizational conflict of interest with its position under this contract; which might impair its ability to render unbiased advice and recommendations; or in which it or its subcontractors may derive an unfair competitive

advantage as a result of knowledge, information, and experience gained during the performance of this contract.

c. The Contractor agrees that it will seek the prior written approval of both the GMD Development and Sustainment Contract (DSC) PCO and the PCO on the other acquisition before it or its subcontractors participate in any Missile Defense Agency (MDA) contract as a Contractor, subcontractor, co-sponsor, joint venture, consultant, or in any similar capacity, to provide material, equipment or services. The Contractor and its subcontractors will be subject to this restriction, except as a source for any competitive follow-on acquisitions for the GMD DSC, other GMD JPO follow-on requirements, or on a noncompetitive basis under other prime contracts with the Government. The GMD DSC PCO will consider the requests for written approval on a case-by-case basis.

d. The effort to be performed under this contract includes providing systems engineering; input to preparation of specifications and scopes of work; assistance to the Government during technical evaluations of other contractors' products; and access to third-party FOIA protected information. Such activities create a significant potential for certain conflicts of interest, as set forth in FAR 9.505.

e. The Contractor agrees that, to the extent it receives or is given access to FOIA protected information, under this contract, it shall treat such information IAW any restrictions imposed on such information. Further, the Contractor shall

(1) enter into a written agreement with the other entities involved in order to protect such FOIA protected information from unauthorized use or disclosure for as long as it remains protected; and

(2) refrain from using such FOIA protected information other than as agreed to, for example to provide assistance during technical evaluation of other Contractors' offers or products under this contract.

An executed copy of agreements entered into as a result of or pursuant to this clause by individual personnel or on a corporate basis shall be furnished to the GMD DSC PCO within fifteen (15) calendar days of execution.

f. In addition, the Contractor shall obtain from each employee who has access to FOIA protected information under this contract, a written agreement which shall mandate that such employee shall not, during his/her employment by the Contractor or thereafter, disclose to others or use for their own or others benefit, FOIA protected information received in connection with the work under this contract.

g. If the Contractor, in the performance of this contract, obtains access to Government information such as plans, policies, reports studies, financial plans, or data which has not been released or otherwise made available to the public, the Contractor agrees that without prior written approval of the GMD DSC PCO, it shall not:

(1) use such information for any private purpose unless the information has been released or otherwise made available to the public,

(2) compete for work based on such information after the completion of this contract, or until such information is released or otherwise made available to the public, whichever occurs first,

(3) submit an unsolicited proposal to the Government which is based on such information until after such information is released or otherwise made available to the public, or

(4) release such information unless such information has previously been released or otherwise made available to the public by the Government.

h. The Contractor shall be restricted from performing independent validation, verification, accreditation, or certification of any products developed or delivered under this contract. Additionally, the Contractor shall not serve as a software independent validation and verification (IV&V) contractor for any software developed or delivered under this contract.

i. The Contractor shall educate its employees through appropriate means (such as formal training and promulgation of company policies and procedures) the principles of FAR Subpart 9.5. Such inculcation shall include, but not be limited to, training to ensure that employees refrain from using or disclosing FOIA protected information except as provided by executed agreement or as allowed by the contract. Further, the Contractor shall obtain from each of its employees, whose anticipated responsibility in connection with the work under this contract may be reasonably expected to involve access to such FOIA protected information, a written agreement, which, in substance, shall provide that such employee will not, during its employment by the contractor, or thereafter, improperly disclose such data or information.

j. The Contractor shall hold the Government harmless and will freely indemnify the Government as to any cost/loss resulting from the unauthorized use or disclosure of any third-party FOIA protected information by its employees, the employees of subcontractors, or by its agents.

k. If in compliance with this clause, the Contractor discovers and promptly reports an organizational conflict of interest (or the potential thereof) subsequent to contract award, a prompt and full disclosure shall be made in writing to the PCO. This disclosure shall be made on the OCI Analysis/Disclosure Form provided at Attachment 10 to the contract, and shall include a description of the action the Contractor has taken or proposes to take in order to avoid or mitigate such conflicts. If it is deemed to be in the best interest of the Government, the GMD DSC PCO may terminate this Contract for convenience.

l. The Contractor will include the same provisions as are expressed in this clause, including this paragraph, in subcontracts awarded for performance of any portion of this requirement. This restriction is applicable throughout the period of performance of the subcontract, and any extensions thereof by change order or supplemental agreement, and for one (1) year thereafter. When the provisions of this clause are included in a subcontract, the term "GM D DSC Procuring Contracting Officer" shall represent the head of the Contracts Office of the prime contract. Any deviations or less restrictive coverage deemed necessary or required by the Contractor for a particular subcontract must first be submitted to the Government GM D DSC PCO for approval. Subcontractors, on a case-by-case basis, may make a request, through the prime Contractor, for a revision to the OCI Clause restrictions outlined above.

m. Participation in any acquisition described above, without express written approval from the GMD DSC PCO, may be grounds for termination of this contract. For breach of any of the above restrictions or for nondisclosure or misrepresentation of any relevant facts required to be disclosed concerning this contract, the Government reserves the right to terminate this contract for default, disqualify the

Contractor for subsequent related contractual efforts, and to pursue such other remedies as may be available under law.

n. Prior to contract modification or task order, when the SOW is changed to add new work, or the period of performance is significantly increased, the PCO may require the Contractor to submit either an organizational conflict of interest disclosure or an update of the previously submitted disclosure or representation.

2. INDEMNIFICATION AGAINST UNUSUALLY HAZARDOUS RISKS

The legal authorities to indemnify contractors for unusually hazardous risks are 10 USC 2354 (for research, development and testing activities) and 50 USC 1431 (Public Law 85-804), as implemented in Executive Order 10789. Previous indemnification from other contracts does not carry over to this resulting contract. The Contractor may request indemnification for effort under this contract at any time. Contractor requests for indemnification must be prepared in accordance with the requirements of FAR 50.104-3. The MDA will fairly process request(s) in good faith to the applicable approving authority within the Department of Defense. However, the MDA will not, if indemnification is not granted through this process, make adjustments to the estimated cost or schedule of this contract.

3. ENABLING CLAUSE FOR BMD INTERFACE SUPPORT

- a. It is anticipated that, during the performance of this contract, the Contractor will be required to support Technical Interface/Integration Meetings (TIMS) with Contractors and other Government agencies. Appropriate organizational conflicts of interest clauses, if any, will be negotiated as needed to protect the rights of the Contractor and the Government.
- b. Interface support deals with activities associated with integration of the requirements of this contract into BM D system plans and support of key Missile Defense Agency (M DA) program review.
- c. The Contractor agrees to cooperate with BM D Contractors by providing access to technical matters; provided, however, the Contractor will not be required to provide Freedom of Information Act protected information to non-Government entities or personnel in the absence of a non-disclosure agreement between the Contractor and such entities.
- d. The Contractor further agrees to include a clause in each subcontract requiring compliance with paragraph c. above, subject to coordination with the Contractor. This agreement does not relieve the Contractor of its responsibility to manage its subcontracts effectively.
- e. Personnel from Contractors or other Government agencies or Contractors are not authorized to direct the Contractor in any manner.
- f. This clause shall not prejudice the Contractor or its subcontractors from negotiating separate organizational conflict of interest agreements with BMD Contractors; however, these agreements shall not restrict any of the Government's rights established pursuant to this clause or any other contract.

4. COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT (NEPA); POLLUTION PREVENTION ACT (PPA); FEDERAL ENVIRONMENTAL, ENERGY, AND TRANSPORTATION MANAGEMENT EXECUTIVE ORDER (E.O. 13423); AND ENVIRONMENTAL SAFETY & HEALTH

(ESH) PROGRAM PROTECTION

- a. The Contractor shall assist MDA GMD JPO by ensuring development, production, and operations and support of the GMD Element complies with NEPA (42 U.S.C. 4321-4370d), implementing regulations (40 C.F.R 1500-1508), and executive orders, (such as E.O. 12114, Environmental Effects Abroad of Major Federal Actions, and E.O. 11514, Protection and Enhancement of Environmental Quality).
- b. The Contractor shall ensure development, production, construction, and operation of the GMD Element complies with E.O. 13423. All new construction and renovations must conform to the January 2006 High Performance Buildings Memorandum of Understanding (MOU) and incorporate sustainable strategies, resource conservation, and indoor environmental quality considerations (including metering and procurement of "green" products).
- c. The Contractor shall provide input to the ESH evaluation as directed by the GMD Program Office and MDA's Environmental Management Office to assist the Government with complying with DoD 5000.2, Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) acquisition programs. The Contractor shall comply with all applicable federal, state and local laws, and regulations.
- d. The Contractor shall support and assist the Government's compliance with NEPA, PPA, and E.O. 13423, and ESH Program Protection by providing environmental professionals to: participate in Integrated Product Teams (IPTs); support MDA's geographic site process; provide information, system related documents, and technical assistance to the Government's environmental personnel and its associated Contractors for addressing overall environmental compliance (and reporting), hazardous materials and/or hazardous waste, pollution prevention, and any type or level of issue dealing with the National Environmental Policy Act, but not limited to; review draft documents; and, provide written comments as requested by the Government.
- e. The Contractor and subcontractors shall maintain accurate accident and injury/illness records for the GMD Element. For Contractor or subcontractor work performed on Government installations, the Contractor shall notify DoD installation Commander, or designee, immediately (flash notification via telephone and/or email) of accidents, injuries, environmental illnesses, or other issues regarding compliance with environmental regulations or policies. The Contractor and subcontractor shall report environmental releases and/or incidents (including violations) to the host installation and MDA's Environmental Management Office.
- (1) The Contractor shall conduct accident investigations and provide documentation to the host installation and MDA's Quality and Safety Office, which will be provided to the PCO or COR/COTR upon request.
- (2) On an annual basis, the Contractor shall provide OSHA 300 logs prepared by the Contractor or subcontractors for the GMD Program and copies of accident investigations to the GMD Safety Officer, along with a listing of other accidents/incidents related to this contract.
- f. In the performance of this contract, the Contractor will be responsible for the operation of certain facilities on Government

installations, and the Contractor may become responsible for repair, environmental restoration, remediation and/or cleanup (herein "remediation") activities associated with the conduct of activities for M DA. If any such remediation activities become necessary due to work performed on MDA's behalf, the associated costs shall be considered as new work under the "Changes" clause. Identification of potential environmental liabilities must be provided to MDA's Environmental Management Office upon discovery.

5. CONTRACTOR EMPLOYEE OUT-PROCESSING

Prior to the departure of on-site contractor employees, the departing employee shall complete an out-processing checklist for MDA on-site contractor employees as required by M DA Directive Number 5000.01, and return the completed checklist, with all required signatures, to Boeing. Boeing will provide the completed form to the Contracting Officer to be retained in the official contract file by the Contracting Officer.

6. INSERTION OF LIMITED OR RESTRICTED RIGHTS INTO THE GMD PROGRAM

Hardware items which are subject to Limited Rights in their associated technical data as defined in DFARS 252.227-7013 and software items which are subject to Restricted Rights as defined in DFARS 252.227-7014 shall not be incorporated into the design of the GMD weapon system or models/simulations thereof under this contract without the prior written authorization of the Procuring Contracting Officer (PCO) obtained through Boeing. The Contractor's request shall include a rough order of magnitude (ROM) estimate to perform development if the data or software can not be used as requested. If the PCO does not provide a decision within 30 days of the request, the request is considered denied.

Using Government assets in an Independent Research and Development (IRAD) project may be authorized on a case by case basis. The Contractor's request shall include an offer of consideration for use of such Government assets. Boeing will evaluate the request, including the Contractor's offer of consideration, and either approve, deny, or offer an alternative form of consideration. Any such consideration will be mutually agreed to by the parties prior to use of Government assets. Consideration may include Government Purpose Rights in accordance with DFARS 252.227-7013/7014. When the Contractor requests the use of Government assets for an IRAD project, the request shall include the purpose of the IRAD project and the potential benefit to the Government.

7. DISTRIBUTION CONTROL OF TECHNICAL DOCUMENTS

A. The following terms applicable to this clause are defined as follows:

1. Technical Document. Any recorded information (including software) that conveys scientific and technical information or technical data.
2. Scientific and Technical Information. Communicable knowledge or information resulting from or pertaining to the conduct or management of GMD effort under this contract. (Includes programmatic information).
3. Technical Data. Recorded information related to experimental, developmental, or engineering works that can be used to define an engineering or manufacturing process or to design, procure, produce, support, maintain,

operate, repair, or overhaul material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents, or computer printouts.

Examples of technical data include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information and computer software documentation.

B. Except as otherwise set forth in the Contract Data Requirements List (CDRL), DD Form 1423, or in paragraph E below, the distribution of any technical documents prepared under this contract, in any stage of development or completion, is prohibited outside of the Contract unless expressly authorized/directed by the Contracting Officer in writing, obtained through Boeing

C. Except as otherwise set forth in the CDRL or otherwise directed by the government (e.g., paragraph D below), all technical documents prepared under this contract shall be marked with the following distribution statement, warning, and destruction notice:

1. DISTRIBUTION STATEMENT F: Further dissemination only as directed by the GM D Joint Program Office, M issile Defense Agency/GM, Bldg 5222, M artin Road, Redstone Arsenal, AL 35898, or higher authority.

2. WARNING - This document/software contains technical data/software whose export is restricted by the Arms Export Control Act (Title 22, U.S.C., Sec 2751 et seq.) or the Export Administration Act of 1979, as amended, (Title 50, U.S.C., App 2401 et seq). Violations of these export laws are subject to severe criminal penalties. Disseminate in accordance with provisions of DOD Directive 5230.25. Treat as FOUO, FOIA Exemption 3 applies.

3. DESTRUCTION NOTICE - For classified documents, follow the procedures in DOD 5220.22M, National Industrial Security Program Operating M anual, Chapter 5, Section 7, or DOD 5200.1R, Information Security Program Regulation, Chapter 6, Section 7. For unclassified, limited documents, destroy by any method that will prevent disclosure of contents or reconstruction of the document.

D. As a part of the review of preliminary or working draft technical documents, the Government will determine if a distribution statement less restrictive than the statement in paragraph C above would provide adequate protection. If so, the Government's concurrence/comments will provide specific instructions on the distribution statement to be marked on the final technical documents before primary distribution.

E. The prime and subcontractors are authorized to use GM D technical documents for purposes of this contract or any other MDA contract, solicitation or program and to flow GM D technical documents to each other, DOD officials and other DOD contractors having a "need to know" in connection with this contract or any other M DA contract, solicitation or program. When there is any doubt as to "need to know" for purposes of this paragraph, Boeing will provide direction. The authorization provided by this paragraph is subject to strict compliance with contract security requirements, export control requirements, contractor proprietary restrictions/markings and applicable non-disclosure agreements.

8. INCORPORATING COMMERCIAL AND OPEN SOURCE SOFTWARE

- a. DFARS 252.227-7014(d) requires the written approval of the Contracting Officer, obtained through Boeing, before the Contractor may incorporate any copyrighted computer software in the software to be delivered under this contract.
- b. A request for approval to incorporate Commercial Computer Software should be accompanied by a license that conforms with the requirements of the Commercial Computer Software Licenses clause of this contract.
- c. A request for approval to incorporate Open Source Software must be accompanied by the applicable license, a detailed description of the source of the software and how it has been or will be used, and a legal analysis of the restrictions imposed and potential risks and liabilities.
- d. Written approval by the Contracting Officer, obtained through Boeing, to incorporate Open Source Software documented as required in paragraph a. above can be considered authorization or consent by the Government for purposes of 28 USC 1498(b).
- e. Nothing in this clause shall take precedence over any other clause or provision of this contract. Government concurrence, as defined in paragraph a. above, does not in any way affect the Government's technical data rights as established by the terms and conditions of this contract.

9. INCORPORATING COMMERCIAL AND OPEN SOURCE SOFTWARE

- a. DFARS 252.227-7014(d) requires the written approval of the Contracting Officer, obtained through Boeing, before the Contractor may incorporate any copyrighted computer software in the software to be delivered under this contract.
- b. A request for approval to incorporate Commercial Computer Software should be accompanied by a license that conforms with the requirements of the Commercial Computer Software Licenses clause of this contract.
- c. A request for approval to incorporate Open Source Software must be accompanied by the applicable license, a detailed description of the source of the software and how it has been or will be used, and a legal analysis of the restrictions imposed and potential risks and liabilities.
- d. Written approval by the Contracting Officer, obtained through Boeing, to incorporate Open Source Software documented as required in paragraph a. above can be considered authorization or consent by the Government for purposes of 28 USC 1498(b).
- e. Nothing in this clause shall take precedence over any other clause or provision of this contract. Government concurrence, as defined in paragraph a. above, does not in any way affect the Government's technical data rights as established by the terms and conditions of this contract.

10. GOVERNMENT PROPERTY

The Contractor shall identify property, facilities, equipment, material, services, and information needed in support of this contract. The Contractor shall manage the requirements, acquisition, accountability, warehouse, and perform sustainment for DSC Government Property (GP) via their Government approved property accounting system per FAR 45, and FAR 52.245-1. GP includes Government

Furnished Property (GFP) and on-contract acquired Contractor Acquired Property (CAP) The Contractor shall request disposition instructions for GP no longer needed.

The Contractor shall identify any required GFP from the Government. The Government will provide the requested GFP if it is available and if such a provision is consistent with FAR 45. In addition, the DSC includes the following:

a. GOVERNMENT FURNISHED PROPERTY- The Contractor shall identify requirements for Government furnished property, facilities, equipment, material, services, and information needed in support of this contract. The Contractor shall manage all DSC Government Property (GP) via their Government (DCM A) -approved property management system per FAR 45, and FAR 52.245-1. Hence, GP includes Government Furnished Property (GFP) and on-contract acquired Contractor Acquired Property (CAP). The Contractor shall request disposition instructions for excess property. A final physical inventory of Property shall be performed upon termination or six (6) months prior to contract completion.

b. CONTRACTOR ACQUIRED PROPERTY- The Contractor shall identify any required Property to the Government prior to procurement. The Contractor shall maintain accurate records of Contractor Acquired Property (CAP) per FAR Part 45, and FAR 52.245-1, to include subcontractor CAP. The Contractor shall annually, or as required, perform a physical inventory of CAP and provide results (including listings) to the Government via the Integrated Digital Environment (IDE).

The Contractor shall provide the updated accountability via IDE with the required items listed in line item format...Nomenclature, Part number, NSN, Location, Quantity, WBS, CLIN and Need Date. (Find Format Instructions IAW (FAR

A final physical inventory of Property shall be performed upon termination or six (6) months prior to contract completion. The Contractor shall request disposition instructions for excess property.

11. PATENT INFORMATION

Patent information, in accordance with DFARS 252.227-7038, "Patent Rights – Ownership by the Contractor (Large Business)," shall be forwarded to Missile Defense Agency, Contracts Directorate, Building 5222, Martin Road, Redstone Arsenal, AL 35898, ATTN: Ms. Lynne Washburn, GMD, Director of Contracts, Email: DACN-Contracts@mda.mil.

12. FEE

The Contractor shall implement the following elements of cost and fee for use in the preparation of proposals and to support negotiations.

a. Fee will be proposed and negotiated for each proposal. The fee shall not exceed the maximum amounts as specified in Section B of the contract, "Prenegotiated Fee".

b. No Fee on Material and Other Direct Cost (ODC), with the exception of nominal material handling, the Contractor is not entitled to fee on any ODC and/or material Examples of ODC include, but are not limited to: travel, renewable licenses, leases, consultants, special tooling, and royalties. Examples of material include but are not limited to: equipment, hardware, software, and spares/repair parts. In

calculating total fee, the Contractor shall exclude ODC and material costs from its total cost pool. This limitation shall flow down to subcontractors.

c. No Fee on Fee. Though the Contractor is entitled to fee on subcontractor costs, it is not entitled to fee on subcontractor fee and/or profit (e.g. "fee on fee"). In calculating total fee, the Contractor shall exclude all proposed subcontractor fee/profit from its total cost pool. This limitation shall flow down to subcontractors.

d. The following categories will be excluded from the Incentive Fee and/or Award Fee Pool base: Subcontractor Fee/Profit; Travel; and Other Direct Costs (ODCs) as identified in the Contractors' most current CAS disclosure.

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END

TBD NOTIFICATION OF DEBARMENT/SUSPENSION AND EXPORT DATA CONTROL (AUG 2009). Seller shall provide immediate notice to Buyer in the event of being debarred suspended, or proposed for debarment by any Federal Agency during the performance of this contract.

(1) For the purpose of this clause,

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

(B) 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; and

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

(2) Seller shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause.

(3) 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.

(4) Equipment and technical data generated or delivered in the performance of 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). Seller shall notify Buyer and obtain the written approval of Buyer prior to assigning or granting access to any work, equipment, or technical data generated or delivered in the performance of this contract to foreign persons or their representatives. This 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)).