

CUSTOMER CONTRACT REQUIREMENTS
IPBE PHASE I Program
CUSTOMER CONTRACT N00019-08-R-0078

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.

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

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

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

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Sep 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 2007) . This clause applies only if this contract is in excess of \$5,000,000, has a period of performance of more than 120 days, 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.

52.203-14 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.

52.211-15 Defense Priority and Allocation Requirements (Sep 1990) . This clause is applicable if a priority rating is noted in this contract.

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

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

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

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

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

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

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

52.219-8 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. In paragraph (c), "Contracting Officer" shall mean Buyer. In accordance with paragraph (d)(10)(iv), Seller agrees that it will submit the ISR and/or SSR using eSRS.

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

52.222-26 Equal Opportunity (Mar 2007) .

52.222-35 Equal Opportunity for Special Disabled Veterans, 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.

52.222-50 Combating Trafficking in Persons (Aug 2007) . In paragraph (d), the term "Contracting Officer" means Buyer, and in paragraph (e), the term "the Government" means Buyer..

52.223-11 Ozone Depleting Substances (May 2001) . .

52.225-13 Restrictions on Certain Foreign Purchases (Feb 2006) .

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.

52.244-5 Competition in Subcontracting (Dec 1996) .

52.244-6 Subcontracts for Commercial Items (Mar 2007) .

52.245-1 Government Property (Jun 2007) . This clause applies only if Government property is acquired or furnished for contract performance.

52.248-1 Value Engineering (excluding subparagraph (f)) (Feb 2000) . The term "Contracting Officer" means Buyer. This clause applies only if this contract is for \$100,000 or more. If Value Engineering Change Proposal is accepted by the Government, Seller's share will be 50% of the instant, concurrent and future contract net acquisition savings and collateral savings that Buyer receives from the Government. Seller's negotiated share of the net acquisition savings and collateral savings shall not reduce the Government's share of concurrent or future savings or collateral savings. Buyer's payments to Seller under this clause are conditioned upon Buyer's receipt of authorization for such payments from the Government.

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

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (Dec 2004) . This clause applies only if this contract exceeds \$100,000 and does not apply to the purchase of commercial items or commercial components. "Contractor" and "contract" are not changed in paragraphs (a) and (b). In paragraph (e), "Government" shall mean Government or Buyer. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer". Paragraph (g) is deleted and "Contracting Officer" shall mean Contracting Officer.

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

252.211-7003 Item Identification and Valuation (Jun 2005) . Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components, and parts specified elsewhere in this contract. Such identification and marking shall be a high-capacity 2D machine readable code to comply with the version of MIL-STD-130, Identification Marking of U.S. Military Property, set forth elsewhere in this contract; or if not so stated, then the Seller shall comply with MIL-STD-130 L. The code may include, as space is available, linear bar code and human readable characters. Unless otherwise specified in Boeing product drawings or specifications, the seller may use either Construct #1 or Construct #2. The Seller shall not be required to furnish item valuations as set forth in this clause.

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

252.219-7003 Small Business Subcontracting Plan (DoD Contracts) (Apr 2007) .

Except paragraph (g) which is hereby deleted.

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252.225-7001 Buy American Act and Balance of Payment Program (Apr 2003) .

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

252.225-7004 Report of Intended Performance Outside the United States and Canada - Submission After Award (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.

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

252.225-7013 Duty-Free Entry (Oct 2006) . 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.

252.225-7014 Preference For Domestic Specialty Metals (Jun 2005) (Deviation) - Alternate I (Deviation) (Jun 2005) .

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.

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252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, 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) .

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

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

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

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

252.231-7000 Supplemental Cost Principles (Dec 1991) .

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

252.239-7000 Protection Against Compromising Emanations (Jun 2004) . This clause applies only if computer equipment or systems that will be used to process classified information will be delivered under this contract.

252.239-7016 Telecommunications Security Equipment, Devices, Techniques and Services (Dec 1991) . This clause applies only if this contract requires securing telecommunications.

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (Jan 2007) .

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.

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

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

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

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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) . 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.

252.225-7012 Preference for Certain Domestic Commodities (Jan 2007) .**252.225-7014 Preference for Domestic Specialty Metals (DEVIATION) (Jun 2005)**

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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.

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4. Cost Accounting Standards.

(1) (Applicable if this contract incorporates clause H001). The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause H001 is the version dated April 1998..

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

(3) (Applicable if this contract incorporates clause H004). The version of FAR 52.230-5, Cost Accounting Standards - Educational Institution, incorporated by clause H004 is the version dated April 1998..

5. The following prime contract special provisions apply to this purchase order:**A. 5252.227-9507 Notice Regarding The Dissemination of Export-Controlled Technical Data (NAVAIR) (OCT 2005)**

(a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARs), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.

(b) For violation of export laws, the contractor, its employees, officials or agents are subject to:

(1) Imprisonment and/or imposition of criminal fines; and

(2) Suspension or debarment from future Government contracting actions.

(c) The Government shall not be liable for any unauthorized use or release of export-controlled information, technical data or specifications in this contract.

(d) In clause (c) the term Government includes Boeing and its subsidiaries.