

CUSTOMER CONTRACT REQUIREMENTS
(NORTHROP GRUMMAN CEV Phase 2 RFP)
CUSTOMER CONTRACT NNJ055111915R
Terms Subject to Change

CUSTOMER CONTRACT REQUIREMENTS

If Form GP1 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 29. If Form GP2 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 28. If Form GP3 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 41. If Form GP4 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 31. If this contract is for the procurement of commercial items, 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). This clause applies only if this contract exceeds \$100,000.

52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1)) (JUL 1995). Buyer may withhold 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.

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

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

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

52.211-15 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 \$550,000 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."

52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. "Contracting Officer" shall mean "Contracting Officer or Buyer." In subparagraph (d)(2)(i)(A), delete "to the Contracting Officer." In subparagraph (d)(2)(ii)(B), "Government" means "Government" or "Buyer." In Paragraph (e), "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 \$550,000 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."

52.215-13 Subcontractor Cost or Pricing Data – Modifications (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "The Boeing Company or any of its wholly owned subsidiaries".

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

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

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

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

52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data (OCT 1997). The term "Contracting Officer" shall mean Buyer.

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

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

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

52.222-4 Contract Work Hours and Safety Standards Act — Overtime Compensation (SEP 2000). This clause applies only if this contract exceeds \$100,000. 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.

52.222-20 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).

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

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

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

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). This clause applies only if this contract exceeds \$25,000.

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

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

52.223-13 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 (excluding subparagraph (e)) (AUG 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).

52.225-13 Restrictions on Certain Foreign Purchases (MAR 2005).

52.227-1 Authorization and Consent (JUL 1995).

52.227-1 Alternate I (APR 1984).

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

52.227-11 Patent Rights - Retention by the Contractor (Short Form) (JUN 1997). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is a small business firm or nonprofit organization. Include Alt. II and Alt. IV.

52.227-14 Rights in Data — General (JUN 1987). This clause applies only if data will be produced, furnished or acquired under this contract. Include Alt. II, II, and V.

52.227-16 Additional Data Requirements (JUN 1987). This clause applies only if this contract involves experimental, developmental, research, or demonstration work.

52.227-21 Technical Data Declaration, Revision, and Withholding of Payment - Major Systems (JAN 1997).

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

52.230-6 Administration of Cost Accounting Standards (APR 2005). Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if Clause H001, H002 or H004 is included in Buyer's contract.

52.237-2 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.

52.242-15 Stop Work Order (AUG 1989). 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)

52.244-6 Subcontracts for Commercial Items (DEC 2004)

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.

52.245-17 Special Tooling (MAY 2004). This clause applies only if tooling is acquired for or furnished by the Government and to be retained for use by the Seller.

52.245-18 Special Test Equipment (FEB 1993). Change "30 days" to "45 days" in paragraph (b) and (c). The notice of intent to procure special test equipment required by this clause shall be forwarded to the Buyer.

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

52.247-67 Submission of Commercial Transportation Bills to the General Services Administration for Audit (JUN 1997).

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. NASA Contracts. If this contract is placed under a National Aeronautics and Space Administration contract, the following contract clauses are incorporated by reference from the National Aeronautics and Space Administration Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" means Seller. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

18-52.204-76 Security Requirements for Unclassified Information Technology Resources (JUL 2001). This clause applies to all or any part of this contract that includes information technology resources or services in which Seller must have physical or electronic access to NASA's sensitive information contained in unclassified systems that directly support the mission of the Agency.

18-52.208-81 Restrictions on Printing and Duplicating (NOV 2004).

18-52.211-70 Packaging, Handling, and Transportation (NOV 2004).

18-52.219-74 Use of Rural Area Small Businesses (SEP 1990). This clause applies only if this contract offers subcontracting possibilities.

18-52.219-75 Small Business Subcontracting Reporting (MAY 1999). This clause applies if FAR 52.219-9 is included in this contract.

18-52.219-76 NASA 8 Percent Goal (JUL 1997). This clause applies only if Seller is not a small business. Modify to 11%

18-52.223-70 Safety and Health (Apr 2002). This clause applies only if this contract exceeds \$1,000,000 or construction, repairs or alteration in excess of \$100,000, or it involve the use of hazardous materials or operations.

18-52.223-74 Drug- and Alcohol-Free Workforce (MAR 1996). This clause applies to Seller if work is performed by an employee in a sensitive position, except if this contract is for commercial items.

18-52.225-70 Export Licenses (FEB 2000).

18-52.227-11 Patents Rights -- Retention by the Contract (Short Form). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is other than a small business firm or nonprofit organization.

18-52.227-14 Rights in Data — General. This clause applies only if data will be produced, furnished or acquired under this contract except contracts for basic or applied research with universities or colleges.

18-52.227-70 New Technology (NOV 1998). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is other than a small business firm or nonprofit organization.

18-52.227-71 Requests for Waiver of Rights to Inventions (APR 1984).

18-52.227-72 Designation of New Technology Representative (JUL 1997). The new technology representative (if any) will be designated in this contract. This is applicable to this contract if it includes a "New Technology" clause or a " Patents Rights -- Retention by the Contract (Short Form)" clause.

18-52.227-86 Commercial Computer Software Licensing (DEC 1987). This clause applies only if Seller's software will be delivered to NASA under licensing.

18-52.228-76 Cross-Waiver of Liability for Space Station Operations (DEC 1994).

18-52.242-72 Observance of Legal Holidays (AUG 1992), Alternate II (SEP 1989). This clause applies only if this contract requires work on a Government installation.

18-52.242-73 NASA Contractor Financial Management Reporting (NOV 2004). This clause applies only if this contract is a cost-type, price redetermination or FPI contract. "Contracting Officer" shall mean Buyer's Authorized Procurement Representative.

18-52.242-74 Notice of Earned Value Management System (MAR 1999)

18-52.242-75 Earned Value Management System (MAR 1999). This clause is applicable only if this contract states that the Earned Value Management System criteria applies to Seller.

18-52.243-70 Engineering Change Proposal (FEB 1998)

18-52.244-70 Geographic Participation in the Aerospace Program (APR 1985). This clause applies only if this contract is for \$100,000 or more.

18-52.245-70 Acquisition of Centrally Reportable Equipment (JUL 1997) [excluding paragraph (b)(3)]. "Contracting Officer" shall mean Buyer. If the equipment is to be acquired as Special Test Equipment (STE), Seller shall submit the applicable request 75 days in advance of the date Seller intends to acquire the equipment. No later than 30 September of each year, Seller will provide Buyer a list of all property acquired under this clause. The list will include at a minimum: (1) part number; (2) serial number; (3) modification

number, if any; (4) nomenclature; (5) acquisition cost; (6) acquisition date; and (7) the date of the prior year's list.

18-52.245-72 Liability for Government Property Furnished for Repair or Other Services (MAR 1989).

18-52.245-73 Financial Reporting of Government-Owned/Contractor-Held Property (SEP 2000). Seller will submit annual reports to Buyer no later than October 15.

18-52.246-73 Human Space Flight Item (MAR 1997).

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:

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 (APR 2003), Alternate I (APR 2003).

252.247-7023 Transportation of Supplies by Sea (MAR 2000). This clause applies only if this contract exceeds \$100,000 and are a type of supplies described in paragraph (b)(2) of this clause. In paragraph (c), "45 days" is changed to "60 days". In paragraph (g) "Government" means Buyer.

252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

4. Cost Accounting Standards

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

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

A. COMPLETION OF WORK – JSC 52.211-95

B. IDENTIFICATION OF EMPLOYEES – JSC 52.242-92

C. PRELIMINARY INSPECTION AT SOURCE AND FINAL INSPECTION AND ACCEPTANCE AT DESTINATION – JSC 52.246-91

D. FLIGHT ITEM – JSC 52.247-95

Applicable to shipments direct to NASA; Block 16 of Form DD250 must be annotated as follows in ¼ - inch letters or larger: “THIS IS A FLIGHT ITEM” or “THIS IS A MISSION ESSENTIAL GROUND SUPPORT EQUIPMENT”, as applicable.

1. Clause H.4 SUBCONTRACTING WITH RUSSIAN ENTITIES FOR GOODS OR SERVICES, in all schedules is deleted and replaced with the following:

“H.4 SUBCONTRACTING WITH RUSSIAN ENTITIES FOR GOODS OR SERVICES”

(a) Definitions: In this provision:

i) The term “Russian entities” includes the following:

- (1) The Russian Federal Space Agency (Roscosmos),
- (2) Any organization or entity under the jurisdiction or control of Roscosmos, or
- (3) Any other organization, entity, or element of the Government of the Russian Federation.

ii) The term “Organization or entity under the jurisdiction or control of Roscosmos” means an organization or entity that:

- (1) Was made part of the Russian Federal Space Agency upon its establishment on February 25, 1992;
- (2) Was transferred to the Russian Federal Space Agency by decree of the Russian Government on July 25, 1994, or May 12, 1998;
- (3) Was or is transferred to the Russian Aviation and Space Agency or Russian Federal Space Agency by decree of the Russian Government at any other time before, on, or after March 14, 2000; or
- (4) Is a joint stock company in which the Russian Aviation and Space Agency or Russian Federal Space Agency has at any time held controlling interest.

iii) The term “extraordinary payments” means payments in cash or in kind made or to be made by the United States Government prior to January 1, 2012, for work to be

- performed or services to be rendered prior to that date necessary to meet United States obligations under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.
- (b) This clause implements the Iran and Syria Nonproliferation Act (the Iran Nonproliferation Act as amended by the Iran Nonproliferation Amendments Act of 2005) to allow extraordinary payments prior to January 1, 2012 to Russian entities in connection with the International Space Station. NASA has applied the restrictions in the Act to include funding of Russian entities via U.S. contractors.
- (c) (i) The Contractor shall not subcontract with Russian entities without first receiving written approval from the Contracting Officer. In order to obtain this written approval to subcontract with any Russian entity as defined in paragraphs (a), the Contractor shall provide the Contracting Officer with the following information related to each planned new subcontract and any change to an existing subcontract with entities that fit the description in paragraphs (a):
- (1) A detailed description of the subcontracting entity, including its name, address, and a point of contact, as well as a detailed description of the proposed subcontract including the specific purpose of payments that will be made under the subcontract.
 - (2) The contractor shall provide certification that the subcontracting entity is not on any of the denied parties, specially designated nationals and entities of concern lists found at: <http://www.hq.nasa.gov/office/oer/nasaecp/Welcome.html>
- Denied Parties, Specially Designated Nationals and Entities of Concern**
- [BIS's Listing of Entities of Concern](#)
 - [BIS's List of Denied Parties](#)
 - [Debarred Parties Listing](#)
 - [OFAC's List of Specially Designated Nationals](#) (*Adobe PDF format*)
 - [List of Unverified Persons in Foreign Countries](#)
- (ii) Unless relief is granted by the Contracting Officer, the information necessary to obtain approval to subcontract shall be provided to the Contracting Officer 30 business days prior to executing any planned subcontract with entities defined in paragraph (a).
- (d) After receiving approval to subcontract, the contractor shall provide the Contracting Officer with a report every six-months which documents the individual extraordinary payments made to an entity in paragraph a. The reports are due on July 15th and January 15th. The July 15th report should document all of the individual extraordinary payments made from the previous January through June. The January 15th report should document all of the individual extraordinary payments made from the previous July through

December. The content of the report shall provide the following information for each time an extraordinary payment is made to an entity in paragraph a:

- (i) The name of the entity
 - (ii) The subcontract number
 - (iii) The amount of the payment
 - (iv) The date of the payment
- (e) The Contracting Officer may direct the Contractor to provide additional information for any other prospective or existing subcontract at any tier. The Contracting Officer may direct the Contractor to terminate for the convenience of the government any subcontract at any tier with an entity described in paragraphs (a), subject to an equitable adjustment.
- (f) Notwithstanding FAR 52.216-7, "Allowable Cost and Payments," on or after January 1, 2012 the contractor shall be responsible to make payments to entities defined in paragraphs (a) of this provision. Any subcontract with entities defined in paragraph (a), therefore, should be completed in sufficient time to permit the U.S. Government to make extraordinary payments on subcontracts with Russian entities on or before December 31, 2011.
- (g) The Contractor shall include the substance of this clause in all its subcontracts, and shall require such inclusion in all other subcontracts of any tier. The Contractor shall be responsible to obtain written approval from the Contracting Officer to enter into any tier subcontract that involves entities defined in paragraph (a)."
2. Clause 52.204-9 is added Section I by reference, 52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL, and Attachment J-16 PRIVACY IDENTITY VERIFICATION (PIV) CARD ISSUANCE PROCEDURES in response to NASA PIC 06-01 dated January 18, 2006.