**BDS** Terms and Conditions Guide

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## CUSTOMER CONTRACT REQUIREMENTS AH-64D Longbow Replacement Aircraft CUSTOMER CONTRACT W58RGZ-05-C-0274

## CUSTOMER CONTRACT REQUIREMENTS

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

- **1. FAR Clauses** The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller.
  - **52.203-6 Restrictions on Subcontractor Sales to the Government** (JUL 1995). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold
  - **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 (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold.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** (JUN 2003). 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.
  - **52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment** (JAN 2005). Seller agrees it is not debarred, suspended, or proposed for debarment by the Federal Government. Seller shall disclose to Buyer, in writing, whether as of the time of award of this contract, Seller or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.
  - 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** (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

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(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)."
- **52.215-14 Integrity of Unit Prices** (OCT 1997). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold. This clause does not apply to 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).
- **52.215-19 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** (JAN 2002). This clause applies only if this contract exceeds \$500,000 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 Business Subcontracting Plan Certificate of Compliance.
- **52.222-1 Notice to the Government of Labor Disputes** (FEB 1997). The terms "Contracting Officer" shall mean Buyer.
- $\textbf{52.222-19 Child Labor Cooperation with Authorities and Remedies} \ (JUN\ 2004). \ In\ (d), "Contracting\ Officer" means \ Buyer.$
- 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 (APR 2002).
- **52.222-35** Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). This clause applies only if this contract exceeds \$25,000.
- **52.222-36 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 EligibleVeterans (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).
- **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).
- 52.225-13 Restrictions on Certain Foreign Purchases (MAR 2005).
- 52.227-1 Authorization and Consent (JUL 1995).
- **52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement** (AUG 1996). A copy of each notice sent to the Government will be sent to Buyer. "Contracting Officer" shall mean "Buyer". This clause applies only if this contract exceeds \$100,000.

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

This clause applies only if the Defense Base Act applies to this contract.

- 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.
- **52.230-6 Administration of Cost Accounting Standards** (APR 2005). Add "Buyer and the" before "CFAO" in paragraph (m). This clause 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).
- **52.244-5 Competition in Subcontracting** (DEC 1996).
- 52.244-6 Subcontracts for Commercial Items (APR 2003).
- **52.245-1 Government Property** (JUN 2007). This clause applies only if Government property is acquired or furnished for contract performance. "Government" shall mean Government throughout except the first time it appears in paragraph (g)(1) when "Government" shall mean the Government or the Buyer. If the contract incorporates Boeing General Provision GP4, the Government-Owned Property article in GP4 is hereby deleted.
- **52.247-64** Preference for Privately Owned U.S.-Flag Commercial Vessels Alternate I (APR 2003). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.
- **52.248-1 Value Engineering** (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 (DEC 2004). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold. This clause 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. Seller shall submit written requests to Buyer a minimum of 60 days prior to proposed date of release.
  - **252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material** (DEC 1991). The term "Offeror" shall mean Seller. This clause applies only if this contract if an item being purchased contains precious metal. If responding to a solicitation, Bidder/Offeror shall comply with the requirements of this clause.
  - 252.211-7000 Acquisition Streamlining (DEC 1991). This clause applies only if this contract exceeds \$1 million.
  - 252.211-7003 Item Identification and Valuation (JUN 2005). Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components, and parts specified elsewhere in this contract. Such identification and marking shall be a high-capacity 2D machine readable code to comply with the version of MIL-STD-130, Identification Marking of U.S. Military Property, set forth elsewhere in this contract; or if not so stated, then the Seller shall comply with MIL-STD-130 L. The code may include, as space is available, linear bar code and human readable characters. Unless otherwise specified in Boeing product drawings or specifications, the seller may use either Construct #1 or Construct #2. The Seller shall not be required to furnish item valuations as set forth in this clause.
  - **252.215-7000 Pricing Adjustments** (DEC 1991). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4.

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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.

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

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 (JUN 2005). The term "Contracting Officer" means "Buyer." Subparagraph (c) (5) is deleted. In subparagraph (d) (2), "from the Contracting Officer or" is deleted.

252.225-7012 Preference for Certain Domestic Commodities (JUN 2004).

**252.225-7013 Duty Free Entry** (JUN 2005). This clause applies if Seller is locate 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.

252.225-7014 Preference for Domestic Specialty Metals (APR 2003).

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

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

**252.225-7016 Restriction on Acquisition of Ball and Roller Bearings** (JUN 2005). 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.

**252.225-7025 Restriction on Acquisition of Forgings** (JUN 2005). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

**252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States** (JUN 1998). 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.

252.227-7016 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.

**252.227-7027 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"

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shall mean Buyer. This clause applies only if the delivery of technical data is required under 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 that utilizes radio frequency spectrum. Seller shall, without further adjustment to contract price or fee, provide all necessary support and documentation to obtain radio frequency spectrum certification and/or authorization. The term "Contracting Officer" shall mean "Buyer."

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (MAR 2000).

**252.247-7023 Transportation of Supplies by Sea** (MAY 2002). This clause applies if this contract is for supplies that are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days."

If this contract exceeds the simplified acquisition threshold, paragraphs (a)-(h) apply. In paragraph (g) "Government" means Buyer. If this contract is at or below the simplified acquisition threshold, paragraphs (f) and (g) are excluded. The simplified acquisition threshold is (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the simplified acquisition threshold.

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 1996). This clause applies only if this contact is \$500,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

**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:

**52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment** (JAN 2005). Seller agrees it is not debarred, suspended, or proposed for debarment by the Federal Government. Seller shall disclose to Buyer, in writing, whether as of the time of award of this contract, Seller or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.

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

**52.222-26 Equal Opportunity** (APR 2002).

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

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

52.244-6 Subcontracts for Commercial Items (APR 2003).

**52.245-1 Government Property** (JUN 2007). This clause applies only if Government property is acquired or furnished for contract performance. "Government" shall mean Government throughout except the first time it appears in paragraph (g)(1) when "Government" shall mean the Government or the Buyer. If the contract incorporates Boeing General Provision GP4, the Government-Owned Property article in GP4 is hereby deleted.

**52.247-64** Preference for Privately Owned U.S.-Flag Commercial Vessels (APR 2003).

252.225-7012 Preference for Certain Domestic Commodities (JUN 2004).

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

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.

**252.227-7030 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.

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

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (MAR 2000).

**252.247-7023 Transportation of Supplies by Sea** (MAY 2002). This clause applies if this contract is for supplies that are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days."

If this contract exceeds the simplified acquisition threshold, paragraphs (a)-(h) apply. In paragraph (g) "Government" means Buyer. If this contract is at or below the simplified acquisition threshold, paragraphs (f) and (g) are excluded. The simplified acquisition threshold is (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the simplified acquisition threshold.

**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.