

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 1 of 10

F04701-96-C-0025
GLOBAL POSITIONING SYSTEMS (GPS-IIF)

- (a) The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. Unless provided for otherwise elsewhere in this contract, only subparagraphs (22), (23), (24), and (40) of this paragraph (a) shall apply to any portion of this contract that is for commercial items or commercial components, as those terms are defined at FAR 52.202-1. In all of the following clauses, "Contractor" and "Offeror" shall mean Seller.
- (1) 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 1995). This clause applies only if this contract exceeds \$100,000.
 - (2) 52.203-7 Anti-Kickback Procedures (JUL 1995) [excluding subparagraph (c)(1)]. This clause applies only if this contract exceeds \$100,000. 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.
 - (3) 52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 97). This clause applies to this contract if Seller, its employees, officers, directors or agents participated personally and substantially in any part of the preparation of a proposal for this contract. Seller shall indemnify Buyer for any and all losses suffered by Buyer due to violations of the Act (as set forth in this clause) by Seller or its subcontractors at any tier.
 - (4) 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (SEP 1990). 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 or recover from Seller the amount of the reduction.
 - (5) 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 1991)
 - (6) 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JAN 1990). 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 Buyer) directly to the PCO for the prime contract. Buyer will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor."
 - (7) 52.204-2 Security Requirements (APR 19484) (excluding any reference to the Changes clause of this contract). This clause applies only if access to classified information is required.

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 2 of 10

- (8) 52.208-1 Required Sources for Jewel Bearings and Related Items (APR 1984)
- (9) 52.211-5 New Materials (MAY 1995)
- (10) 52.211-7 Other Than New Material, Residual Inventory, and Former Government Surplus Property (MAY 1995)
- (11) 52.211-15 Defense Priority and Allocation Requirements (SEP 1990)
- (12) 52.215-2 Audit and Records -- Negotiation (OCT 1995). 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.
- (13) 52.215-23 Price Reduction For Defective Cost Or Pricing Data-Modifications (OCT 1995). This clause applies only if this contract exceeds \$500,000. "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."
- (14) 52.215-25 Subcontractor Cost or Pricing Data – Modifications (OCT 1995). This clause applies only if this contract exceeds \$500,000. 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."
- (15) 52.215-26 Integrity of Unit Prices (OCT 1995) [excluding paragraph (c)]
- (16) 52.215-40 Notification of Ownership Changes (FEB 1995). This clause applies only if under this contract certified cost or pricing data is required or preaward or postaward cost determinations are subject to FAR subpart 31.2. Buyer may withhold or recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause. "Contracting Officer" shall mean Buyer.
- (17) 52.215-42 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications (OCT 1995). "Contracting Officer" shall mean Buyer in subparagraph (a).
- (18) 52.219-8 Utilization of Small, Small Disadvantaged, and Women-Owned Small Business Concerns (OCT 1995)

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 3 of 10

- (19) 52.219-9 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (OCT 1995). This clause applies only if this contract exceeds \$500,000 and Seller is not a small business concern. In paragraph (c), "Contracting Officer" shall mean Buyer.
- (20) 52.222-1 Notice to the Government of Labor Disputes (APR 1984). "Contracting Officer" shall mean Buyer.
- (21) 52.222-20 Walsh-Healey Public Contracts Act (APR 1984). This clause applies only if this contract exceeds \$10,000.
- (22) 52.222-26 Equal Opportunity (APR 1984) [subparagraphs (b)(1) through (11)]
- (23) 52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1984). This clause applies only if this contract is for \$10,000 or more.
- (24) 52.222-36 Affirmative Action for Handicapped Workers (APR 1984). This clause applies only if this contract exceeds \$2,500.
- (25) 52.222-37 Employment Reports on Special Disabled and Veterans of the Vietnam Era (JAN 1988). This clause applies only if this contract is for \$10,000 or more.
- (26) 52.223-2 Clean Air and Water (APR 1984). This clause applies only if this contract exceeds \$100,000.
- (27) 52.223-3 Hazardous Material Identification and Material Safety Data (DEC 1991). This clause applies only if Seller will deliver hazardous materials.
- (28) 52.223-11 Ozone Depleting Substances (JUN 1996)
- (29) 52.223-14 Toxic Chemical Release Reporting (OCT 1995) [excluding paragraph (e)]. This clause applies only if this contract was competitively awarded, exceeds \$100,000 (including all options), is not for commercial items as defined in FAR Part 12 and Seller has a SIC designation of major groups 20 through 39 as set forth in FAR 19.102.
- (30) 52.225-11 Restrictions on Certain Foreign Purchases (MAY 1992)
- (31) 52.227-1 Authorization and Consent (JUL 1995), Alternate I (APR 1984)
- (32) 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (APR 1984). This clause applies only if this contract exceeds \$100,000. A copy of each notice sent to the Government will be sent to Buyer.

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 4 of 10

- (33) 52.227-10 Filing of Patent Applications - Classified Subject Matter (APR 84). This clause applies only if this contract will involve access to classified information.
- (34) 52.227-11 Patent Rights – Retention by the Contractor (Short Form) (JUN 1989). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business or nonprofit organization.
- (35) 52.227-12 Patent Rights – Retention by the Contractor (Long Form) (JUN 1989). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business or nonprofit organization.
- (36) 52.228-5 Insurance – Work on a Government Installation ((SEP 1989). This clause applies only if this contract requires Seller to work on a Government installation.
- (37) 52.230-5 Administration of Cost Accounting Standards (AUG 1992). This clause applies only if clause 3050 or 3051 is incorporated in this contract. Add “Buyer and the” before “Contracting Officer” in paragraph (f).
- (38) 52.234-1 Industrial Resources Developed Under Defense Production Act Title III (FEB 1995)
- (39) 52.237-2 Protection of Government Buildings, Equipment, and Vegetation (APR 1984). This clause applies only if this contract requires work on a Government installation.
- (40) 52.244-6 Subcontracts for Commercial Items and Commercial Components (OCT 1995)
- (41) 52.245-2 Government Property (DEC 1989)
- (42) 52.245-17 Special Tooling (DEC 1989)
- (43) 52.245-18 Special Test Equipment (FEB 1993)
- (44) 52.246-25 Limitation of Liability – Services (APR 1984). This clause applies only if this contract exceeds \$25,000.
- (45) 52.247-63 Preference for U.S. – Flag Air Carriers (JAN 1997). This clause applies only if this contract may involve international air transportation
- (46) 52.248-1 Value Engineering (FEB 2000) [excluding subparagraph (f)]. This clause applies only if this contract is for \$100,000 or more. "Contracting Officer"

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 5 of 10

shall mean Buyer. If a 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 net acquisition savings or 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.

- (b) 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" shall mean Seller.
- (1) 252.203-7001 Special Prohibition on Employment (NOV 1995) [excluding paragraph (g)]. This clause applies only if this contract exceeds \$100,000 and is not for commercial items or components.
 - (2) 252.204-7000 Disclosure of Information (DEC 1991). Seller will submit requests for authorization to release through Buyer.
 - (3) 252.209-7000 Acquisition From Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty (NOV 1995). This clause applies only if this contract exceeds \$100,000 and is not for commercial items.
 - (4) 252.215-7000 Pricing Adjustments (DEC 1991)
 - (5) 252.219-7003 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (NOV 1995)
 - (6) 252.219-7003 Small Business and Small Disadvantaged Business Subcontracting Plan (DoD Contracts) (APR 1996)
 - (6) 252.223-7001 Hazard Warning Labels (DEC 1991). This clause applies only if Seller delivers hazardous material under this contract.
 - (7) 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).

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 6 of 10

- (8) 252.223-7003 Change in Place of Performance – Ammunition and Explosives (DEC 1991). This clause applies only if DFARS 252.223-7002 applies.
- (9) 252.225-7002 Qualifying Country Sources as Subcontractors (DEC 1991)
- (10) 252.225-7009 Duty-Free Entry -- Qualifying Country End Products and Supplies (DEC 1991)
- (11) 252.225-7012 Preference for Certain Domestic Commodities (NOV 1995)
- (12) 252.225-7014 Preference for Domestic Specialty Metals (NOV 1995), Alternate I (DEC 1991)
- (13) 252.225-7016 Restriction on Acquisition of Antifriction Bearings (NOV 1995)
- (14) 252.225-7025 Foreign Source Restrictions (APR 1993)
- (15) 252.227-7013 Rights in Technical Data -- Noncommercial Items (NOV 1995). This clause applies only if this contract requires Seller to provide noncommercial technical data to Buyer for delivery to the Government.
- (16) 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (JUN 1995). This clause applies only if this contract requires Seller to provide noncommercial computer software or noncommercial computer software documentation to Buyer for delivery to the Government.
- (17) 252.227-7016 Rights in Bid or Proposal Information (JUN 1995). This clause applies only if DFARS 252.227-7013, Rights in Technical Data-Noncommercial Items; or, DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation, applies.
- (18) 252-227-7017 Identification and Assertion of Use, Release, or Disclosure Restriction (JUN 1995). This clause applies only if DFARS 252.227-7013, Rights in Technical Data-Noncommercial Items; or, DFARS 252.227-7014, Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation, applies.
- (19) 252.227-7019 Validation of Asserted Restrictions -- Computer Software (JUN 1995). This clause applies only if this contract requires Seller to provide computer software to Buyer for delivery to the Government.
- (20) 252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 1995)

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 7 of 10

- (21) 252.227-7026 Deferred Delivery of Technical Data or Computer Software (APR 1988). This clause applies only if technical data or computer software may be originated, developed, or delivered under this contract.
- (22) 252.227-7030 Technical Data - Withholding of Payment (OCT 1988). 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.
- (23) 252.227-7036 Certification of Technical Data Conformity (Jun 1995). This clause applies only if the delivery of technical data is required under this contract.
- (24) 252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 1995). This clause applies only if the delivery of technical data is required under this contract and the contract is not for commercial items or commercial components.
- (25) 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (DEC 1991)
- (26) 252.231-7000 Supplemental Cost Principles (DEC 1991)
- (27) 252.235-7003 Frequency Authorization (DEC 1991), Alternate I (DEC 1991). This clause applies only if this contract involves the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.
- (28) 252.243-7001 Pricing of Contract Modifications (DEC 1991)
- (29) 252.245-7001 Reports of Government Property (MAY 1994). Seller will provide information Buyer may require to complete Buyer's annual report.
- (30) 252.246-7001 Warranty of Data (DEC 1991). In this clause, "Government" and "Contracting Officer" shall mean Buyer. The warranty period in paragraph (b) is three years from the Government's acceptance of the final items of data.
- (31) 252.247-7023 Transportation of Supplies by Sea (DEC 1991). This clause applies only if this contract exceeds \$100,000.
- (32) 252.247-7024 Notification of Transportation of Supplies by Sea (DEC 1991). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if this contract is not for commercial items or components.
- (33) 252.249-7001 Notification of Substantial Impact on Employment (DEC 1991). This clause applies only if this contract is \$500,000 or more.

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 8 of 10

(34) 252.249-7002 Notification of Proposed Program Termination or Reduction (MAY 1994). This clause applies only if this contract is \$500,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

(c) Cost Accounting Standards

(1) The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause 3050 is the version dated April 1996.

(2) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause 3051 is the version dated April 1996.

(d) Elimination of Use of Class I Ozone Depleting Substances (ODS)

(1) It is Air Force policy to preserve mission readiness while minimizing dependency on Class I Ozone Depleting Substances (ODS), and their release into the environment, to help protect the Earth's stratospheric ozone layer.

(2) Unless a specific waiver has been authorized, Air Force procurements:

(A) May not include any specification, standard, drawing, or other document that requires the use of a Class I ODS in the design, manufacture, test, operation, or maintenance of any system, subsystem, item, component, or process;

(B) May not include any specification, standard, drawing or other document that establishes a requirement that can only be met by use of a Class I ODS; and

(C) May not require the delivery of any item of supply that contains a Class I ODS or any service that includes the use of a Class I ODS.

(3) For the purposes of the Air Force policy, the following are Class I ODS:

(A) Halons: 1011, 1202, 1211, 1301, and 2402

(B) Chlorofluorocarbons (CFC): CFC-11, CFC-12, CFC-13, CFC-111, CFC-112, CFC-113, CFC-114, CFC-115, CFC-211, CFC-212, CFC-213, CFC-214, CFC-215, CFC-216, CFC-217, and the blends R-500, R-501, R-502, and R-503.

(C) Other controlled substances: carbon tetrachloride, methyl chloroform, and methyl bromide.

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 9 of 10

- (4) The Air Force has reviewed the requirements specified in this contract to reflect this policy. Where considered essential, specific approval has been obtained to require use of the following substances: NONE.
- (5) To assist the Air Force in implementing this policy, Seller is required to notify Buyer if any Class I ODS not specifically listed above is required in the performance of this contract.
- (e) Insurance - Work on a Government Installation.

Seller shall comply with applicable federal and state workers' compensation and occupational disease statutes; employer's liability coverage of at least \$100,000 is required, except in states with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers. Bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence is required. Automobile liability insurance written on the comprehensive form of policy is required in the amount of \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage. When aircraft are used in connection with the performance of this order, aircraft public and private passenger liability insurance coverage shall be at least \$200,000 per person and \$500,000 per occurrence (excluding passenger liability for bodily injury), and \$200,000 per occurrence for property damage; coverage for passenger liability shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

- (f) Enabling Clause for General Systems Engineering & Integration (GSE&I).

Seller agrees to co-operate with the Aerospace Corporation by responding to invitations from authorized personnel to attend meetings; by providing access to technical information and research, development and planning data such as design and development analysis, test data and results, equipment and process specifications, test and test equipment specifications and procedures and records, manufacturing and assembly data, and schedule and milestone data; by delivering data as specified in the order; by discussing technical matters relating to this order; by providing access to Seller facilities utilized in the performance of this order; and by allowing observation of technical facilities by Aerospace Corporation personnel. Aerospace Corporation personnel engaged in GSE&I are authorized access to any technical information pertaining to this order. Seller agrees to include in each of its subcontracts supporting this order a clause requiring compliance by the subcontractor with the response and access provisions outlined above; this does not relieve Seller of its responsibility to manage its subcontracts effectively, nor is it intended to establish privity between Buyer or the Aerospace Corporation and such subcontractors. Aerospace Corporation personnel are not authorized to direct Seller in any way.

- (g) Organizational Conflict of Interest.

Common Terms and Conditions Guide
Section 5 – Government Contract Requirements

Clause Number: 5004
Effective: 10/15/2002
Page: 10 of 10

Seller may gain access to proprietary information of other companies during the performance of this order. Seller agrees to enter into company-to-company agreements to protect the other company's information from unauthorized use or disclosure for as long as it is considered proprietary by the other company, and to refrain from using the information for any purpose other than that for which it was furnished. Seller shall provide Buyer with information copies of any such agreements within 30 days of their execution. These agreements are not intended to protect information, which is available from other sources and furnished voluntarily without restriction. Seller shall include this language in any subcontract supporting this contract.