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Northrop Grumman Subcontract 32342JM93S Platform Fine Balance Test Station and Gl-T1-B Drift Stability Test Station UNDER GOVERNMENT CONTRACT F42610-98-C-0001

- (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 (19), (24), (25), and (26) 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 1997). 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 (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 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). This clause applies only if this contract exceeds \$100,000.
 - (6) 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 1997). 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."

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(7) 52.204-2 Security Requirements (AUG 1996) (excluding any reference to the Changes clause of this contract). This clause applies only if access to classified information is required.

- (8) 52.211-5 Material Requirements (MAY 1995)
- (9) 52.211-15 Defense Priority and Allocation Requirements (SEP 1990)
- (10) 52.215-2 Audit and Records -- Negotiation (AUG 1996). 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.
- (11) 52.215-11 Price Reduction For Defective Cost or Pricing Data Modifications (OCT 1997). 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."
- (12) 52.215-13 Subcontractor Cost or Pricing Data Modifications (OCT 1997). 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."
- (13) 52.215-14 Integrity of Unit Prices (OCT 1997) [excluding paragraph (b)]
- (14) 52.215-15 Pension Adjustments and Asset Reversions (DEC 1998). 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 part 31. 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.
- (15) 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (OCT 1997). 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.
- (16) 52.215-19 Notification of Ownership Changes (OCT 1997). This clause applies only if under this contract certified cost or pricing data is required or

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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) 52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost Or Pricing Data (OCT 1997). "Contracting Officer" shall mean Buyer in subparagraph (a).
- (18) 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 \$500,000. "Contracting Officer" shall mean Buyer in subparagraph (a).
- (19) 52.219-8 Utilization of Small Business Concerns (JUN 1997)
- (20) 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. In paragraph (c), "Contracting Officer" shall mean Buyer.
- (21) 52.222-1 Notice to the Government of Labor Disputes (FEB 1997). "Contracting Officer" shall mean Buyer.
- (22) 52.222-20 Walsh-Healey Public Contracts Act (DEC 1996). This clause applies only if this contract exceeds \$10,000.
- (23) 52.222-21 Prohibition of Segregated Facilities (FEB 1999)
- (24) 52.222-26 Equal Opportunity (APR 1984) [subparagraphs (b)(1) through (11)]
- (25) 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.
- (26) 52.222-36 Affirmative Action for Handicapped Workers (APR 1984). This clause applies only if this contract exceeds \$2,500.
- (27) 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.
- (28) 52.222-41 Service Contract Act of 1965, as amended (MAY 1989). This clause applies only if this contract is subject to the Act.
- (29) 52.223-3 Hazardous Material Identification and Material Safety Data (JAN 1997). This clause applies only if Seller will deliver hazardous materials.
- (30) 52.223-14 Toxic Chemical Release Reporting (OCT 1996) [excluding paragraph (e)]. This clause applies only if this contract exceeds \$100,000

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(including all options) and is not for commercial items as defined in FAR Part 2.

- (31) 52.225-8 Duty-Free Entry (FEB 2000). This clause applies only if supplies are be afforded duty-free entry or foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States.
- (32) 52.225-13 Restrictions on Certain Foreign Purchases (JUL 2000)
- (33) 52.227-1 Authorization and Consent (JUL 1995)
- (34) 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 1996). This clause applies only if this contract exceeds \$100,000. A copy of each notice sent to the Government will be sent to Buyer.
- (35) 52.227-9 Refund of Royalties (APR 1984). This clause applies only if the amount of royalties reported during negotiation of this contract exceeds \$250.
- (36) 52.227-10 Filing of Patent Applications Classified Subject Matter (APR 1984). This clause applies only if this contract will involve access to classified information.
- (37) 52.227-11 Patent Rights Retention by the Contractor (Short Form) (JUN 1997). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business or nonprofit organization.
- (38) 52.227-12 Patent Rights Retention by the Contractor (Long Form) (JAN 1997). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business or nonprofit organization.
- (39) 52.227-13 Patent Rights Acquisition by the Government (JAN 1997). This clause applies only if this contract is for experimental, developmental, or research work, and Seller is other than a small business firm.
- (40) 52.227-14 Rights in Data -- General (JUN 1987) and Alternates II, III, and V (JUN 1987) -- As modified by NASA FAR Supplement 18-52.227-14. This clause applies only if data will be produced, furnished, or acquired under this contract.
- (41) 52.227-16 Additional Data Requirements (JUN 1987). This clause applies only if this contract involves experimental, developmental, research, or demonstration work.
- (42) 52.227-17 Rights in Data Special Works (JUN 1987)

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- (43) 52.229-10 State of New Mexico Gross Receipts and Compensating Tax (OCT 1988). This clause applies only if (1) this contract is a cost-reimbursement contract; (2) this contract directs or authorizes Seller to acquire tangible personal property as a direct cost under a contract and title to such property passes directly to and vests in the United States upon delivery of the property by the subcontractor, and (3) this contract is for services to be performed in whole or in part in the State of New Mexico.
- (44) 52.230-6 Administration of Cost Accounting Standards (APR 1996). This clause applies only if clause 3050 or 3051 is incorporated in this contract. Add "Buyer and the" before "Contracting Officer" in paragraph (f).
- (45) 52.234-1 Industrial Resources Developed Under Defense Production Act Title III (DEC 1994)
- (46) 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.
- (47) 52.244-5 Competition in Subcontracting (DEC 1996)
- (48) 52.244-6 Subcontracts for Commercial Items and Commercial Components (OCT 1995)
- (49) 52.245-2 Government Property (DEC 1989). This clause is not applicable if this contract incorporates GP4.
- (50) 52.245-17 Special Tooling (APR 1984). This clause applies only if tooling is acquired for or furnished by the Government and to be retained for use by the Seller.
- (51) 52.245-18 Special Test Equipment (FEB 1993)
- (52) 52.247-63 Preference for U.S. Flag Air Carriers (JAN 1997). This clause applies only if this contract may involve international air transportation
- (53) 52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (JUN 2000). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.
- (54) 52.248-1 Value Engineering (MAR 1989) [excluding subparagraph (f)]. This clause applies only if (i) this contract is for \$100,000 or more; and (ii) this contract is not for (a) research and development other than full-scale development, (b) engineering services from not-for-profit or nonprofit organization, (c) personal services, (d) product or component improvement, or (e) commercial product that does not involve packaging specifications or other special requirements or specifications. "Contracting Officer" shall mean Buyer. 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

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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 (JUN 1997) [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) 252.211-7000 Acquisition Streamlining (DEC 1991). This clause applies only if this contract exceeds \$1,000,000.
 - (5) 252.215-7000 Pricing Adjustments (DEC 1991)
 - (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).
 - (8) 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.
 - (9) 252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (SEP 1999)
 - (10) 252.225-7009 Duty-Free Entry -- Qualifying Country End Products and Supplies (JAN 1997)

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(11) 252.225-7010 Duty-Free Entry -- Additional Provisions (JAN 1997). This clause applies only if FAR 52.225-8 is applicable to this contract. Additional information referenced in this clause is available on request.

- (12) 252.225-7012 Preference for Certain Domestic Commodities (SEP 1997)
- (13) 252.225-7014 Preference for Domestic Specialty Metals (FEB 1997), Alternate I (FEB 1997)
- (14) 252.225-7015 Preference for Domestic Hand or Measuring Tools (DEC 1991)
- (15) 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (JUN 1997). This clause applies unless this contract is for (1) commercial items other than ball or roller bearings or (2) items that do not contain ball or roller bearings.
- (16) 252.225-7022 Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (JUN 1997)
- (17) 252.225-7024 Restriction on Night Vision Image Intensifier Tubes and Devices (DEC 1991)
- (18) 252.225-7025 Restriction on Acquisition of Forgings (JUN 1997). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.
- (19) 252.225-7026 Reporting of Contract Performance Outside the United States (NOV 1995). This clause applies only if this contract exceeds \$100,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.
- (20) 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.
- (21) 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.
- (22) 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.
- (23) 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

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Computer Software and Noncommercial Computer Software Documentation, applies.

- (24) 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.
- (25) 252.227-7018 Rights in Noncommercial Technical Data and Computer Software -- Small Business Innovation (SBIR) Program (JUN 1995). This clause applies only if this contract requires Seller to provide noncommercial technical data or noncommercial computer software to Buyer for delivery to the Government.
- (26) 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.
- (27) 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.
- (28) 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.
- (29) 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.
- (30) 252.227-7036 Declaration of Technical Data Conformity (MAR 1987). This clause applies only if the delivery of technical data is required under this contract.
- (31) 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.
- (32) 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (DEC 1991)
- (33) 252.231-7000 Supplemental Cost Principles (DEC 1991)
- (34) 252.235-7002 Animal Welfare (DEC 1991). This clause applies only if this contract involves research of live vertebrate animals.

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(35) 252.235-7003 Frequency Authorization (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.

- (36) 252.243-7001 Pricing of Contract Modifications (DEC 1991)
- (37) 252.245-7001 Reports of Government Property (MAY 1994). Seller will provide information Buyer may require to complete Buyer's annual report.
- (38) 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.
- (39) 252.247-7023 Transportation of Supplies by Sea (MAY 2002). This clause, in its entirety, applies only if this contract exceeds \$100,000 and 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. If the supplies being transported are the types of supplies described above, but this contract is not in excess of \$100,000, only paragraphs (a) through (e) and (h) are applicable.
- (40) 252.247-7024 Notification of Transportation of Supplies by Sea (NOV 1995). "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.
- (41) 252.249-7002 Notification of Proposed Program 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.
- (42) 252.251-7000 Ordering From Government Supply Sources (MAY 1995). This clause applies only if Seller is notified by Buyer that it is authorized to purchase from Government supply sources in the performance of this contract.
- (c) Cost Accounting Standards. This clause applies only if this contract incorporates clause 3050 or 3051.
 - (1) The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause 3050 is the version dated April 1996.

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(2) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause 3051 is the version dated April 1998.

- (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.
 - (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) Aerospace Corporation Enabling Clause

(1) The U.S. Air Force has entered into a contract with The Aerospace Corporation for the services of a technical group that provides support to the

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Air Force Program Executive Officer/Space (AFPEO/SP) by performing Technical Review tasks. Tasks performed by The Aerospace Corporation on the prime contract will be authorized the Air Force's Special Project Office responsible for the prime contract (the ICBM SPO). The tasks are defined in paragraph (2), below.

- (2) The Aerospace Corporation, in providing support to AFPEO/SP, may be required to attend specified meetings and will have access to Seller's technical data at those meetings. Seller agrees to allow The Aerospace Corporation's attendance in meetings so designated by the ICBM SPO. In additional instances, The Aerospace Corporation may require that Seller's data be provided in order to support AFPEO/SP tasks. The Aerospace Corporation will request such data from the ICBM SPO, which will obtain the data from the prime contractor (TRW) and provide it to The Aerospace Corporation.
- (3) Seller further agrees to include in each subcontract a clause requiring compliance by its subcontractor and succeeding levels of subcontractors with the response and access provisions of paragraph (2), above. This agreement does not relieve Seller or its subcontractors of their responsibility for managing subcontracts effectively and efficiently, nor is it intended to establish privity of contract between the Government or The Aerospace Corporation and such subcontractors.
- (4) The Aerospace Corporation personnel are not authorized to direct Seller in any manner. Neither are they authorized direct contact with TRW without first contacting the ICBM SPO.
- (5) Technical direction under this contract will be given to Seller solely by Buyer. Seller shall not proceed with any direction that results in a change to this contract unless authorized by Buyer.
- (6) Seller acknowledges that during the performance of this contract The Aerospace Corporation will have access to proprietary information provided by Seller and its subcontractors. It is the responsibility of Seller to enter into any necessary agreements with The Aerospace Corporation in order to ensure protection of proprietary information from unauthorized use or disclosure.