

Date: October 2002**EXHIBIT A**

**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT **F33657-99-C-0036****

The clauses contained in the following Government regulations are incorporated by reference. Where necessary or appropriate to derive proper meaning in a subcontract situation, "Contractor" shall mean Seller. Government clauses cited elsewhere in the contract shall be those in effect September 19, 2001. [R/Orig.]

**FAR/DFARS
Reference**

Title

52.204-2	Security Requirements (AUG 96) (Applies only if the contract requires access to classified information, "Government" means Buyer or the Government.)	
52.211-5	Material Requirements (AUG 00) ("Contracting Officer" means Buyer.)	R/Prel. Rev. H
52.211-15	Defense Priority and Allocation Requirements (SEP 90)	
52.215-15	Pension Adjustments and Asset Reversions (DEC 98) ("Contracting Officer" means Buyer and Seller's cognizant ACO.) (Applicable only if contract is other than firm-fixed-price or if certified cost or pricing data was provided.)	
52.215-18	Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other than Pensions (OCT 97) (Applicable only if the contract is other than firm-fixed price or if certified cost or pricing data was provided.)	
52.215-19	Notification of Ownership Changes (OCT 97)	
52.219-8	Utilization of Small Business Concerns (OCT 00)	R/Prel. Rev. H
52.222-1	Notice of Labor Disputes (FEB 97) ("Contracting Officer" means Buyer.)	

52.222-21	Prohibition of Segregated Facilities (FEB 99) (Certification required. The clause is to be included in every subcontract or purchase order subject to the equal opportunity clause.)	A/Prel. Rev. H
52.222-26	Equal Opportunity (FEB 99) [Subparagraphs (b)(1) through (11)]	
52.223-3	Hazardous Material Identification and Material Safety Data (JAN 97) (Applies only if hazardous material will be delivered)	
52.223-7	Notice of Radioactive Materials (JAN 97) (In paragraph (1) insert "sixty (60)" before "days".)	
52.223-11	Ozone Depleting Substances (MAY 2001)	R/Prel. Rev. J
52.225-8	Duty-Free Entry (FEB 00)	A/Prel. Rev. H
52.225-11	Restrictions on Certain Foreign Purchases (AUG 98) ("Contracting Officer" means Buyer.)	
52.225-13	Restrictions on Certain Foreign Purchases (JUL 00) ("Contracting Officer" means Buyer.)	A/Prel. Rev. H
52.227-1, Alt. I	Authorization and Consent (JUL 95, APR 84)	R/Prel. Rev. H
52.227-10	Filing of Patent Applications - Classified Subject Matter (APR 84) (Applies only if contract will involve access to classified information)	
52.227-12	Patent Rights - Retention by Contractor (Long Form) (JAN 97) (Applies only if Special Provision F.1 is included and Seller is <u>not</u> a small business or non-profit organization.)	
52.234-1	Industrial Resources Developed Under Defense Production Act Title III (DEC 94)	
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)	
52.244-5	Competition in Subcontracting (DEC 96)	
52.244-6	Subcontracts for Commercial Items and Commercial Components (OCT 98)	R/Orig.

52.245-2	Government Property (Fixed Price Contracts) (DEC 89), Alt. I (Deviation) (APR 84) (Authorization shall be limited to suppliers having a Government approved property control system.)	R/Orig.
52.245-17	Special Tooling (DEVIATION) (APR 84) (This clause applies only if tooling is acquired for or furnished by the Government and to be retained for use by the Seller.)	A/Prel. Rev. H
52.246-23	Limitation of Liability (FEB 97) (This clause can only be used for those supplier items with a unit cost less than \$100,000.)	R/Orig.
52.247-63	Preference for U.S.-Flag Air Carriers (JAN 97)	
252.215-7000	Pricing Adjustments (DEC 91)	
252.223-7001	Hazard Warning Labels (DEC 91)	
252.223-7002	Safety Precautions for Ammunition and Explosives (MAY 94) (Applies only if contract involves ammunition or explosives.)	
252.223-7003	Change in Place of Performance -- Ammunition and Explosives (DEC 91) (Applies only if DFARS 252.223-7002 applies.)	
252.223-7006	(DELETED)	D/Orig.
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (SEP 99)	R/Prel. Rev. H
252.225-7002	Qualifying Country Sources (DEC 91)	
252.225-7009	Duty-Free Entry--Qualifying Country Supplies (End Products and Components) (AUG 00)	R/Prel. Rev. H
252.225-7010	Duty-Free Entry--Additional Provisions (AUG 00)	R/Prel. Rev. H
252.225-7012	Preference for Certain Domestic Commodities (AUG 00)	R/Prel. Rev. H
252.225-7014	Preference for Domestic Specialty Metals, Alt. I (MAR 98) (Applies only if contract item contains specialty metals.)	

252.225-7016	Restriction on Acquisition of Ball and Roller Bearings (AUG 98) (Applies only if contract item contains ball or roller bearings.)	
252.225-7022	Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (JUN 97) ("Contracting Officer" means Buyer. Applies only if a contract item contains such carbon fiber.)	
252.225-7030	Restriction on Acquisition of Carbon, Alloy and Armor Steel Plate (OCT 92)	
252.225-7043	Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States (JUN 98)	
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 95)	
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles (DEC 91)	
252.229-7006	Value Added Tax Exclusion (United Kingdom) (JUN 97)	A/Prel. Rev. H
252.231-7000	Supplemental Cost Principles (DEC 91)	
252.235-7003	Frequency Authorization (DEC 91), Alt. I (DEC 91) (Applies only if contract involves developing, producing, testing or operating a device requiring radio frequency authorization.)	R/Prel. Rev. H
252.239-7000	Protection Against Compromising Emanations (DEC 91) (Applies only if classified information will be processed.)	
252.239-7016	Telecommunications Security Equipment, Devices, Techniques, and Services (DEC 91). This clause applies only if this contract requires securing telecommunications. (Para (b), Location is "All locations approved for developmental and production activities in support of the F-22 Program." (Para (c), List can be obtained from "the F-22 Systems Security Division" Para (c), List and identify locations: "All equipment currently in use or scheduled for use in the F-22 program under all F-22 contracts.")	A/Prel. Rev. H

252.243-7001	Pricing of Contract Modifications (DEC 91)	A/Prel. Rev. H
252.243-7002	Requests for Equitable Adjustment (MAR 98)	A/Prel. Rev. H
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (MAR 00)	R/Prel. Rev. H
252.245-7001	Reports of Government Property (MAY 94). Seller will provide information Buyer may require to complete Buyer's annual report.	A/Prel. Rev. H
252.246-7000	Material Inspection and Receiving Report (DEC 91)	A/Orig.
252.247-7022	(DELETED)	D/Prel. Rev. H
252.247-7024	Notification of Transportation of Supplies by Sea (MAR 00) ("Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" means Buyer.)	R/Prel. Rev. H
252.251-7000	Ordering from Government Supply Sources (MAY 95) (This clause applies only if Seller is notified by Buyer that Seller is authorized to purchase from Government supply sources in the performance of this contract. Contracting Officer approved required.)	A/Prel. Rev. H

The following clauses also apply if the contract price exceeds \$10,000:

52.222-20	Walsh-Healy Public Contracts Act (DEC 96)
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam ERA (Apr 1998)
52.222-36	Affirmative Action for Workers with Disabilities (JUN 98)
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (JAN 99)

The following clauses also apply if the contract price exceeds \$100,000:

52.203-6	Restrictions on Subcontractor Sales to the Government (JUL 95)
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- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 97) (The disclosures of Seller and its lower tier subcontractors required by paragraph (c) shall be submitted to Buyer's Material Representative.)
- 52.215-2 Audit and Records-Negotiation (JUN 99) (Applies only if contract is other than Firm-Fixed-Price, if cost or pricing data was required or if cost, funding or performance reports will be furnished.)
- 52.215-14 Integrity of Unit Prices (OCT 97) (Excluding paragraph (b)). (Not applicable if only services will be provided.)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 96) ("Contracting Officer" means Buyer.)
- 52.228-5 Insurance - Work on Government Installation (JAN 97) (This clause applies only if this contract exceeds the FAR simplified acquisition threshold and applies only if work is to be done on a Government installation.) A/Prel. Rev. H
- 52.246-24 Limitation of Liability -- High-Value Items (FEB 97), Alt I (APR 84) (This clause can only be used for those supplier items with a unit cost greater than or equal to \$100,000.) R/Orig.
- 52.248-1 Value Engineering (FEB 00) [excluding subparagraph (f)]. (This clause applies only if this contract is for \$100,000 or more. "Contracting Officer" 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.) [R/Prel. Rev. H]
- 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies (MAR 99) (This clause applies only if this contract exceeds the FAR Part 13 simplified acquisition threshold and does not apply to the purchase of commercial items or commercial components. "Contractor" and "contract" are not changed in paragraphs (a) and (b). In paragraph (e), "Government" shall mean Government or Buyer. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer". Paragraph (g) is deleted and "Contracting Officer" shall mean Contracting Officer.)

252.209-7000	Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INT) Treaty (NOV 95)	
252.247-7023	Transportation of Supplies by Sea (MAR 00) (In paragraph (c) "45 days" is changed to 60 days.)	R/Prel. Rev. H
252.249-7002	Notification of Anticipated Contract Termination or Reduction. (DEC 96) In paragraph (e), "two weeks" is changed to 10 days.)	

The following clause also applies if the contract price exceeds \$500,000:

52.219-9	Small Business Subcontracting Plan (OCT 00) (Applies only if Seller is <u>not</u> a small business. "Contracting Officer" in paragraph (c) means Buyer.)	A/Prel. Rev. H
52.230-2	Cost Accounting Standards (APR 98) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS) and if this contract exceeds \$500,000. Per 52.230-6(e)(1), self-deleting clauses shall not be used.)	A/Prel. Rev. H
52.230-6	Administration of Cost Accounting Standards (NOV 99) (Add "Buyer and "before "Contracting Officer" in paragraph (e).) (This clause applies only if FAR 52.230-2 or -3 is contained in the prime contract.)	A/Prel. Rev. H
252.225-7026	"Reporting of Contract Performance Outside the United States. (JUN 00) (This clause applies only if the contract exceeds \$500,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.)	R/Prel. Rev. H
252.219-7003	Small, Small Disadvantaged and Women-Owned Business Small Business Subcontracting Plan (DoD Contracts) (APR 96)	A/Prel. Rev. B

The following clauses also apply if the contract price exceeds \$1,000,000:

252.211-7000	Acquisition Streamlining (DEC 91)
252.225-7032	Waiver of United Kingdom Levies (OCT 92)

The following clauses also apply if Technical Data or Computer Software will be Generated or Delivered:

252.227-7013	Rights in Technical Data--Noncommercial Items (NOV 95)	
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (JUN 95)	
252.227-7015	Technical Data--Commercial Items (NOV 95). This clause applies only if the delivery of data is required for commercial items under this contract.)	A/Prel. Rev. H
252.227-7016	Rights in Bid or Proposal Information (JUN 95)	
252.227-7019	Validation of Asserted Restrictions - Computer Software (JUN 95)	
252.227-7026	Deferred Delivery of Technical Data (APR 88)	
252.227-7027	Deferred Ordering of Technical Data or Computer Software (APR 88)	
252.227-7030	Technical Data - Withholding of Payment (MAR 00) ("Contracting Officer" and "Government" means Buyer.)	R/Prel. Rev. H
252.227-7036	Declaration of Technical Data Conformity (JAN 97)	
252.227-7037	Validation of Restrictive Markings on Technical Data (SEP 99)	R/Prel. Rev. H
252.246-7001	Warranty of Data (DEC 91) ("Contracting Officer" means Buyer.)	
5352.227-9000	Export-Controlled Data Restrictions (JUL 97)	

The following Air Force FAR Supplement clauses are applicable as indicated:

5352.204-9000	Notification of Government Security Activity (MAY 96) (Applies only if work will be performed on a Government installation.)	
5352.223-9001	Health and Safety on Government Installations (JUN 97) (Applies only if work will be performed on a Government installation.)	
5352.235-9003	Application for Equipment Frequency Authorization (JUL 97)	A/Orig.
5352.246-9000	Material Inspection and Receiving Report (OMB No. 0704-0248). ("shall be included in any subcontract hereunder where the items purchased from the subcontractor are to be shipped directly to the U.S. Government or to a foreign destination.")	

5352.246-9001	Inspection and Acceptance (JUL 97)
5352.246-9002	Correction of Supplies Accepted with Deficiencies (JUL 97)
5352.247-9000	Commercial Bill of Lading Shipments - Carrier's Rates (JUL 97)
5352.247-9007	Specification Commercial Packaging (SEP 98)
5352.247-9011	Packaging and Marking of Hazardous Material (SEP 98)

Additional Provisions:

DEFENSE PRIORITY RATING. If a defense priority rating is identified on the face of this contract, this is a rated order certified for national defense use and the Seller shall follow all the requirements of the Defense Priorities and Allocations Systems Regulation (15 CFR Part 700), including accepting or rejecting this contract in writing within fifteen (15) working days after receipt of DO rated or ten (10) days after receipt if DX rated. If rejected, the reason(s) for such rejection shall be included in the notice to the Buyer. [A/Orig.]

ANTI-KICKBACK PROCEDURES. Seller agrees to abide by the Anti-Kickback Act of 1986 (41 U.S.C. 51 through 58) and FAR 52.203-7, "Anti-Kickback Procedures" which is incorporated herein by reference, except that subparagraph (c)(1) of FAR 52.203-7 shall not apply to Seller, and further that in subparagraphs (c)(2), (c)(3), and (c)(5), the term "Contractor" shall mean Seller, and in subparagraph (c)(4) the term "Prime Contractor" shall mean Buyer and the term "Subcontractor" shall mean Seller. In addition to reporting possible violations of the Anti-Kickback Act to the Government pursuant to 41 U.S.C. §57(c), Seller shall report such possible violations, if related to Buyer, to the Director of Materiel and/or the Division Counsel of the Boeing division or subsidiary issuing this contract. Seller agrees to hold Buyer harmless from, defend Buyer against, and indemnify Buyer for all costs, expenses, and offsets Buyer may incur as a consequence of violations of this clause by Seller or by Seller's subcontractors or suppliers. The rights and obligations set forth in this clause shall survive completion of, final payment under, or termination of, this order.

TRUTH IN NEGOTIATIONS ACT. (Applicable if certified cost or pricing data was provided.) Seller shall comply with the provisions of FAR 52.215-10 and 52.215-12 which are incorporated herein by reference to the extent such clauses are or become applicable to this contract. In the absence of other instructions, Seller shall submit cost or pricing data for changes which exceed the established threshold consistent with the cost or pricing data instructions applicable to the proposal for this contract. Seller shall reimburse the Buyer any amount by which this contract is determined by the Government to have been overpriced because of Seller's or Seller's subcontractor's failure to comply with such provisions plus any interest, fines or other penalties imposed upon the Buyer as a result of the Seller's or the Seller's subcontractor's defective pricing.

TRUTH IN NEGOTIATIONS ACT - Modifications. (Applies if certified cost or pricing data was not provided.) Seller shall comply with the provisions of FAR 52.215-11 and 52.215-13 which are incorporated herein by reference to the extent such clauses are or become applicable to this contract. In the absence of other instructions, Seller shall submit cost or pricing data for changes which exceed the established threshold consistent with the cost or pricing data instructions applicable to the proposal for this contract. Seller shall reimburse the Buyer any amount by which this contract is determined by the Government to have been overpriced because of Seller's or Seller's subcontractor's failure to comply with such provisions plus any interest, fines or other penalties imposed upon the Buyer as a result of the Seller's or the Seller's subcontractor's defective pricing.

A = ADDED

D = DELETED

R = REVISED