

Date: October 1999**EXHIBIT A**

**GOVERNMENT PROVISIONS
 APPLICABLE TO
 PRIME CONTRACT **DAAJ09-95-C-A001****

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 in December 12, 1994.

<u>FAR/DFARS_</u> <u>Reference</u>	<u>Title</u>
52.204-2	Security Requirements (APR 84) (Applies only if the contract requires access to classified information, "Government" means Buyer or the Government.)
52.208-1	Required Sources for Jewel Bearings and Related Items (Applies only if items to be delivered contain such items.) (APR 84)
52.215-22	Price Reduction for Defective Cost or Pricing Data (JAN 91)
52.215-24	Subcontractor Cost or Pricing Data (DEC 91)
52.215-26	Integrity of Unit Prices - Alt. I (APR 91)
52.215-27	Termination of Defined Benefit Pension Plans ("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.) (SEP 89)
52.215-33	Order of Precedence (JAN 86)
52.219-8	Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (FEB 90)
52.220-4	Labor Surplus Area Subcontracting Program (APR 84)
52.222-1	Notice of Labor Disputes (APR 84) ("Contracting Officer" means Buyer.)
52.222-26	Equal Opportunity (APR 84)
52.225-10	Duty-Free Entry (APR 84)

52.225-11	Restrictions on Certain Foreign Purchases (MAY 92) ("Contracting Officer" means Buyer.)
52.227-1	Authorization and Consent (APR 84)
52.242-13	Bankruptcy (APR 91)
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)
52.243-1	Changes - Fixed-Price (AUG 87) (Insert "120 days" in paragraph (c) in lieu of "30 days".)
52.244-5	Competition in Subcontracting (APR 84)
52.246-23	Limitation of Liability (APR 84)
52.249-2	Termination for Convenience of the Government (Fixed-Price) (APR 84)
52.249-8	Default (Fixed-Price Supply and Service) (APR 84)
252.204-7000	Disclosure of Information (DEC 91) (Seller will submit requests for authorization through Buyer.)
252.215-7000	Pricing Adjustments (DEC 91)
252.215-7001	Availability of Contractor Records (DEC 91)
252.225-7002	Qualifying Country Sources (DEC 91)
252.225-7009	Duty-Free Entry-Qualifying Country End Products and Supplies (DEC 91)
252.225-7010	Duty-Free Entry--Additional Provisions (DEC 91)
252.225-7012	Preference for Certain Domestic Commodities (MAY 94)
252.225-7014	Preference for Domestic Specialty Metals, Alt. I (DEC 91) (Applies only if contract item contains specialty metals.)
252.225-7016	Restriction on Acquisition of Antifriction Bearings (APR 93)
252.225-7025	Foreign Source Restrictions (APR 93)
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)
- 252.231-7000 Supplemental Cost Principles (DEC 91)
- 252.243-7001 Pricing of Contract Modification (DEC 91)
- 252.247-7024 Notification of Transportation of Supplies by Sea (DEC 91) ("Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" means Buyer.)

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

- 52.222-20 Walsh-Healy Public Contracts Act (APR 84)
- 52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 84)
- 52.222-36 Affirmative Action for Handicapped Workers (APR 84)
- 52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (JAN 88)

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

- 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 85)
- 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-Negotiation (FEB 93) (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.)
- 52.223-2 Clean Air and Water (APR 84) (Also applicable if Seller's facility has been the subject of a conviction under the Clean Air Act or Federal Water Pollution Control Act.)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (APR 84) ("Contracting Officer" means Buyer.)

- 52.248-1 Value Engineering (Alt. I) (MAR 89) (Modify subdivision (i)(3)(i) and the first sentence under subparagraph (3) of the definition of acquisition savings by substituting for "the number of future contract units scheduled for delivery during the sharing period," to "a number equal to the quantity required over the highest 36 consecutive months of planned production, based on planning or production documentation at the time the VECP is accepted.")
- 252.203-7001 Special Prohibition on Employment (APR 93) (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 (DEC 91)
- 252.225-7026 Reporting of Contract Performance Outside the United States (not applicable if only commercial products are involved.) (APR 93)
- 252.247-7023 Transportation of Supplies by Sea (DEC 91) (In paragraph (c) "45 days" is changed to 60 days.)
- 252.249-7002 Notification of Proposed Program Termination or Reduction (MAY 94) In paragraph (f), "two weeks" is changed to 10 days.)

The following clauses also apply if the contract price exceeds \$500,000:

- 52.215-39 Reversion or Adjustment of Plans for Post-Retirement Benefits other than Pensions. (Applicable only if certified cost or pricing data is provided.) (JUL 91)
- 252.249-7001 Notification of Substantial Impact on Employment (DEC 91)

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

- 252.210-7003 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 and Computer Software (OCT 88)
252.227-7016	Rights in Bid or Proposal Information (JUN 95)
252.227-7018	Restrictive Markings on Technical Data (OCT 88)
252.227-7029	Identification of Technical Data (APR 88)
252.227-7030	Technical Data - Withholding of Payment (OCT 88) ("Contracting Officer" and "Government" means Buyer.)
252.227-7037	Validation of Restrictive Markings on Technical Data (APR 88)

Additional Provisions:

PRICING OF ADJUSTMENTS. When costs are a factor in any determination of a contract price adjustment pursuant to the "Changes" clause or any other provision of this contract, or when the allowability of costs under this contract are to be determined, determination of such costs shall be in accordance with FAR Part 31.

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 ten working days after receipt of DO rated or five days after receipt if DX rated. If rejected, the reason(s) for such rejection shall be included in the notice to the Buyer.

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.

Special Contract Requirements:

H.3 SAFETY

- a. Seller's industrial/maintenance/ordnance programs shall conform to satisfy requirements and all Safety Provisions as set forth in the Seller's Standard Procedures Instructions and the National Fire Codes, latest revision at time of contract award.
- b. Seller's Foreign Object Damage (FOD) program shall be IAW MIL-STD-980, Foreign Object Damage (FOD) Prevention in Aerospace Production. Assembly operations sheets and maintenance worksheets; shall contain FOD check call out with signature/stamp evidence of compliance. The DPRO will determine compliance with this standard.
- c. All ground accidents and aircraft mishaps involving Government property shall be reported to the DPRO and ATCOM Safety Office according to the requirements of AR 385-40.
- d. The Seller shall take necessary actions to ensure protection of arms, ammunition and explosives at its own and its subcontractor's facilities, as required by DODI 5220.30. The Seller shall further ensure Government access to these facilities, in order to conduct security survey and inspections to determine compliance with the DODI 5220.30 requirements.
- e. The ACO shall ensure that the Seller receives all applicable messages (including Safety of Flight (SOF) messages) pertaining to the GF Aircraft under this contract. The Seller shall comply with such messages issued subsequent to the date of which the GF Aircraft were issued. The cost of such compliance shall be negotiated between the Seller and the Government IAW FAR 52.243-1, "Changes - Fixed Price" clause in Section I of this Contract.

H.5 AVAILABILITY OF SELLER PERSONNEL: ACCESS TO FACILITIES

During the progress of work called for herein the Seller shall, upon the request of the Government, make available for conference(s) with the Government any of its personnel or subcontractor(s) personnel engaged in the performance of the work. The Seller shall ensure that all subcontractors provide the Government with the right to have, through the Seller, reasonable access to all subcontractors and their facilities on a continuing basis for any reviews the Government may desire to accomplish. In the event the Government representatives visit the Seller or its subcontractors' facility for the purpose of conference or study of the work in progress, the Seller or its subcontractors shall make adequate office space and other facilities, as necessary, available for a reasonable number of Government representatives, at no change in contract price.

H.8 CONTRACT FUNDING AND TERMINATION LIABILITY

a. Funds in the amount identified in Section B.1.b. of this contract are for all of the long lead time items, material and effort required to assure that the Seller meets the production delivery schedule for aircraft set out in RFP DAAJ09-94-R-A002. (Lot 1 Solicitation)

b. The funds identified in paragraph B.1.b. are for all required work, effort and commitment for the LLT contract through 31 October 1995. If additional funds are not applied to the contract by the Buyer on or before that date, or such later date as the parties to this contract may mutually agree, the Buyer will, upon written request of the Seller, terminate this contract pursuant to the provisions of FAR 52.249-2, "Termination for Convenience of the Government (Fixed Price)" clause, IAW Section I of this contract, on that date. If the Seller, in the exercise of reasonable judgment, established that the funds available on this contract will allow the Seller to continue to discharge its obligation to protect the performance requirements of RFP DAAJ09-94-R-A002, the Seller shall specify the later date in a formal request, and the Buyer, in his/her discretion, may terminate this contract on that later date.

c. In any event, including termination for convenience of the Government and actions by the Seller under FAR 52.249-2, "Termination for Convenience of the Government (Fixed Price)" clause, IAW Section I of this contract, the Government liability shall be limited to the amount specified in Section B.1.b. of this contract.

H.11 ENGINEERING CHANGE PROPOSALS

a. The Buyer may at any time, in writing, request the Seller to prepare a Class I Engineering Change Proposal (ECP) for this contract. Class I ECPs for this contract shall be prepared IAW the latest MIL-STD-973 for hardware and software and shall include a definition of the proposed change to hardware, software, Statement of Work, specifications or other contract provisions and substantiate the impact of the proposed change upon schedules, resources, other equipment or system interfaces and supply items on each of the applicable contracts to include spares contracts. Preliminary firm cost proposal(s) with limited cost data shall be submitted concurrently with each formal Class I ECP identified as a cost ECP. Within ninety days after notification of ECP technical approval, the Seller will submit a complete cost proposal. Cost proposals shall be submitted in 10 copies; 2 copies shall be furnished to the PCO, 1 copy shall be furnished to the ACO, and 7 copies shall be furnished to the Advanced Attack Helicopter Program Manager's Office, SFAE, AV-AAH-B. Distribution of Class I ECPs shall be made by the Seller. Addresses and quantities, with and without drawings, shall be furnished by Buyer's letter.

b. Any proposal for a contractual change, including ECPs, shall include a complete proposal showing the impact to each contract, as applicable. If the total value for any proposed change for this contract, whether the change proposal was Seller initiated or Government requested, is \$25,000 or less, such change shall be incorporated into the applicable contract by a supplemental agreement at no adjustment in contract price, providing the change is technically acceptable to both parties.

A = ADDED

D = DELETED

R = REVISED