

Date: September 2001

EXHIBIT A**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT S00-22**

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 June 21, 2001.

<u>FAR/DFARS Reference</u>	<u>Title</u>
52.204-2	Security Requirements (AUG 96), Alt. I (APR 84) (Applies only if the contract requires access to classified information, "Government" means Buyer or the Government.)
52.211-5	Material Requirements (OCT 97) ("Contracting Officer" means Buyer.)
52.211-15	Defense Priority and Allocation Requirements (SEP 90)
52.219-8	Utilization of Small Business Concerns (OCT 95)
52.222-1	Notice to the Government of Labor Disputes (APR 84) ("Contracting Officer" means Buyer.)
52.222-26	Equal Opportunity (APR 84) [Subparagraphs (b)(1) through (11)]
52.222-36	Affirmative Action for Handicapped Workers (APR 84)
52.225-11	Restrictions on Certain Foreign Purchases (OCT 96) ("Contracting Officer" means Buyer.)
52.227-1, Alt. I	Authorization and Consent (JUL 95, APR 84)
52.227-10	Filing of Patent Applications - Classified Subject Matter (APR 84) (Applies only if contract will involve access to classified information)
52.227-11	Patent Rights - Retention by Contractor (Short Form) (JUN 89) (Applies only if Special Provision F.1 is included and Seller is a small business or non-profit organization.)
52.227-12	Patent Rights - Retention by Contractor (Long Form) (JUN 89) [Applies only if Special Provision F.1 is included. If Seller is a small business or nonprofit organization, include FAR 52.227-11, Patent Rights - Retention by the Contractor (Short Form), in such subcontract or purchase order instead of this clause.]
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)
52.244-5	Competition in Subcontracting (JAN 96)
52.246-23	Limitation of Liability (APR 84) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
52.246-25	Limitation of Liability -- Services (APR 84) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)

52.247-63	Preference for U.S.-Flag Air Carriers (JAN 97)
252.204-7000	Disclosure of Information (DEC 91) (Seller will submit requests for authorization through Buyer.)
252.215-7000	Pricing Adjustments (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	Prohibition on Storage and Disposition of Toxic and Hazardous Materials (APR 93)
252.225-7002	Qualifying Country Sources as Subcontractors (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)
252.225-7016	Restriction on Acquisition of Anti-Friction Bearings (MAR 96)
252.225-7025	Foreign Source Restrictions (APR 93)
252.231-7000	Supplemental Cost Principles (DEC 91)
252.245-7001	Reports of Government Property (MAY 94). Seller will provide information Buyer may require to complete Buyer's annual report.
252.246-7000	Material Inspection and Receiving Report (DEC 91)
252.247-7024	Notification of Transportation of Supplies by Sea (NOV 95) ("Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" means Buyer.)
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.)

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)
52.222-37	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 95)
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52.203-12	Limitation on Payments to Influence Certain Federal Transactions (JAN 90) (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 if the contract is cost reimbursement, incentive, time-and-materials, labor hour, or price redeterminable type or any combination of these; 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.)
52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation (JUL 95)
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 (AUG 96). (A copy of each notice sent to the Government will be sent to Buyer.) ("Contracting Officer" means Buyer.)
252.203-7001	Special Prohibition on Employment (NOV 95)
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 (NOV 95) (In paragraph (d) "45 days" is changed to 60 days.)

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

52.219-9	Small Business Subcontracting Plan (AUG 96) (Applies only if Seller is <u>not</u> a small business. "Contracting Officer" in paragraph (c) means Buyer.)
52.230-2	Cost Accounting Standards (APR 96) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS).)
52.230-3	Disclosure and Consistency of Cost Accounting Practices (APR 96) [excluding paragraph (b)]. This clause applies only if Seller is subject to Cost Accounting Standards (CAS). In paragraph (c), "Government" shall mean Government.
52.230-5	Cost Accounting Standards - Educational Institutions (APR 98)
52.230-6	Administration of Cost Accounting Standards (APR 96) (Add "Buyer and "before "Contracting Officer" in paragraph (e).)
252.225-7026	Reporting of Contract Performance Outside the United States" (NOV 95) (not applicable if only commercial products are involved.) (This clause applies only if this contract is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.)

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)
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252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (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 (OCT 88) (This clause applies only if the delivery of data is required by this contract.) ("Contracting Officer" and "Government" means Buyer.)

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.

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.

A = ADDED

D = DELETED

R = REVISED