

**Date: August 2001****EXHIBIT A****GOVERNMENT PROVISIONS  
APPLICABLE TO  
PRIME CONTRACT DAAH01-01-C-R186**

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 April 2001.

<b><u>FAR/DFARS_</u></b> <b><u>Reference</u></b>	<b><u>Title</u></b>
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)
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.)
52.222-26	Equal Opportunity (FEB 99) [Subparagraphs (b)(1) through (11)]
52.225-13	Restrictions on Certain Foreign Purchases (JUL 00) ("Contracting Officer" means Buyer.)
52.227-1, Alt. I	Authorization and Consent (JUL 95, APR 84)
52.242-15	Stop Work Order (AUG 89), Alt I (APR 84) ("Contracting Officer" means Buyer)
52.246-23	Limitation of Liability (FEB 97) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 95)
252.231-7000	Supplemental Cost Principles (DEC 91)
252.243-7002	Requests for Equitable Adjustment (MAR 98)
252.246-7000	Material Inspection and Receiving Report (DEC 91)
252.248-7000	Preparation of Value Engineering Change Proposals (MAY 94)

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

- 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)
- 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 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.)
- 52.227-2 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 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies (MAR 99) (This clause 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)
- 252.249-7002 Notification of Anticipated Contract Termination or Reduction (DEC 96) In paragraph (e), "two weeks" is changed to 10 days.)

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

- 52.219-9 Small Business Subcontracting Plan (OCT 00) (Applies only if Seller is not a small business. "Contracting Officer" in paragraph (c) means Buyer.)
- 52.230-2 Cost Accounting Standards (APR 98) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS).)
- 52.230-6 Administration of Cost Accounting Standards (NOV 99) (Add "Buyer and "before "Contracting Officer" in paragraph (e).)

**The following clause also applies if the contract price exceeds \$1,000,000:**

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)

252.227-7016 Rights in Bid or Proposal Information (JUN 95)

252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 95)

252.227-7030 Technical Data - Withholding of Payment (MAR 00) (This clause applies only if the delivery of data is required by this contract.) ("Contracting Officer" and "Government" means Buyer.)

252.227-7036 Declaration of Technical Data Conformity (JAN 97)

252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 99)

**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.

**Special Contract Requirements:**

## **Protection and Handling of "For Official Use Only" Information (52.204-4706)**

Information and/or material identified "For Official Use Only" (FOUO) shall be protected and handled in accordance with the following:

a. Definition. Information that has not been given a security classification pursuant to the criteria of an Executive Order, but which may be withheld from the public for one or more reasons cited in Freedom of Information Act (FOIA) Exemptions 2 through 9 shall be considered as being For Official Use Only. No other material shall be considered or marked "For Official Use Only" (FOUO). FOUO is not authorized as a form of classification to protect national security interests.

b. Safeguarding FOUO Information.

(1) During Duty Hours: During normal working hours information determined to be FOUO shall be placed in an out-of-sight location if visitors, casual traffic and other nongovernment/noncontractor personnel have access to the work area.

(2) During Nonduty Hours: At the close of business, FOUO records shall be stored so as to preclude unauthorized access. Filing such material with other unclassified records in unlocked files or desks, etc., is adequate when normal U.S. Government or government/contractor internal building security is provided during nonduty hours. When such internal security control is not exercised, locked buildings or rooms normally provide adequate after-hours protection. If such protection is not considered adequate, FOUO material shall be stored in locked receptacles such as file cabinets, desks or bookcases.

c. Transmission of FOUO Information. FOUO information will be transported in a manner that precludes disclosure of its contents. When not commingled with classified information, FOUO information may be sent via first-class mail or parcel post. Bulky shipments that otherwise qualify under postal regulations may be sent fourth-class mail. Transmittal documents will call attention to the presence of FOUO attachments.

d. Termination, Disposal and Unauthorized Disclosures.

(1) Termination: The originator or other competent authority, e.g., initial denial and appellate authorities, shall terminate "For Official Use Only" markings or status when circumstances indicate that the information no longer requires protection from public disclosure. When FOUO status is terminated, all known holders shall be notified, to the extent practical. Upon notification, holders shall efface or remove the "For Official Use Only" markings, but records in file or storage need not be retrieved solely for that purpose.

(2) Disposal: FOUO materials may be destroyed by tearing each copy into pieces to preclude reconstruction, and placing them in regular trash containers. When local circumstances or experience indicates that this destruction method is not sufficiently protective of FOUO information, local authorities may direct other methods but must give due consideration to the additional expense balanced against the degree of sensitivity of the type of FOUO information contained in the records.

(3) Unauthorized Disclosure: The unauthorized disclosure of FOUO information does not constitute an unauthorized disclosure of DoD information classified for security purposes. Appropriate administrative action should be taken, however, to fix responsibility for unauthorized disclosure whenever feasible, and appropriate disciplinary action should be taken against those responsible. The DoD component that originated the FOUO information shall be informed of its unauthorized disclosure.

## **Non-Disclosure Agreements**

During the performance of any purchase contract, it may be necessary for the Seller to exchange data and interface with Government support contractors. The Seller agrees to negotiate in good faith any disclosure agreements required with such support contractors.

## **Subcontractor Management**

The Government shall have the right to attend scheduled subcontractor reviews.

## Security

- a. The Seller shall be required to obtain and maintain the necessary facility clearance and provide adequate cleared personnel to perform classified tasks. Furthermore, the U.S. Government will not incur any costs while the Seller obtains the required clearances for his personnel.
- b. The Seller shall be required to comply with the provisions of the Security Agreement (DD Form 441) and the DoD National Industrial Security Program Operating Manual (NISPOM), DoD 5220.22-M, the NISPOM Operating Manual Supplement 1, Feb 95, and associated change pages. The NISPOM prescribes requirements, restrictions, and other safeguards that are necessary to prevent unauthorized disclosure of classified information and to control authorized disclosures of classified information released by U.S. Government Executive Branch Departments and Agencies to their contractors.

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A = ADDED

D = DELETED

R = REVISED