

CUSTOMER CONTRACT REQUIREMENTS
Small Diameter Bomb Increment II (SBD II)
CUSTOMER CONTRACT FA8672-09-R-0002

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

1. FAR Clauses. The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller.

52.203-6 Restrictions on Subcontractor Sales to the Government (Sep 2006) .

This clause applies only if this contract exceeds \$100,000.

52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1)) (Jul 1995) .

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. This clause applies only if this contract exceeds \$100,000.

52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (Jan 1997) . This clause applies to this contract if the Seller, its employees, officers, directors or agents participated personally and substantially in any part of the preparation of a proposal for this contract. The Seller shall indemnify Buyer for any and all losses suffered by the Buyer due to violations of the Act (as set forth in this clause) by Seller or its subcontractors at any tier.

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 from sums owed Seller the amount of the reduction.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions

(Sep 2007) . This clause applies only if this contract exceeds \$100,000. Paragraph (g)(2) is modified to read as follows: "(g)(2) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor." .

52.203-13 Contractor Code of Business Ethics and Conduct (Dec 2008) . This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.

52.204-2 Security Requirements (Aug 1996) . Changes clause means the changes clause of this contract. This clause applies only if access to classified material is required.

52.211-15 Defense Priority and Allocation Requirements (Apr 2008) . This clause is applicable if a priority rating is noted in this contract.

52.215-2 Audit and Records - Negotiation (Jun 1999) . 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.

52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (Oct 1997) . This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. "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.".

52.215-13 Subcontractor Cost or Pricing Data - Modifications (Oct 1997) . This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. The certificate required by paragraph (c) 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 "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government).".

52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (Oct 1997) . This clause applies except for contracts at or below \$100,000; construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.

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 the threshold set forth in FAR 15.403-4. The term "Contracting Officer" shall mean Buyer.

52.219-8 Utilization of Small Business Concerns (May 2004) .

52.219-9 Small Business Subcontracting Plan (Apr 2008) **Alt II** (Oct 2001). . This clause applies only if this contract exceeds \$550,000 and Seller is not a small business

concern. In paragraph (c), "Contracting Officer" shall mean Buyer. In accordance with paragraph (d)(10)(iv), Seller agrees that it will submit the ISR and/or SSR using eSRS.

52.222-20 Walsh-Healy Public Contracts Act (Dec 1996) . This clause applies only if this contract exceeds \$10,000.

52.222-21 Prohibition of Segregated Facilities (Feb 1999) .

52.222-26 Equal Opportunity (Mar 2007) .

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006) . This clause applies only if this contract exceeds \$100,000.

52.222-36 Affirmative Action for Workers With Disabilities (Jun 1998) . This clause applies only if this contract exceeds \$ 10,000.

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006) . This clause applies only if this contract exceeds \$100,000.

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004) . This clause applies only if this contract exceeds \$100,000.

52.222-50 Combating Trafficking in Persons (Aug 2007) . In paragraph (d), the term "Contracting Officer" means Buyer, and in paragraph (e), the term "the Government" means Buyer..

52.223-3 Hazardous Material Identification and Material Safety Data (Jan 1997) **Alt. I** (Jul 1995). This clause applies only if Seller delivers hazardous material under this contract.

52.223-11 Ozone Depleting Substances (May 2001) . .

52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e)) (Aug 2003) . This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).

52.225-1 Buy American Act - Supplies (Jun 2003) . This clause does not apply if this contract is placed under a Department of Defense contract.

52.225-8 Duty-free Entry (Feb 2000) . This clause applies only if this contract identifies supplies to be afforded duty-free entry or if foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States. For the purposes of this clause, the blanks in paragraph (g)(3) are completed as follows: UNITED STATES GOVERNMENT, DEPARTMENT OF DEFENSE, Duty-free entry is claimed

pursuant Section XXII, Chapter 98, Subchapter VIII, Item No. 9808.00.30 of the Harmonized Tariff Schedule of the United States. Upon arrival of shipment at port of entry, the importer or authorized agent will notify Commander, Defense Contract Management Area Operations (DCMAO, New York, 201 Varick Street, New York, New York, 10014-4811, Attention DCRN-NCT) for execution of Customs Forms 7501, 7501-A, or 7506 and required duty free entry certificates.

52.225-13 Restrictions on Certain Foreign Purchases (Jun 2008) .

52.227-1 Authorization and Consent (DEC 2007), Alternate I (Apr 1984) .

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Dec 2007) . A copy of each notice sent to the Government will be sent to Buyer.

52.227-10 Filing of Patent Applications - Classified Subject Matter (Dec 2007) .

52.228-5 Insurance - Work on a Government Installation (Jan 1997) . Seller shall provide and maintain insurance as set forth in this contract.

52.230-6 Administration of Cost Accounting Standards (Mar 2008) . Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if clause H001, H002, or H004 is included in this contract.

52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec 1994) .

52.237-2 Protection of Government Buildings, Equipment, and Vegetation (Apr 1984) . This clause applies only if work will be performed on a Government installation. "Contracting Officer" shall mean Buyer.

52.242-15 Stop Work Order (Aug 1989), Alternate I (Apr 1984) . Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer. In the first sentence of Alternate I, "the Termination clause of this contract" is modified to read "the Termination/Cancellation clause of this contract."

52.244-6 Subcontracts for Commercial Items (Dec 2008) .

52.245-1 Government Property (Jun 2007) . This clause applies only if Government property is acquired or furnished for contract performance.

52.245-1 Government Property (DEVIATION) 2007-O0012 (Jun 2007) . This clause applies only if Government property is acquired or furnished for contract performance. Per DEVIATION 2007-O0012, the definition of plant equipment is deleted, and the second sentence in the definition of real property is modified to read: "It does not include foundations and other work necessary for installing personal property."

2. DoD FAR Supplement Clauses. DoD Contracts. 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\" mean Seller except as otherwise noted.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (DEC 2008) . This clause applies only if this contract exceeds \$100,000 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.

252.204-7000 Disclosure of Information (Dec 1991) . Seller will submit requests for authorization to release through Buyer.

252.211-7000 Acquisition Streamlining (Dec 1991) . This clause applies only if this contract exceeds \$1 million.

252.211-7003 Item Identification and Valuation (Aug 2008) . Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components, and parts specified elsewhere in this contract. Such identification and marking shall be a high-capacity 2D machine readable code to comply with the version of MIL-STD-130, Identification Marking of U.S. Military Property, set forth elsewhere in this contract; or if not so stated, then the Seller shall comply with MIL-STD-130 N. The code may include, as space is available, linear bar code and human readable characters. Unless otherwise specified in Boeing product drawings or specifications, the seller may use either Construct #1 or Construct #2. The Seller shall not be required to furnish item valuations as set forth in this clause.

252.215-7000 Pricing Adjustments (Dec 1991) . This clause applies only if this contract exceeds \$650,000.

252.219-7003 Small Business Subcontracting Plan (DoD Contracts) (Apr 2007) .

Except paragraph (g) which is hereby deleted.

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).

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. The term "Contracting Officer" means Buyer.

252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Material (Apr 1993) .

252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (Sep 1999) .

This clause applies only if (1) this contract, or a subcontract at any tier, is for the development, production, manufacture, or purchase of arms, ammunition, and explosives (AA&E) or (2) AA&E will be provided to Seller, or to a subcontractor at any tier, as Government-furnished property. "Arms, ammunition, and explosives (AA&E)" means those items within the scope (chapter 1, paragraph B) of DoD 5100.76-M, Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives.

252.225-7001 Buy American Act and Balance of Payment Program. (Jun 2005) .

252.225-7002 Qualifying Country Sources as Subcontractors (Apr 2003) .

252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States (May 2007) . This clause applies only if this contract exceeds \$550,000 and is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.

252.225-7012 Preference for Certain Domestic Commodities (Dec 2008) .

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (Mar 2006) .

This clause does not apply to the purchase of commercial items other than ball or roller bearings or to items which contain no ball or roller bearings.

252.225-7022 Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (Jun 2005) . Contracting Officer means Buyer. This clause applies only if the product furnished under this contract contains polyacrylonitrile carbon fibers (alternatively referred to as PAN-based carbon fibers or PAN-based graphite fibers).

252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (Sep 2004) . This clause applies only if this contract exceeds \$500,000.

252.227-7013 Rights in Technical Data - Noncommercial Items (Nov 1995) . This clause applies only if the delivery of data is required for noncommercial items under this contract.

252.227-7016 Rights in Bid or Proposal Information (Jun 1995) .

252.227-7026 Deferred Delivery of Technical Data or Computer Software (Apr 1988) . This clause applies only if the delivery of data is required or if computer software may be originated, developed or delivered under this contract.

252.227-7030 Technical Data - Withholding of Payment (Mar 2000) . 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.

252.227-7037 Validation of Restrictive Markings on Technical Data (Sep 1999) . This clause applies only if the delivery of data is required by this contract.

252.227-7038 Patent Rights - Ownership by the Contractor (Large Business) (Dec 2007) .

This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business firm or nonprofit organization.

252.231-7000 Supplemental Cost Principles (Dec 1991) .

252.234-7002 Earned Value Management System (Apr 2008) . This clause applies only if it is indicated elsewhere in this contract that Seller must use an earned value management system (EVMS).

252.235-7003 FREQUENCY AUTHORIZATION (Dec 1991) - **Alternate 1** (Aug 2008) .

252.239-7000 Protection Against Compromising Emanations (Jun 2004) . This clause applies only if computer equipment or systems that will be used to process classified information will be delivered under this contract.

252.239-7016 Telecommunications Security Equipment, Devices, Techniques and Services (Dec 1991) . This clause applies only if this contract requires securing telecommunications.

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (Jan 2007) .

252.246-7001 Warranty of Data (Dec 1991) - **Alternate II** (Dec 1991) . The warranty period in paragraph (b) is three years from the Government's acceptance of the final items of data under this contract. "Government" and "Contracting Officer" shall mean Buyer.

252.247-7023 Transportation of Supplies by Sea (May 2002) . This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph

(d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000) .

Contracting Officer and, in the first sentence of paragraph (a), Contractor mean Buyer. This clause applies only if 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.

252.249-7002 Notification of Anticipated Contract Terminations or Reduction

(Dec 2006) . This clause applies only if this contract is \$550,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

3. Commercial Items. If goods or services being procured under this contract are commercial items and Clause H203 is set forth in the purchase order, the foregoing Government clauses in Sections 1 and 2 above are deleted and the following FAR/DFARS clauses are inserted in lieu thereof:

52.203-13 Contractor Code of Business Ethics and Conduct (Dec 2008) . This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.

52.219-8 Utilization of Small Business Concerns (May 2004) .

This clause applies only if this contract offers further subcontracting opportunities. If this contract exceeds \$550,000 (\$1,000,000 for construction of any public facility) and Seller is not a small business concern, Seller must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

52.222-26 Equal Opportunity (Mar 2007) .

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006) . This clause applies only if this contract exceeds \$100,000.

52.222-36 Affirmative Action for Workers With Disabilities (Jun 1998) . This clause applies only if this contract exceeds \$10,000.

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004) . This clause applies only if this contract exceeds \$100,000.

252.225-7012 Preference for Certain Domestic Commodities (Dec 2008) .

252.247-7023 Transportation of Supplies by Sea (May 2002) .

This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

. 252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000) .

"Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if 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.

4. Cost Accounting Standards.

(1) (Applicable if this contract incorporates clause H001) The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause H001 is the version dated October 2008.

(2) (Applicable if this contract incorporates clause H002) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by H002 is the version dated October 2008.

(3) (Applicable if this contract incorporates clause H003) The version of FAR 52.230-5, Cost Accounting Standards - Educational Institution, is the version dated October 2008.

(4) (Applicable if this contract incorporates clause H007) The version of FAR 52.230-4, Disclosure and Consistency of Cost Accounting Standards for Contracts Awarded to Foreign Concerns, is the version dated October 2008.

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