(a) The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. Unless provided for elsewhere in this contract, only subparagraphs (17), (18), (19), and (31) of this paragraph (a) shall apply to any portion of this contract that is for commercial items or commercial components, as those terms are defined at FAR 52.202-1. In all of the following clauses, "Contractor" and "Offeror" shall mean Seller.

1. 52.203-7 Anti-Kickback Procedures (JUL 1995) [excluding subparagraph (c)(1)]. This clause applies only if this contract exceeds $100,000. 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.

2. 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 or recover from Seller the amount of the reduction.

3. 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 1991)

4. 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 1997). Paragraph (c)(4) is modified to read as follows: "(c)(4) Seller will promptly submit any disclosure required (with written notice to Buyer) directly to the PCO for the prime contract. Buyer will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor."

5. 52.204-2 Security Requirements (AUG 1996) (excluding any reference to the Changes clause of this contract). This clause applies only if access to classified information is required.

6. 52.211-5 New Materials (OCT 1997)

7. 52.211-15 Defense Priority and Allocation Requirements (SEP 1990)

8. 52.215-2 Audit and Records -- Negotiation (AUG 1996). 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.
(9) 52.215-10 Price Reduction For Defective Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds $500,000. In subparagraph (3) of paragraph (a), insert "of this contract" after "price or cost." In Paragraph (c), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Paragraphs (c)(1), (c)(1)(ii), and (c)(2)(i), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Subparagraph (c)(2)(i)(A), delete "to the Contracting Officer." In Subparagraph (c)(2)(ii)(B), "Government" shall mean "Government or Buyer." In Paragraph (d), "United States" shall mean "United States or Buyer."

(10) 52.215-12 Subcontractor Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds $500,000. The certificate required by paragraph (b) 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 "The Boeing Company or any of its wholly owned subsidiaries."

(11) 52.215-14 Integrity of Unit Prices (OCT 1997) [excluding paragraph (b)]

(12) 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB) (OCT 1997). This clause applies only if under this contract certified cost or pricing data is required or preaward or postaward cost determinations are subject to FAR subpart 31.2. Buyer may withhold or recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause. "Contracting Officer" shall mean Buyer.

(13) 52.215-19 Notification of Ownership Changes (OCT 1997). This clause applies only if under this contract certified cost or pricing data is required or preaward or postaward cost determinations are subject to FAR subpart 31.2. Buyer may withhold or recover from Seller such sums as the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause. "Contracting Officer" shall mean Buyer.

(14) 52.219-8 Utilization of Small Business Concerns (JAN 1999)

(15) 52.219-9 Small Business Subcontracting Plan (JAN 1999). This clause applies only if this contract exceeds $500,000 and Seller is not a small business concern. In paragraph (c), "Contracting Officer" shall mean Buyer.

(16) 52.222-20 Walsh-Healey Public Contracts Act (DEC 1996). This clause applies only if this contract exceeds $10,000.

(17) 52.222-26 Equal Opportunity (FEB 1999) [subparagraphs (b)(1) through (11)]
<table>
<thead>
<tr>
<th>Clause Number</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>52.222-35</td>
<td>(18) Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1998). This clause applies only if this contract is for $10,000 or more.</td>
</tr>
<tr>
<td>52.222-36</td>
<td>(19) Affirmative Action for Handicapped Workers (JUN 1998). This clause applies only if this contract exceeds $10,000.</td>
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<tr>
<td>52.222-37</td>
<td>(20) Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (JAN 1999). This clause applies only if this contract is for $10,000 or more.</td>
</tr>
<tr>
<td>52.223-2</td>
<td>(21) Clean Air and Water (APR 1984). This clause applies only if this contract exceeds $100,000.</td>
</tr>
<tr>
<td>52.223-14</td>
<td>(22) Toxic Chemical Release Reporting (OCT 1996) [excluding paragraph (e)]. This clause applies only if this contract (including all options) exceeds $100,000, the contract is not for commercial items, as defined in FAR Part 12, and Seller has a SIC designation of major groups 20 through 39 as set forth in FAR 19.102.</td>
</tr>
<tr>
<td>52.225-11</td>
<td>(23) Restrictions on Certain Foreign Purchases (AUG 1998)</td>
</tr>
<tr>
<td>52.227-2</td>
<td>(25) Notice and Assistance Regarding Patent and Copyright Infringement (AUG 1996). This clause applies only if this contract exceeds $100,000. A copy of each notice sent to the Government will be sent to Buyer.</td>
</tr>
<tr>
<td>52.227-11</td>
<td>(26) Patent Rights – Retention by the Contractor (Short Form) (JUN 1997). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business or nonprofit organization.</td>
</tr>
<tr>
<td>52.227-12</td>
<td>(27) Patent Rights – Retention by the Contractor (Long Form) (JAN 1997). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business or nonprofit organization.</td>
</tr>
<tr>
<td>52.230-6</td>
<td>(28) Administration of Cost Accounting Standards (APR 1996). This clause applies only if clause 3050 or 3051 is incorporated in this contract. Add &quot;Buyer and the&quot; before &quot;Contracting Officer&quot; in paragraph (f).</td>
</tr>
<tr>
<td>52.234-1</td>
<td>(29) Industrial Resources Developed Under Defense Production Act Title III (DEC 1994)</td>
</tr>
<tr>
<td>52.244-5</td>
<td>(30) Competition in Subcontracting (DEC 1996)</td>
</tr>
</tbody>
</table>
(31) 52.244-6 Subcontracts for Commercial Items and Commercial Components (OCT 1998)

(32) 52.245-2 Government Property (DEC 1989)

(b) 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" shall mean Seller.

(1) 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Related Felonies (MAR 1999) [excluding paragraph (g)]. This clause applies only if this contract exceeds $100,000 and is not for commercial items or components.

(2) 252.204-7000 Disclosure of Information (DEC 1991). Seller will submit requests for authorization to release through Buyer.

(3) 252.209-7000 Acquisition From Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty (NOV 1995). This clause applies only if this contract exceeds $100,000 and is not for commercial items.

(4) 252.215-7000 Pricing Adjustments (DEC 1991)

(5) 252.219-7003 Small Business and Small Disadvantaged Business Subcontracting Plan (DoD Contracts) (APR 1996)

(6) 252.225-7001 Buy American Act and Balance of Payments Program (MAR 1998)

(7) 252.225-7002 Qualifying Country Sources as Subcontractors (DEC 1991)

(8) 252.225-7009 Duty-Free Entry -- Qualifying Country End Products and Supplies (MAR 1998)

(9) 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (AUG 1998). This clause applies unless this contract is for (1) commercial items other than ball or roller bearings or (2) items that do not contain ball or roller bearings.

(10) 252.225-7022 Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (JUN 1997)

(11) 252.225-7026 Reporting of Contract Performance Outside the United States (MAR 1998). This clause applies only if this contract exceeds $500,000 and
is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.

(12) 252.225-7037 Duty-Free Entry -- NAFTA Country End Products and Supplies (JAN 1994). Additional information referenced in this clause is available on request.

(13) 252.227-7013 Rights in Technical Data -- Noncommercial Items (NOV 1995). This clause applies only if this contract requires Seller to provide noncommercial technical data to Buyer for delivery to the Government.

(14) 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (JUN 1995). This clause applies only if this contract requires Seller to provide noncommercial computer software or noncommercial computer software documentation to Buyer for delivery to the Government.

(15) 252.227-7016 Rights in Bid or Proposal Information (JUN 1995)

(16) 252-227-7017 Identification and Assertion of Use, Release, or Disclosure Restriction (JUN 1995)

(17) 252.227-7019 Validation of Asserted Restrictions -- Computer Software (JUN 1995). This clause applies only if this contract requires Seller to provide computer software to Buyer for delivery to the Government.

(18) 252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 1995)

(19) 252.227-7027 Deferred Ordering of Technical Data or Computer Software (APR 1988). This clause applies only if technical data or computer software may be generated as part of the performance of this contract.

(20) 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.

(21) 252.227-7036 Certification of Technical Data Conformity (JAN 1997). This clause applies only if the delivery of technical data is required under this contract.

(22) 252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 1999). This clause applies only if the delivery of technical data is required under this contract and the contract is not for commercial items or commercial components.
(23) 252.231-7000 Supplemental Cost Principles (DEC 1991)

(24) 252.245-7001 Reports of Government Property (MAY 1994). Seller will provide information Buyer may require to complete Buyer's annual report.

(25) 252.247-7023 Transportation of Supplies by Sea (NOV 1995). This clause applies only if this contract exceeds $100,000 and is not for commercial items.

(26) 252.247-7024 Notification of Transportation of Supplies by Sea (NOV 1995). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if this contract is not for commercial items or components.

(c) Cost Accounting Standards

(1) The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause 3050 is the version dated April 1996.

(2) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause 3051 is the version dated April 1996.