

**Common Terms and Conditions Guide**  
**Section 5 – Government Contract Requirements**

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**DTFA03-01-C-00006**

- (a) The following contract clauses are incorporated by reference from the Federal Aviation Agency's Management System (FAAMS) and apply to the extent indicated. The FAAMS clauses are accessible at <http://fast.faa.gov/>. (Click on "Toolsets" and then click on "Procurement Toolbox.") In all of the following clauses, "Contractor" and "Offeror" shall mean Seller.
- (1) 3.1.8-1 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (SEP 2000). This clause applies to this contract if Seller, its employees, officers, directors or agents participated personally and substantially in any part of the preparation of a proposal for this contract. Seller shall indemnify Buyer for any and all losses suffered by Buyer due to violations of the Act (as set forth in this clause) by Seller or its subcontractors at any tier.
  - (2) 3.1.8-2 Price or Fee Adjustment for Illegal or Improper Activity (SEP 2000). 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) 3.2.2.3-8 Audit and Records - Negotiation (APR 1996). This clause applies only if this contract exceeds \$1,000,000 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.
  - (4) 3.2.2.3-25 Price Reduction For Defective Cost or Pricing Data (APR 1996). This clause applies only if this contract exceeds \$1,000,000. 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."
  - (5) 3.2.2.3-27 Subcontractor Cost or Pricing Data (APR 1996). This clause applies only if this contract exceeds \$1,000,000. 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."

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- (6) 3.2.2.3-30 Termination of Defined Benefit Pension Plans (APR 1996). This clause applies only if this contract exceeds \$1,000,000 and cost or pricing data was required.
- (7) 3.2.2.3-36 Reversion or Adjustment of Plans for Post-Retirement Benefits Other Than Pensions (APR 1996). This clause only applies if this contract exceeds \$1,000,000 and cost or pricing data was required.
- (8) 3.2.2.3-37 Notification of Ownership Changes (APR 1996). This clause only applies if this contract exceeds \$1,000,000 and cost or pricing data was required.
- (9) 3.2.3-5 Administration of Cost Accounting Standards (APR 1996). This clause applies only if clause 3050 or 3051 is incorporated in this contract. Add "Buyer and the" before "Contracting Officer" in paragraph (f).
- (10) 3.2.5-5 Anti-Kickback Procedures (OCT 1996) [excluding subparagraph (c)(1)]. Buyer may withhold 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.
- (11) 3.2.5-7 Disclosure Regarding Payments to Influence Certain Federal Transactions (JUN 1999). This clause applies only if this contract exceeds \$100,000.
- (12) 3.3.2-1 FAA Cost Principles (OCT 1996)
- (13) 3.5-1 Authorization and Consent (APR 1996)
- (14) 3.5-2 Notice and Assistance Regarding Patent and Copyright Infringement (APR 1996). A copy of each notice sent to the Government will be sent to Buyer. "Contracting Officer" shall mean Buyer
- (15) 3.5-3 Patent Indemnity (APR 1996)
- (16) 3.5-9 Filing of Patent Applications - Classified Subject Matter (APR 1996). This clause applies only if this contract will involve access to classified subject matter.
- (17) 3.5-10 Patent Rights – Retention by the Contractor (Short Form) (OCT 1996). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business or nonprofit organization.
- (18) 3.5-11 Patent Rights – Retention by the Contractor (Long Form) (OCT 1996). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business or nonprofit organization.

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- (19) 3.5-13 Rights In Data - General (OCT 1996), Alternate II (OCT 1996). This clause applies only if technical data or computer software will be produced, furnished, or acquired under this contract. This clause does not apply if this contract is placed under a Department of Defense contract.
- (20) 3.5-15 Additional Data Requirements (APR 1996). This clause applies only if this contract involves experimental, developmental, research, or demonstration work.
- (21) 3.5-16 Rights in Data - Special Works (APR 1996).
- (22) 3.6.1-3 Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns (APR 1996)
- (23) 3.6.2-9 Equal Opportunity (AUG 1998) [subparagraphs (b)(1) through (11)]
- (24) 3.6.2-12 Affirmative Action for Special Disabled and Vietnam Era Veterans (JAN 1998). This clause applies only if this contract is for \$10,000 or more.
- (25) 3.6.2-13 Affirmative Action for Workers With Disabilities (APR 2000). This clause applies only if this contract exceeds \$10,000.
- (26) 3.6.2-14 Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (JAN 1998). This clause applies only if this contract is for \$10,000 or more.
- (27) 3.6.2-35 Prevention of Sexual Harassment (AUG 1998)
- (28) 3.6.3-2 Clean Air and Water (APR 1996). This clause applies only if this order exceeds \$100,000.
- (29) 3.6.4-10 Restrictions on Certain Foreign Purchases (APR 1996)
- (b) Cost Accounting Standards
  - (1) If clause 3050 is incorporated in this contract, "FAR 52.230-2, Cost Accounting Standards," is changed to "FAAMS 3.2.3-2, Cost Accounting Standards (APR 1996)."
  - (2) If clause 3051 is incorporated in this contract, "FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices," is changed to "FAAMS 3.2.3-3, Disclosure and Consistency of Cost Accounting Practices (APR 1996)."
- (c) Acknowledgement of Sponsorship/Coauthorship

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All reports, journal articles, drawings, etc., prepared as a result of this contract shall acknowledge the sponsorship of the work with the following statement: "This work was supported by the William J. Hughes Technical Center, Atlantic City International Airport, New Jersey."

(d) Civil Aviation Security Information

(1) The performance of this contract may involve some or all of the activities described in 14 CFR Part 191.1(a). Consequently, except as may be expressly approved in writing by the Director of Civil Aviation Security or his designee, Seller shall not disclose or release any information or record which has been obtained or developed in the conduct of such activities to any person or persons other than to authorized representatives of the Government and to employees of Buyer and Seller (and of its subcontractors, if any) performing work under this contract. Seller shall include the substance of this clause in all subcontracts entered into under this contract.

(2) The following statement shall be placed on any reports furnished under this contract, which reports are records subject to 14 CFR Part 191.1(a):

"This report is a record subject to the provisions of 14 CFR Part 191. Release of information contained herein is prohibited without the express written approval of the Director, Civil Aviation Security, or his designee."

(3) The security classification for the work associated with this contract shall be determined prior to contract award.