

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

**Clause Number: 5067**  
**Effective: 1/24/2003**  
**Page: 1 of 6**

**NAS8-02070**

**TA-10: FLIGHT DEMONSTRATION RISK REDUCTION**

- (a) The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. Unless provided for otherwise elsewhere in this contract, only subparagraphs (18), (22), (23), (24), and (34) 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) 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 1995). This clause applies only if this contract exceeds \$100,000.
  - (2) 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.
  - (3) 52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997). 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.
  - (4) 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.
  - (5) 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 1991). This clause applies only if this contract exceeds \$100,000.
  - (6) 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 1997). This clause applies only if this contract exceeds \$100,000. 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."
  - (7) 52.211-5 New Materials (AUG 2000)

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

**Clause Number: 5067**  
**Effective: 1/24/2003**  
**Page: 2 of 6**

- (8) 52.211-15 Defense Priority and Allocation Requirements (SEP 1990). DPAS rating is DO-C9.
- (9) 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.
- (10) 52.215-10 Price Reduction For Defective Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds \$550,000. 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."
- (12) 52.215-12 Subcontractor Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds \$550,000. 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."
- (13) 52.215-14 Integrity of Unit Prices (OCT 1997) [excluding paragraph (b)]
- (14) 52.215-15 Pension Adjustments and Asset Reversions (DEC 1998). 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 part 31. 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.
- (15) 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (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.
- (16) 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

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

**Clause Number: 5067**  
**Effective: 1/24/2003**  
**Page: 3 of 6**

Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause. "Contracting Officer" shall mean Buyer.

- (17) 52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost Or Pricing Data (OCT 1997). "Contracting Officer" shall mean Buyer in subparagraph (a).
- (18) 52.219-8 Utilization of Small Business Concerns (OCT 2000)
- (19) 52.219-9 Small Business Subcontracting Plan (JAN 2002). 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.
- (20) 52.222-1 Notice to the Government of Labor Disputes (FEB 1997). "Contracting Officer" shall mean Buyer.
- (21) 52.222-21 Prohibition of Segregated Facilities (FEB 1999)
- (22) 52.222-26 Equal Opportunity (APR 2002) [subparagraphs (b)(1) through (11)]
- (23) 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (APR 1998). This clause applies only if this contract exceeds \$25,000.
- (24) 52.222-36 Affirmative Action for Workers With Disabilities (JUN 1998). This clause applies only if this contract exceeds \$10,000.
- (25) 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). This clause applies only if this contract exceeds \$25,000.
- (26) 52.223-14 Toxic Chemical Release Reporting (OCT 2000) [excluding paragraph (e)]. This clause applies only if this contract was competitively awarded, exceeds \$100,000 (including all options), is not for commercial items as defined in FAR Part 12 and Seller has a SIC designation of major groups 20 through 39 or their corresponding North American Industry Classification System (NAICS) sectors 31 through 33.
- (27) 52.225-13 Restrictions on Certain Foreign Purchases (JUL 2000)
- (28) 52.227-1 Authorization and Consent (JUL 1995), Alternate I (APR 1984)
- (29) 52.227-2 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.
- (30) 52.227-11 Patent Rights – Retention by the Contractor (Short Form) (JUN 1997). This clause applies only if this contract is for experimental,

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

**Clause Number: 5067**  
**Effective: 1/24/2003**  
**Page: 4 of 6**

developmental, or research work and Seller is a small business or nonprofit organization.

- (31) 52.227-14 Rights in Data -- General (JUN 1987) and Alternates II, III, and V (JUN 1987) -- As modified by NASA FAR Supplement 18-52.227-14. This clause applies only if data will be produced, furnished, or acquired under this contract.
  - (32) 52.227-16 Additional Data Requirements (JUN 1987). This clause applies only if this contract involves experimental, developmental, research, or demonstration work.
  - (33) 52.244-5 Competition in Subcontracting (DEC 1996)
  - (34) 52.244-6 Subcontracts for Commercial Items (MAY 2002)
  - (35) 52.245-2 Government Property (DEC (1989)
  - (36) 52.245-18 Special Test Equipment (FEB 1993)
  - (37) 52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (JUN 2000)
- (b) The following contract clauses are incorporated by reference from the National Aeronautics and Space Administration Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" shall mean Seller.
- (1) 18-52.204-76 Security Requirements for Unclassified Information Technology Resources (JUL 2001). This clause applies to all or any part of this contract that includes information technology resources or services in which Seller must have physical or electronic access to NASA's sensitive information contained in unclassified systems that directly support the mission of the Agency.
  - (2) 18-52.211-70 Packaging, Handling, and Transportation (JUN 2000)
  - (3) 18-52.219-74 Use of Rural Area Small Businesses (SEP 1990). This clause applies only if this contract offers subcontracting possibilities.
  - (4) 18-52.219-75 Small Business Subcontracting Reporting (MAY 1999). This clause applies only if this contract exceeds \$500,000 and Seller is not a Small Business concern
  - (5) 18-52.219-76 NASA 8 Percent Goal (JUL 1997). This clause applies only if Seller is not a small business.
  - (6) 18-52.223-70 Safety and Health (APR 2002). This clause applies only if this contract exceeds \$1,000,000; requires construction, repairs, or

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

**Clause Number: 5067**  
**Effective: 1/24/2003**  
**Page: 5 of 6**

alteration in excess of \$25,000; or involves the use of hazardous materials or operations.

- (7) 18-52.223-71 Frequency Authorization (DEC 1988). This clause applies only if this contract involves the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.
  - (8) 18-52.225-70 Export Licenses (FEB 2000).
  - (9) 18-52.227-70 New Technology (NOV 1998). This clause applies only if this contract is for experimental, developmental, or research work and Seller is not a small business or nonprofit organization.
  - (10) 18-52.227-72 Designation of New Technology Representative and Patent Representative (JUL 1997). Insert in paragraph (a): New Technology Representative, CD30, MSFC, AL 35812; Patent Representative/Chief, Intellectual Property Counsel, LS01, MSFC, AL 35812.
  - (11) 18-52.235-70 Center for Aerospace Information (JUL 2000)
  - (12) 18-52.242-73 NASA Contractor Financial Management Reporting (JUL 2000). This clause applies only if this contract is a cost-type, price redetermination or FPI contract. "Contracting Officer" shall mean Buyer's Authorized Procurement Representative.
  - (13) 18-52.244-70 Geographic Participation in the Aerospace Program (APR 1985). This clause applies only if this contract is for \$100,000 or more.
  - (14) 18-52.245-70 Acquisition of Centrally Reportable Equipment (JUL 1997) [excluding paragraph (b)(3)]. "Contracting Officer" shall mean Buyer. If the equipment is to be acquired as Special Test Equipment (STE), Seller shall submit the applicable request 75 days in advance of the date Seller intends to acquire the equipment. No later than 30 September of each year, Seller will provide Buyer a list of all property acquired under this clause. The list will include at a minimum: (1) part number; (2) serial number; (3) modification number, if any; (4) nomenclature; (5) acquisition cost; (6) acquisition date; and (7) the date of the prior year's list.
  - (15) 18-52.245-73 Financial Reporting of Government-Owned/Contractor-Held Property (AUG 2001). Seller will submit annual reports to Buyer no later than October 15.
- (c) Cost Accounting Standards
- (1) The version of FAR 52.230-2, Cost Accounting Standards, incorporated by clause 3050 is the version dated April 1998.

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

**Clause Number: 5067**  
**Effective: 1/24/2003**  
**Page: 6 of 6**

- (2) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause 3051 is the version dated April 1998.
- (d) Special Provision For Contract Changes. The parties agree that, notwithstanding the provisions of the Changes clause of this order, no change made under this order shall give rise to an equitable adjustment in cost or fee when said change causes an increase or decrease of \$100,000 or less in the target cost or estimated cost of this order.
- (e) Special Notification/Consent Requirements. Seller shall obtain the advance consent of the Buyer before placing any of the following types of subcontracts in support of this order: all cost reimbursement, time-and-materials, and labor hours contracts exceeding \$10,000 in value; and all other kinds of subcontracts exceeding \$500,000 in value.