

**CUSTOMER CONTRACT REQUIREMENTS  
NETHERLANDS APACHE  
CUSTOMER CONTRACT DAAJ09-94-C-A002**

**CUSTOMER CONTRACT REQUIREMENTS**

If Form GP1 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 29. If Form GP2 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 28. If Form GP3 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 41. If Form GP4 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 31. If this contract is for the procurement of commercial items, as defined in FAR Part 2.101, see Section 3 below.

1. 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 (JUL 1995). 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 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.

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 1991). This clause applies only if this contract exceeds \$100,000.

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 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.

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

52.211-5 New Material (OCT 1997). Any notice will be given to Buyer rather than the Contracting Officer.

52.211-15 Defense Priority and Allocation Requirements (SEP 1990). This clause is applicable if a priority rating is noted in this contract.

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.

52.215-10 Price Reduction For Defective Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. 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."

52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (OCT 1997). This clause applies only if this contract exceeds \$550,000 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."

52.215-12 Subcontractor Cost or Pricing Data (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. 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."

52.215-13 Subcontractor Cost or Pricing Data – Modifications (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. 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."

52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (OCT 1996). 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.

52.215-15 Pension Adjustments and Asset Reversions (OCT 1997). This Clause applies to this contract if it meets the requirements of FAR 15.408(g).

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB) (OCT 1997). This Clause applies to this contract if it meets the requirements of FAR 15.408(j).

52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data (OCT 1997). The term "Contracting Officer" shall mean Buyer.

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 (JAN 1999).

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

52.222-1 Notice to Government of Labor Disputes (FEB 1997). "Contracting Officer" shall mean Buyer.

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

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (APR 1984).

52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (APR 1996). This clause applies only if this contract exceeds \$10,000.

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

52.222-37 Employment Reports on Disabled Veterans and Veterans of the Viet Nam Era (APR 1998). This clause applies only if this contract exceeds \$10,000.

52.223-2 Clean Air and Water (APR 1984). This clause applies only if this contract exceeds \$100,000.

52.223-3 Hazardous Material Identification and Material Safety Data (JAN 1997). This clause applies only if Seller delivers hazardous material under this contract.

52.223-7 Notice of Radioactive Materials (JAN 1997). This clause applies only if this contract involves (i) radioactive material requiring specific licensing under the regulations issued pursuant to the Atomic Energy Act of 1954, as amended, as set forth in Title 10 of the Code of Federal Regulations, in effect on the date of this contract, or (ii) other radioactive material not requiring specific licensing in which the specific activity is greater than 0.002 microcuries per gram or the activity per item equals or exceeds 0.01 microcuries. "Contracting Officer" shall mean Buyer. In the blank in paragraph (a), insert "60 days."

52.223-11 Ozone Depleting Substances (JUN 1996).

52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e)) (OCT 1996). This clause applies only if this contract exceeds \$100,000 (including all options).

52.225-10 Duty-free Entry (APR 1984). 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 (f)(3) are completed as follows: "UNITED STATES GOVERNMENT, DEPARTMENT OF DEFENSE, Duty-free entry is claimed pursuant Schedule 8, Part 3, Item No. 832.00 Tariff Schedule of the United States (19 U.S. C. 1202). Upon arrival of shipment at port of entry, District Director of Customs, please release shipment under 19 CFR 142 and notify the appropriate contract administration office for execution of Customs Forms 7501-A and any required duty-free entry certificates."

52.225-11 Restrictions on Certain Foreign Purchases (AUG 1998).

52.227-1 Authorization and Consent (JUL 1995).

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 1996). A copy of each notice sent to the Government will be sent to Buyer. "Contracting Officer" shall mean "Buyer". This clause applies only if this contract exceeds \$100,000.

52.227-6 Royalty Information (APR 1984)

52.227-12 Patent Rights - Retention by the Contractor (Long Form) (JUN 1997). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is other than a small business firm or nonprofit organization.

52.227-21 Technical Data Declaration, Revision, and Withholding of Payment - Major Systems (JAN 1997).

52.230-6 Administration of Cost Accounting Standards (APR 1996). Add "Buyer and the" before "Contracting Officer in paragraph (f). This provision applies if Clause H002 is included in Buyer's contract.

52.244-5 Competition in Subcontracting (DEC 1996)

52.244-6 Subcontracts for Commercial Items and Commercial Components (APR 1998)

52.245-17 Special Tooling (DEC 1989). This clause applies only if tooling is acquired for or furnished by the Government and to be retained for use by the Seller.

52.245-18 Special Test Equipment (FEB 1993). Change "30 days" to "45 days" in paragraph (b) and (c). The notice of intent to procure special test equipment required by this clause shall be forwarded to the Buyer.

52.247-63 Preference for U.S.-Flag Air Carriers (JAN 1997). This clause only applies if this contract involves international air transportation.

52.248-1 Value Engineering (excluding subparagraph (f)) (MAR 1989). The term "Contracting Officer" means Buyer. This clause applies only if this contract is for \$100,000 or more. If Value Engineering Change Proposal is accepted by the Government, Seller's share will be 50% of the instant, concurrent and future contract net acquisition savings and collateral savings that Buyer receives from the Government. Seller's negotiated share of the net acquisition savings and collateral savings shall not reduce the Government's share of concurrent or future savings or collateral savings. Buyer's payments to Seller under this clause are conditioned upon Buyer's receipt of authorization for such payments from the Government.

2. DoD Contracts. If this Contract is placed under a Department of Defense Contract, 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. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (JUN 1997). 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.

252.209-7000 Acquisition From Subcontractors Subject to On-site Inspection Under the Intermediate-Range Nuclear Forces Treaty (NOV 1995). This clause applies only if this contract exceeds \$100,000 and does not apply to the purchase of commercial items or commercial components.

252.215-7000 Pricing Adjustments (DEC 1991). This clause applies only if this contract exceeds \$500,000.

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.

252.225-7001 Buy American Act and Balance of Payment Program. (MAR 1998)

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

252.225-7010 Duty-free Entry — Additional Provisions (MAR 1998). This clause applies in addition to FAR 52.225-10.

ACO	P. Griffin
Activity Address	DCMA Attn.: DCMDW-GPOMA 5000 E. McDowell Road Mesa, AZ 85215-9797
Activity Address Number	S0302A
Prime Contractor	McDonnell Douglas Helicopter Company
Prime Contractor's Address	5000 E. McDowell Road Mesa, AZ 85215-9797
Cage Code	8V613
Prime Contract Number	DAAJ09-94-C-A002
Prime Contract Dollar Value	\$TBD

252.225-7012 Preference for Certain Domestic Commodities (SEP 1997).

252.225-7014, & Alternate I, Preference for Domestic Specialty Metals (MAR 1998).

252.225-7025 Restriction on Acquisition of Forgings (JUN 1997). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

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.

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.

252.227-7030 Technical Data - Withholding of Payment (OCT 1988). 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.

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

252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 1995). This clause applies only if the delivery of data is required by this contract.

252.228-7001 Ground and Flight Risk (SEP 1996)

252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles (DEC 1991).

252.231-7000 Supplemental Cost Principles (DEC 1991)

252.232-7004 DoD Progress Payment Rates (FEB 1996)

252.235-7003 Frequency Authorization (DEC 1991). This clause applies only if this contract requires the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required.

252.246-7001 Warranty of Data (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.

252.249-7002 Notification of Proposed Program Termination or Reduction (DEC 1996). This clause applies only if this contract is \$500,000 or more. Seller will comply with the notice and flowdown requirements of paragraph (d)(2) of the referenced clause.

3. If goods or services being procured under this contract are for 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:

52.219-8 Utilization of Small Business Concerns (JAN 1999). Include in all subcontracts that offer further subcontracting opportunities. If a subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the Seller and any lower tier subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (APR 1984).

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1998). This clause applies only if this contract exceeds \$10,000.

52.222-36 Affirmative Action for Handicapped Workers (JUN 1998). This clause applies only if this contract exceeds \$2,500.

252.225-7014, Alternate I, Preference for Domestic Specialty Metals (MAR 1998).

252.247-7023 Transportation of Supplies by Sea (NOV 1995). This clause applies only if this contract exceeds \$100,000 in FAR Part 13 and are a type of supplies described in paragraph (b)(2) of this clause. In paragraph (c), "45 days" is changed to "60 days". In paragraph (g) "Government" means Buyer.

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 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 April 1998.

(2) (Applicable if this contract incorporates clause H002). The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by clause H002 is the version dated April 1998.

(3) (Applicable if this contract incorporates clause H004). The version of FAR 52.230-5, Cost Accounting Standards – Educational Institution, incorporated by clause H004 is the version dated April 1998.

5. The following prime contract special provisions apply to this purchase order:

**A. FOREIGN MILITARY SALES**

The Seller certifies that the price of this Contract does not include any direct or indirect costs of sales commissions or fees for Seller's sales representatives involved in Foreign Military Sales.

**B. FOREIGN OBJECT DAMAGE/CONTROL**

Seller shall establish and maintain systems and procedures necessary to provide a program of foreign object damage/control.

**C. NOTIFICATION OF DEBARMENT/SUSPENSION STATUS**

Seller shall provide immediate notice to Buyer in the event of being suspended, debarred or declared ineligible by any Department or other Federal Agency, or upon receipt of a notice of proposed debarment from any DoD Agency, during the performance of this Contract.

**D. SAFETY AND ACCIDENT PREVENTION**

In performing work under this contract on a Government installation, Seller shall (a) conform to the specific safety requirements contained in the contract, and (b) for those related activities not directly addressed by this contract, conform to the applicable safety rules prescribed by the Government installation, and (c) take such additional precautions as Buyer or the Contracting Officer under Buyer's Government contract may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected as directed by Buyer or the Contracting Officer, shall be grounds for termination of this contract in accordance with the default provisions hereof. Buyer may, by written order, direct additional safety and accident standards as may be required under Buyer's Government contract and any adjustments resulting from such direction will be in accordance with the provisions of this contract entitled "Changes

**E. GOVERNMENT RIGHT TO PROCURE**

The parties hereby agree that this provision shall be applicable in its entirety to this contract. Further, the parties hereby agree that a provision no less favorable to the Buyer and/or Government than this clause shall be included in contracts related to the item(s) that are subsequently awarded to the Seller. In addition, the Seller agrees to accept, in any such subsequent contract(s), data clauses, which shall be no less favorable to the Buyer and/or Government than the terms of the data clauses in this clause.

1. Intent. The Government intends to provide for maximum practical breakout or competitive procurement of the aircraft system, including all parts, components, and subsystems (all called "parts" hereinafter in this provision) related to the aircraft. The intent extends to any requirement for such system or parts including but not limited to, foreign military sales and support of Rationalization, Standardization, and Interoperability (RSI). To accomplish this intent, the Government and the Buyer seek to either (1) acquire technical data packages with sufficient rights and technical assistance, if necessary, for competitive procurement or manufacture of such parts worldwide or; (2) provide for multiple qualification of sources of such parts in accordance with (e) below or; (3) acquire parts directly from their manufacturer. Nothing in this clause shall abrogate the Seller's obligation to pursue an aggressive Seller breakout and competitive procurement program in its purchasing and subcontracting activities.

2. Identification of Parts. Parts shall be identified in accordance with this Purchase Order.

3. Acquisition of Additional Technical Data and Computer Software and Rights Thereto and Technical Assistance.

(A) The Government, through the Buyer or directly to the Seller, has the right during the term of this Purchase Order or any future contract related to the Aircraft that is subsequently awarded to the Seller, to purchase from time to time "Technical Data Packages" (TDP's) which are to include Engineering Drawings and Associated Lists at Level 3, together with the required rights and/or technical assistance, for the purposes set forth above. Upon written notice of the Buyer's intent to purchase TDP's or

technical assistance, the Seller shall within 60 calendar days after receipt of such notice, submit a proposal for the costs of preparation and reproduction of such TDP's, and the amount (separately stated) to be paid as compensation for the data/patent rights to be included in the TDP's and/or the cost of providing technical assistance. Within sixty (60) days after receipt of a proposal, the parties shall undertake to negotiate a firm price and/or royalty arrangement for such TDP's in accordance with a schedule mutually agreed upon.

(1) The scope of these Data Rights shall cover all uses of all or any part of the Seller's data. The Government will endeavor to accomplish its purpose with less than unlimited rights, but the Government through the Buyer reserves the right to acquire unlimited rights. The rights to be acquired may be procured on a royalty and/or lump sum basis.

(2) The scope of the Patent Rights shall be a license under any applicable U.S. or foreign patent or patent application that the contractor owns or controls. The scope of the license shall be to the extent necessary to cover any use of such patent or patent application when using this data in the manufacture or sale of such parts by or for the U.S. Government and/or foreign Governments for other than commercial purposes.

(3) The scope of the Technical Assistance shall be Seller services necessary to transfer "know-how" required to manufacture the part described in the TDP. The scope may include plant access, services of Seller's qualified technical personnel at its facilities, and services of Seller's qualified technical personnel at a third party Seller's facilities. Such services may require personnel qualified in manufacturing, engineering, and requests for review of specifications and quality control. Further, such access and services shall be rendered to the Government, the Buyer, and third part Sellers selected by the Government who have a contract to manufacture the part. This right to technical assistance shall terminate three (3) years after Government and/or the Buyer acceptance of the TDP unless a longer period is negotiated as part of the purchase of the TDP.

(B) The Seller's right to compensation for data rights shall apply only to data which the Seller would be entitled to mark with the limited rights legend in accordance with the Contract clause of this contract titled "Rights in Technical Data Non-Commercial Items ", DFARS 252.227-7013, and "Rights in Noncommercial Computer Software and Noncommercial Software Documents", DFARS 252.227-7014. The Seller's entitlement to mark the data shall be determined as of the time the Seller receives notice of the Government's and/or Buyer's intent to purchase TDPs. The following factors may, among others, be considered in determining a fair and reasonable compensation for such great rights in data:

(1) The benefit actually received by the Government from its use of the data.

(2) The private expense incurred by the Seller in developing the data.

(3) The extent to which the data conferred a competitive advantage (in terms of potential for future business, whether commercial or government) to the Seller at the time of its use by the Government and/or Buyer.

(4) The extent to which the competitive advantage above was enhanced by virtue of the contract work.

(5) The extent to which the data was developed by Government funds.

(6) The nature of the Government's use and the extent to which the Seller's interest is protected during the use.

(7) Any obligations of the Seller to pay others for the use of the data.

(8) The terms of any previous sales or offers of sales of the data or products to which the data pertains.

(9) The extent to which the Seller's competence in the field was brought about by prior Government contracts.

(10) The degree of originality represented by the data (routine engineering versus high creativity).

(C) If it is deemed necessary by the Government through the Buyer to use data delivered under this contract with limited or restricted rights, with greater rights prior to completion of negotiations for such rights, the Government, through the Buyer, may do so upon giving written notice to the Seller ten (10) days in advance. This notice will specify the data which is to be so used, and will contain a brief



explanation of the nature and conditions of the use. Thereafter, the parties shall promptly complete their negotiation for such greater rights. If an agreement is not reached within a reasonable time, the Buyer shall treat the question of compensation for greater rights in data as a disputed fact under the "Disputes" clause of this contract.

4. It is further agreed that all TDP's procured pursuant to this clause will be subject to the Warranty of Data (DFARS 252.246-7001) clause of this contract.

5. Qualification of Additional Vendors. The Government through the Buyer has the right to require the Seller to qualify at least one (1) additional competitive source for all parts, to permit the competitive purchase of the parts by the Government and/or the Buyer. This right may be exercised from time to time for the term of this contract. Upon written notice from the Buyer, the Seller shall, to the extent possible, promptly proceed with, and complete the qualification of parts as required at prices to be negotiated. Negotiated price shall include price of Seller support to qualification effort. In qualifying vendors, the Seller shall use the same basis or standard to the extent possible, in order that no competitive advantage or disadvantage is given to any vendor. When required by the Buyer to qualify an additional source, the additional vendor or source shall be other than the Seller, unless the Buyer specifically approves the Seller as the additional source. The Seller shall not cancel an existing order placed with a qualified vendor or vendors in the expectation of qualifying an alternate vendor without obtaining prior written approval from the Buyer. Any disagreement as to price, terms or enforcement of this clause shall be resolved using the procedures of the clause titled "Disputes".

6. Subcontractors and Vendors.

(A) The Seller is responsible for securing compliance by its subcontractors and vendors with the requirements of this clause. The Seller shall use diligent efforts to contract only with suppliers who will accept this clause. In cases in which the Seller, after diligent efforts, is unable to persuade a subcontractor or vendor to accept this clause, the Seller shall report the entire circumstances, including alternate approaches to resolving the problem to the Buyer, who after thirty (30) calendar days shall direct the Seller as to action to be taken. The Seller shall follow the course of action directed by the Buyer. Any impact will be evaluated, an equitable adjustment to the contract price will be negotiated, if appropriate, in accordance with the procedure of the clause of this contract titled "Changes". The Seller shall maintain an updated list of all subcontractors/vendors granted a waiver of this provision by the Buyer and make a copy of such list available to the Buyer upon request. The Buyer reserves the right to request identification of substantiating correspondence in the event of waiver disagreements.

(B) Notification in accordance with the appropriate clause titled "Rights in Technical Data and Computer Software" of any item, component or process for which technical data shall be made available to the Buyer at every other Program Progress Review when requested by the Buyer. Such requests for inclusion of this information into the Program Progress Review shall be submitted to the Seller thirty (30) calendar days prior to the scheduled Program Progress Review.