

**CUSTOMER CONTRACT REQUIREMENTS
Joint Direct Attack Munition JDAM
CUSTOMER CONTRACT F08635-02-C-0060**

GOVERNMENT 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.

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. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

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 the simplified acquisition threshold. 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.

52.211-15 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 (Jun 1999). This clause applies only if this contract exceeds the simplified acquisition threshold 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). In subdivision (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 paragraph (c)(2)(i)(A), delete "to the Contracting Officer". In paragraph (C)(2)(ii)(B), "Government" shall mean "Government or Buyer". (This clause applies only if this contract exceeds \$500,000 and certified cost and pricing data is required).

52.215-12 Subcontractor Cost or Pricing Data (Oct 1997). The certificate required by paragraph (b) is that set forth in FAR 15.804-4, substituting Buyer's name for "Contracting Officer". This clause applies only if this contract exceeds \$500,000 and is not for the production JDAM kit and container.

52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (Oct 1997). This clause applies except for contracts at or below the simplified acquisition threshold (as defined in FAR Part 2); 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 (Dec 1998). 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).

52.215-19 Notification of Ownership Changes (Oct 1997). This Clause applies to this contract if it meets the requirements of FAR 15.408(k).

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 \$500,000. The term "Contracting Officer" shall mean Buyer's Purchasing Representative.

52.219-8 Utilization of Small Business Concerns (Oct 2000).

52.219-9 Small Business Subcontracting Plan (Oct 2000). 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.

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

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (Apr 2002).

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (Dec 2001). 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.

52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Viet Nam Era (Dec 2001). This clause applies only if this contract exceeds \$10,000.

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 (f)(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.

52.227-1 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 the simplified acquisition threshold.

52.230-6 Administration of Cost Accounting Standards (Nov 1999). Add "Buyer and the" before "Contracting Officer in paragraph (e).

52.242-15 Stop Work Order (Aug 1989). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer.

52.244-6 Subcontracts for Commercial Items and Commercial Components (Dec 2001). This clause applies only to CLIN 0001.

52.244-6 Subcontracts for Commercial Items and Commercial Components (May 2002). This clause applies to CLIN 0002 and later CLINs.

52.245-2 Government Property (Dec 1989). "Government" shall mean Government throughout except the first time it appears in paragraph (f) when "Government" shall mean the Government or the Buyer.

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.

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

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

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

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (Dec 2000). 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.

252.225-7026 Reporting of Contract Performance Outside the United States (Jun 2000). This clause applies only if this contract exceeds \$500,000.

252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises – DoD Contracts (Sep 2001). This clause applies if this contract exceeds the small purchase limitation and does not apply to the acquisition of commercial items/services as defined in FAR 2.101.

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.

252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Jun 1995). This clause applies only if the delivery of noncommercial computer software or noncommercial computer documentation may be originated, developed or delivered under this contract.

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

252.227-7019 Validation of Asserted Restrictions - Computer Software (Jun 1995). This clause applies only if computer software may be originated, developed, or delivered under this contract.

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.

252.227-7030 Technical Data — Withholding of Payment. “Government” and “Contracting Officer” mean Buyer (Mar 2000). This clause applies only if the delivery of data is required by 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 (Sep 1999). This clause applies only if the delivery of data is required by this contract.

252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (Mar 2000).

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

252.247-7023 Transportation of Supplies by Sea (Mar 2000). This clause applies only if this contract exceeds the Simplified Acquisition Threshold in FAR Part 13. In paragraph (c), "45 days" is changed to "60 days". This clause applies only to CLIN 0001.

252.247-7023 Transportation of Supplies by Sea (May 2002). This clause applies only if this contract exceeds the Simplified Acquisition Threshold in FAR Part 13. In paragraph (c), "45 days" is changed to "60 days". This clause applies only to CLIN 0002 and later CLINs.

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000). “Contracting Officer” and, in the first sentence of paragraph (a), “Contractor” shall mean Buyer. This clause does not apply to the procurement of commercial items or commercial components.

252.249-7002 Notification of Proposed Program Termination or Reduction (Dec 1996). This clause applies only if this contract is for \$500,000 or more. In paragraph (c), "two weeks" is changed to "10 days".

3. If goods or services being procured under this contract are for commercial items, 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 (Oct 2000). 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 2002).

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 (Mar 2000). This clause applies only if this contract exceeds the Simplified Acquisition Threshold in FAR Part 13. In paragraph (c), "45 days" is changed to "60 days". This clause applies only to CLIN 0001.

252.247-7023 Transportation of Supplies by Sea (May 2002). This clause applies only if this contract exceeds the Simplified Acquisition Threshold in FAR Part 13. In paragraph (c), "45 days" is changed to "60 days". This clause applies only to CLIN 0002 and later CLINs.

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" shall mean Buyer. This clause does not apply to the procurement of commercial items or commercial components.

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 1996*.

(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 1996*.

(3) (Applicable if this contract incorporates clause H003). The version of FAR 52.230-4, Consistency in Cost Accounting Practices, incorporated by clause H003 is the version dated *August 1992*.

(4) (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 1996*.

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

A. 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."

B. 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.

C. FOREIGN OBJECT DAMAGE/CONTROL

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

D. 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.

E. EXPORT-CONTROLLED DATA RESTRICTIONS

For the purpose of this clause,

- (1) Foreign person is any person who is not a citizen of the U.S. or lawfully admitted to the U.S. for permanent residence under the Immigration and Nationality Act, and includes foreign corporations, foreign organizations, and foreign governments;
- (2) Foreign representative is anyone, regardless of nationality or citizenship, acting as an agent, representative, official, or employee of a foreign government, a foreign-owned or influenced firm, corporation, or person; and
- (3) Foreign sources are those sources (vendors, subcontractors, and suppliers) owned and controlled by a foreign person.

Seller shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause. Nothing in this clause waives any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export-controlled data and information.

Equipment and technical data generated or delivered in the performance of this contract are controlled by the International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121 through 128. An export license is required before assigning any foreign source to perform work under this contract or before granting access to foreign persons to any equipment and technical data generated or delivered during performance (see 22 CFR Section 125). Seller shall notify Buyer and obtain the written approval of Buyer prior to assigning or granting access to any work, equipment, or technical data generated or delivered in the performance of this contract to foreign persons or their representatives. This notification shall include the name and country of origin of the foreign person or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign person is cleared to have access to technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)).