

CUSTOMER CONTRACT REQUIREMENTS
CSAR-X
CUSTOMER CONTRACT FA8629-07-C-2350

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

1. FAR Clauses. 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.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions

(Jun 2003). 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 Material Requirements (Aug 2000). 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 (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.

52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (Oct 1997). 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 2004). 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) (Jul 2005). 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 the threshold set forth in FAR 15.403-4. The term "Contracting Officer" shall mean Buyer.

52.219-8 Utilization of Small Business Concerns (May 2004).

52.219-9 Small Business Subcontracting Plan (Jan 2002). 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.

52.222-21 Prohibition of Segregated Facilities (Feb 1999).

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

52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001). This clause applies only if this contract exceeds \$25,000.

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

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.

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 (Mar 2001).

52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e)) (Aug 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).

52.225-1 Buy American Act - Balance of Payments - Supplies (Jun 2003). This clause does not apply if this contract is placed under a Department of Defense contract.

52.225-13 Restrictions on Certain Foreign Purchases (Mar 2005).

52.227-1 Authorization and Consent (Jul 1995).

52.227-1 Authorization and Consent (JUL 1995) - Alternate I (APR 1984)

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.

52.227-10 Filing of Patent Applications - Classified Subject Matter (Apr 1984). This clause applies only if this contract will involve access to classified information.

52.227-12 Patent Rights - Retention by the Contractor (Long Form) (Jan 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.

52.229-9 Taxes - Cost Reimbursement Contracts with Foreign Governments (Mar 1990).

52.230-6 Administration of Cost Accounting Standards (Apr 2005). Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if Clause H001, H002 or H004 is included in Buyer's contract.

52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec 1994).

52.237-2 Protection of Government Buildings, Equipment, and Vegetation (Apr 1984). This clause applies only if work will be performed on a Government installation. "Contracting Officer" shall mean Buyer.

52.244-5 Competition in Subcontracting (Dec 1996).

52.244-6 Subcontracts for Commercial Items (Dec 2004).

52.245-2 Government Property (Fixed Price Contracts) (May 2004). This clause is not applicable if this contract incorporates Form GP4. "Government" shall mean Government throughout except the first time it appears in paragraph (f) when "Government" shall mean the Government or the Buyer.

52.245-17 Special Tooling (May 2004). 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.

52.248-1 Value Engineering (excluding subparagraph (f)) (Feb 2000). 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 FAR Supplement Clauses. DoD Contracts. 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.

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (Dec 2004). 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.

252.211-7000 Acquisition Streamlining (Dec 1991). This clause applies only if this contract exceeds \$1 million.

252.211-7003 Item Identification and Valuation (Jun 2005). Seller shall comply with the unique item identification requirements of this clause for those subassemblies, components, and parts specified elsewhere in this contract. Such identification and marking shall be a high-capacity 2D machine readable code to comply with MIL-STD-130 L. The code may include, as space is available, linear bar code and human readable characters. Unless otherwise specified in Boeing product drawings or specifications, the seller may use either Construct #1 or Construct #2. The Seller shall not be required to furnish item valuations as set forth in this clause.

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

252.223-7001 Hazard Warning Labels (Dec 1991). This clause applies only if Seller delivers hazardous material under this contract.

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.

252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (Sep 1999).

252.225-7001 Buy American Act and Balance of Payment Program. (Jun 2005).

252.225-7002 Qualifying Country Sources as Subcontractors (Apr 2003).

252.225-7004 Report of Intended Performance Outside the United States and Canada - Submission After Award (Jun 2005). The term "Contractor" in paragraph (a) and the term "Contracting Officer" in paragraphs (b) and (c) means "Buyer." This clause applies only if this contract exceeds \$500,000.

252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States (Jun 2005). 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.

252.225-7012 Preference for Certain Domestic Commodities (Jun 2004).

252.225-7013 Duty-Free Entry (Jun 2005). This clause applies if Seller is located in a qualifying country (as defined in DFARS Part 225.8) or if Seller is located in any other country and the estimated U.S. duty for the deliverable items will exceed \$200 per unit. Seller shall include the prime contract number on all shipping documents submitted to Customs for supplies for which duty-free entry is claimed pursuant to this clause.

252.225-7014 Preference for Domestic Specialty Metals (June 2005), Alternate I (Apr 2003).

252.225-7014 Preference for Domestic Specialty Metals (Apr 2003) - Alternate I

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (Jun 2005). 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.

252.225-7022 Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (Jun 2005). Contracting Officer means Buyer. This clause applies only if the product furnished under this contract contains polyacrylonitrile carbon fibers (alternatively referred to as PAN-based carbon fibers or PAN-based graphite fibers).

252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States (Jun 2005). This clause applies only if this contract requires Seller to perform or travel outside the United States and Seller is not (i) a foreign government, (ii) a representative of a foreign government, or (iii) a foreign corporation wholly owned by a foreign government.

252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises - DoD Contracts (Sep 2004). This clause applies if this contract exceeds \$100,000 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.

252.227-7015 Technical Data - Commercial Items (Nov 1995). This clause applies only if the delivery of data is required for commercial items 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.

- 252.227-7026 Deferred Delivery of Technical Data or Computer Software** (Apr 1988). This clause applies only if the delivery of data is required or 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** (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.
- 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.
- 252.231-7000 Supplemental Cost Principles** (Dec 1991).
- 252.232-7004 DoD Progress Payment Rates** (Oct 2001). This clause applies if progress payments are authorized under this contract.
- 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.
- 252.239-7000 Protection Against Compromising Emanations** (Jun 2004). This clause applies only if computer equipment or systems that will be used to process classified information will be delivered under this contract.
- 252.239-7016 Telecommunications Security Equipment, Devices, Techniques and Services** (Dec 1991). This clause applies only if this contract requires securing telecommunications.
- 252.242-7002 Earned Value Management System** (Mar 2005).
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts)** (Nov 2005).
- 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 \$100,000 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.
- 252.249-7002 Notification of Anticipated Contract Terminations 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. Commercial Items. If goods or services being procured under this contract are 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 (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), 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 (Dec 2001). This clause applies only if this contract exceeds \$25,000.

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

252.225-7014 Preference for Domestic Specialty Metals (JUN 2005) & Alternate I (Apr 2003).

252.247-7023 Transportation of Supplies by Sea (Mar 2000). This clause applies only if this contract exceeds \$100,000 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.

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.

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

A. ELIMINATION OF USE OF CLASS I OZONE DEPLETING SUBSTANCES (ODS)

(1) It is Air Force policy to preserve mission readiness while minimizing dependency on Class I Ozone Depleting Substances (ODS), and their release into the environment, to help protect the Earth's stratospheric ozone layer.

(2) Unless a specific waiver has been authorized, Air Force procurements:

(A) May not include any specification, standard, drawing, or other document that requires the use of a Class I ODS in the design, manufacture, test, operation, or maintenance of any system, subsystem, item, component, or process;

(B) May not include any specification, standard, drawing or other document that establishes a requirement that can only be met by use of a Class I ODS; and

(C) May not require the delivery of any item of supply that contains a Class I ODS or any service that includes the use of a Class I ODS.

(3) For the purposes of the Air Force policy, the following are Class I ODS:

(A) Halons: 1011, 1202, 1211, 1301, and 2402

(B) Chlorofluorocarbons (CFC): CFC-11, CFC-12, CFC-13, CFC-111, CFC-112, CFC-113, CFC-114, CFC-115, CFC-211, CFC-212, CFC-213, CFC-214, CFC-215, CFC-216, CFC-217, and the blends R-500, R-501, R-502, and R-503.

(C) Other controlled substances: carbon tetrachloride, methyl chloroform, and methyl bromide.

(4) The Air Force has reviewed the requirements specified in this contract to reflect this policy. Where considered essential, specific approval has been obtained to require use of the following substances: NONE.

(5) To assist the Air Force in implementing this policy, Seller is required to notify Buyer if any Class I ODS not specifically listed above is required in the performance of this contract.

B. ENVIRONMENTAL CONTROLS. THIS CLAUSE APPLIES ONLY IF THIS CONTRACT WILL BE PERFORMED WITHIN THE JURISDICTION OF THE SAN DIEGO, CALIFORNIA AIR POLLUTION CONTROL DISTRICT.

Notwithstanding that this contract may require the use of paints or coatings which do not meet state or district requirements for reduced volatile organic compounds (VOC's), Seller must comply with all federal, state, and local regulatory requirements respecting air quality and emission limitations. It remains Seller's responsibility to meet the requirements for reduced VOC's even where to do so will require the use of engineering controls or other special painting equipment.

C. FOREIGN NATIONALS - FOREIGN SOURCES

(1) For the purposes of this clause,

(A) Foreign nationals are those persons not citizens of, not nationals of, or resident/immigrant aliens to, the ;

(B) 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

(C) Foreign sources are those sources (vendors, subcontractors, and suppliers) not owned and controlled by citizens or immigrant aliens of the .

(2) Nothing in this clause is intended to waive any requirement imposed by any other U.S. Government agency with respect to employment of foreign nationals or export-controlled data and information.

(3) Seller acknowledges that equipment and technical data generated or delivered in the performance of this contract is controlled by the International Traffic in Arms Regulation (ITAR), 22 CFR Sections 121 through 128, and require an export license before assigning any foreign national to perform work under this contract or before granting access to foreign nationals to any equipment and technical data generated or delivered in performance of this contract (see 22 CFR Section 125). Seller agrees to notify 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 nationals or their representatives. This notification will include the name and country of origin of the foreign national or representative, the specific work, equipment, or data to which the person will have access, and whether the foreign national is cleared to have access to technical data (DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)).

D. FOREIGN OBJECT DAMAGE/CONTROL

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

E. Hazardous Material, Hazardous Waste

Pursuant to Federal statutes, the contractor shall minimize the use/selection of hazardous materials and process utilizing hazardous materials to avoid or minimized generation of hazardous wastes as identified in 40 CFR 261. If hazardous materials are utilized during the contract or would be required for the technology being developed, the contractor shall notify the sponsor. Additionally, the item shall be discussed at periodic program reviews.

F. HEALTH AND SAFETY ON GOVERNMENT INSTALLATIONS

(Applies only work is performed on a Government installation)

- (1) In performing work under this contract on a Government installation, the Seller shall:
 - (a) Comply with the specific health and safety requirements established by this contract;
 - (b) Comply with the health and safety rules of the Government installation that concern related activities not directly addressed in this contract;
 - (c) Take all reasonable steps and precautions to prevent accidents and preserve the health and safety of contractor and Government personnel performing or in any way coming in contact with the performance of this contract; and
 - (d) Take such additional immediate precautions as the contracting officer may reasonably require for health and safety purposes.
- (2) The contracting officer may, by written order, direct Air Force Occupational Safety and Health (AFOSH) Standards and/or health/safety standards as may be required in the performance of this contract and any adjustments resulting from such direction will be in accordance with the Changes clause of this contract.

- (3) Any violation of these health and safety rules and requirements, unless promptly corrected as directed by the contracting officer, shall be grounds for termination of this contract in accordance with the Default clause of this contract.

G. VISIT REQUESTS BY FOREIGN OWNED OR CONTROLLED FIRMS

(a) Prime Contractors which are foreign-owned or controlled and require access to a U.S. Government installation shall submit visit requests through their foreign embassy in Washington, D.C. at least 30 days prior to the proposed visit date.

(b) Subcontractors which are foreign-owned or controlled and require access to a U.S. Government installation shall have their prime Contractor submit a visit request to the security police office of the base being visited at least two weeks before the scheduled meeting.

(c) Canadian Contractors and Canadian government employees may directly arrange visits by having their security office submit a visit request to the security policy office of the base being visited at least two weeks before the scheduled meeting.