

**CUSTOMER CONTRACT REQUIREMENTS
GPS-III SPACE VEHICLE R&D
CUSTOMER CONTRACT FA8807-06-R-0001**

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 (Sep 2006).
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 (Sep 2005). 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.

52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (Oct 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 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." .

52.215-13 Subcontractor Cost or Pricing Data - Modifications (Oct 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 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".

52.215-14 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.

52.215-19 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** (Sep 2006). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$550,000. 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** (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** (Sep 2006). 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** (Sep 2006). This clause applies only if this contract exceeds \$25,000.
- 52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees** (Dec 2004). 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** (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).

- 52.225-13 Restrictions on Certain Foreign Purchases** (Feb 2006).
- 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.
- 52.227-10 Filing of Patent Applications - Classified Subject Matter** (Apr 1984). This clause applies only if this contract will involve access to classified information.
- 52.227-11 Patent Rights - Retention by the Contractor (Short Form)** (Jun 1997). This clause only applies if this Contract is for experimental, developmental, or research work and Seller is a small business firm or nonprofit organization.
- 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.
- 52.228-5 Insurance - Work on a Government Installation** (Jan 1997). Seller shall provide and maintain insurance as set forth in this contract.
- 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).
- 52.244-5 Competition in Subcontracting** (Dec 1996).
- 52.244-6 Subcontracts for Commercial Items** (Sep 2006).
- 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.
- 52.245-18 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** (Jun 2003). This clause only applies if this contract involves international air transportation.

52.247-67 Submission of Commercial Transportation Bills to the General Services Administration for Audit (Feb 2006).

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.

252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material (Dec 1991). The term "Offeror" shall mean Seller. This clause applies only if this contract exceeds \$100,000 and if an item being purchased contains precious metal.

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 the version of MIL-STD-130, Identification Marking of U.S. Military Property, set forth elsewhere in this contract; or if not so stated, then the Seller shall 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).

252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials (APR 1993) - **Alternate I** (NOV 1995) This clause applies to this contract if it requires, may require, or permits Seller to treat or dispose of non-DoD-owned toxic or hazardous materials as defined in this clause.

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 (Dec 2006). 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 (Oct 2006). 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 (Jun 2005) (Deviation) - Alternate I (Deviation) (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 (Mar 2006).

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).

252.225-7025 Restriction on Acquisition of Forgings (Jul 2006). This clause applies only if this contract is for goods that contain restricted forging items per paragraphs (a) and (b) of the referenced clause.

252.226-7001 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.

252.227-7016 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 (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.

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

252.231-7000 Supplemental Cost Principles (Dec 1991).

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.

252.242-7002 Earned Value Management System (Mar 2005).

252.242-7005 Cost/Schedule Status Report (Mar 1998). This clause applies to this contract if the contract is more than 12 months in duration and is other than firm-fixed-price.

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

252.246-7001 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.

252.247-7023 Transportation of Supplies by Sea (May 2002). This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

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.

252.251-7000 Ordering From Government Supply Sources (Oct 2002). This clause applies only if Seller is notified by Buyer that Seller is authorized to purchase from Government supply sources in the performance of this contract.

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 (May 2004).

This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

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.

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004). This clause applies only if this contract exceeds \$100,000.

52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (Feb 2006). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.

52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (APR 2003) - Alternate I (APR 2003). In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.

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

252.247-7023 Transportation of Supplies by Sea (May 2002).

This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

252.247-7024 Notification of Transportation of Supplies by Sea (Mar 2000). "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.

(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. 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. ENABLING CLAUSE FOR GOVERNMENT TECHNICAL GROUP

(a) This contract covers the GPS III effort under the overall program management of the Air Force Space and Missile Systems Center at Los Angeles Air Force Base. The Air Force has entered into a contract with The Aerospace Corporation, Tecolote, and Science Applications International Corporation (SAIC), for the services of a technical group which will support the DoD program office by performing General Systems Engineering and Integration (GSE&I) and Technical Reviews.

(b) GSE&I deals with overall system definition, integration both within the system and with associated systems, review of analysis definition and requirement allocation, analysis of system, segment, and subsystem design, design compromises and tradeoffs, definition of interfaces, review of hardware and software, including manufacturing and quality control, observation, review and evaluation of tests and test data, support of launch, flight test, and orbital operations, appraisal of the contractors' technical performance through meetings with contractors and subcontractors, exchange and analysis of information on progress and problems, review of plans for future work, developing solutions to problems, technical alternatives for reduced program risk, providing comments and recommendations in writing to the DoD System Program Manager and Project Officer as an independent technical assessment for consideration for modifying the program or redirecting the contractor's efforts, all to the extent necessary to assure timely and economical accomplishment of program objectives consistent with mission requirements. Technical Review includes the process of appraising the technical performance of the contractor through meetings, exchanging information on progress and problems, reviewing reports, evaluating presentations, reviewing hardware and software, witnessing and evaluating tests, analyzing plans for future work, evaluating efforts relative to contract technical objectives, and providing comments and recommendations in writing to the Air Force Program Manager as an independent technical assessment for consideration for modifying the program or redirecting the contractor's efforts to assure timely and economical accomplishment of program objectives. Technical Support (TS) deals with broad areas of specialized needs of customers for planning, system architecting, research and development, horizontal engineering, or analytical activities for which the Aerospace FFRDC is uniquely qualified by virtue of its specially qualified personnel, facilities, or corporate memory. The categories of TS tasks are: Selected Research, Development, Test and Evaluation; Plans and System Architecture; Multi-Program Systems Enhancement; International Technology Assessment; and Acquisition Support.

(c) In the performance of this contract, the contractor agrees to cooperate by responding to invitations from authorized personnel to attend meetings, by providing access to technical information and research, development planning data such as, but not limited to, design and development analyses, test data and results, equipment and process specifications, test and test equipment specifications and procedures, parts and quality control procedures, records and data, manufacturing and assembly procedures, and schedule and milestone data, all in their original form or reproduced form and excluding financial data, by delivering data as specified in the Contract Data Requirements List, by discussing technical matters relating to this program, by providing access to contractor facilities utilized in the performance of this contract, and by allowing observation of technical activities by appropriate technical personnel. The personnel engaged in general systems engineering, technical reviews, and integration effort are authorized access to any technical information pertaining to this contract.

(d) The contractor further agrees to include in each subcontract a clause requiring compliance by subcontractor and succeeding levels of subcontractors with the response and access provisions of paragraph (c) above, subject to coordination with Boeing. This agreement does not relieve the contractor of its responsibility to manage the subcontracts effectively and efficiently nor is it intended to establish privity of contract between Boeing, the Government or its technical advisors and such subcontractors.

(e) The technical personnel are not authorized to direct the contractor in any manner. The contractor agrees to accept technical direction as follows:

1. Technical direction under this contract will be given to the contractor solely by Boeing.
2. Whenever it becomes necessary to modify the contract and redirect the effort, a Change Order signed by Boeing or Supplemental Agreement signed by both Boeing and the contractor will be issued.

C. ENABLING CLAUSE FOR GSE&I FOR GPS-III

(a) This contract covers the GPS III program, which is under the general program management of the Air Force Space and Missile Systems Center at Los Angeles Air Force Base. The Air Force has entered into a contract with The Aerospace Corporation for the services of a technical group, which will support the DoD program office by performing General Systems Engineering and Integration (GSE&I).

(b) GSE&I deals with overall system definition, integration both within the system and with associated systems, analysis of system segment and subsystem design, design compromises and tradeoffs, definition of interfaces, review of hardware and software, including manufacturing and quality control, observation, review and evaluation of tests and test data, support of launch, flight test, and orbital operations, appraisal of the contractor's technical performance through meetings with contractors and subcontractors, exchange and analysis of information on progress and problems, review of plans for future work, developing solutions to problems, technical alternatives for reduced program risk, providing comments and recommendations in writing to the DoD System Program Manager and Project Officer as an independent technical assessment for consideration for modifying the program or redirecting the contractor's efforts, all to the extent necessary to assure timely and economical accomplishment of program objectives consistent with mission requirements.

(c) In the performance of this contract, the contractor agrees to cooperate with The Aerospace Corporation by responding to invitations from authorized personnel to attend meetings, providing access to technical information and research, development planning data such as, but not limited to, design and development analyses, test data and results, equipment and process specifications, test and test equipment specifications and procedures, parts and quality control procedures, records and data, manufacturing and assembly procedures, and schedule and milestone data, all in their original form or reproduced form and including cost data (See Note 1), by delivering data as specified in the Contract Data Requirements List, by discussing technical matters relating to this program, by providing access to contractor facilities utilized in the performance of this contract, and by allowing observation of technical activities by appropriate Aerospace Technical Personnel. The Aerospace personnel engaged in GSE&I effort are authorized access to any technical information pertaining to this contract.

(d) The contractor further agrees to include in each subcontract a clause requiring compliance by subcontractor and succeeding levels of subcontractors with the response and access provisions of paragraph (c) above, subject to coordination with the contractor. This agreement does not relieve the contractor of its responsibility to manage the subcontracts effectively and efficiently nor is it intended to establish privity of contract between the Government or The Aerospace Corporation and such subcontractors.

(e) The Aerospace Corporation personnel are not authorized to direct the contractor in any manner. The contractor agrees to accept technical direction as follows:

(1) Technical direction under this contract will be given to the contractor solely by Boeing.

(2) Whenever it becomes necessary to modify the contract and redirect the effort, a Change Order signed by Boeing or Supplemental Agreement signed by both Boeing and the contractor will be issued.

(f) Notwithstanding language contained elsewhere in this contract, contractor and its subcontractors shall not be obligated to disclose proprietary financial information to any non-Government entities providing services to the Government during the proposal or contract execution and management phases of this activity."

D. EXPORT CONTROLLED DATA RESTRICTIONS

(1) For the purpose of this clause,

(A) Foreign person is any person who is not a citizen of the or lawfully admitted to the for permanent residence under the Immigration and Nationality Act, and includes foreign corporations, foreign organizations, and foreign governments;

(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) owned and controlled by a foreign person.

(2) Seller shall place a clause in subcontracts containing appropriate export control restrictions, set forth in this clause.

(3) 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.

(4) 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)).

E. GLOBAL POSITIONING SYSTEM ORGANIZATIONAL CONFLICT OF INTEREST

1) Descriptions or definitions:

a. "Conflicted Team Member" means the GPS IIIA prime contractor or any GPS IIIA team member who has a conflicted relationship with another contractor related to the GPS Enterprise.

b. "Contractor" means the business entity receiving the award of this contract. It does NOT include the entity's parent, or other affiliates, divisions or subsidiaries of that parent entity.

c. "Development" means all efforts toward solution of broadly defined problems. This may encompass research, evaluating technical feasibility, proof of design and test, or engineering of programs not yet approved for acquisition or operation.

d. "Division" means a business entity that maintains organizational, geographic, and data separation and protection separation from the entity's parent and other entities owned by, affiliated with, or a division or subsidiary of that parent company, corporation or organization.

i. "Organizational Separation" means the management, program staff, and administrative support staff of the "division" participating in this contract resides in a separate business entity of the parent company, corporation or organization and reports through a separate management chain than the management, program staff, and administrative support staff of any other "division" participating in the GPS segment contracts.

ii. "Geographic Separation" means, at a minimum, the GPS IIIA program contractor employees must work in separate office buildings than management, program staff, and administrative support staff working on any other GPS segment contracts.

iii. "Data Separation and Protection" means the management, program staff, and administrative support staff of the "division" participating in this contract must implement and maintain information handling procedures to ensure that data related to GPS IIIA is not accessible by the management, program staff, and administrative support staff of any other "division" participating in the GPS segment contracts or higher management of the parent company, corporation or organization. This separation must be controlled and monitored.

e. "GPS Enterprise" means the collection of all systems that provide the Global Positioning System capability.

f. "GPS segment" means the GPS space, ground, user equipment and SE&I. Contracts include, but are not limited to, GPS Block III, GPS OCX, GPS MUE, GPS MSR, GPS Block II/IIA, GPS Block IIF and GPS Block IIR/IIR-M.

g. "Proprietary Information" means all information designated as proprietary in accordance with law and regulation, and held in confidence or disclosed under restriction to prevent uncontrolled distribution.

Examples include limited or restricted data, trade secrets, sensitive financial information, and computer software; and may appear in cost and pricing data or involve classified information.

h. "Sensitive Government Information" means information that may be exempt from mandatory release to the public under the Freedom of Information Act (FOIA) and that can be marked "For Official Use Only" (FOUO). It includes Source Selection Information, as that term is defined in FAR 2.101, Definitions, and any analyses or other work submitted to the Government under this contract when designated as such by the Contracting Officer.

i. "Systems engineering" means preparing specifications, developing test requirements, and evaluating test data.

j. "Systems Integration" means identifying and resolving interface problems, documenting interfaces, coordination among internal and external organizations, and ensuring system integrity throughout the product development life cycle.

k. "Systems Engineering and Integration (SE&I)" or " GPS IIIA" segment means the contractor provided systems engineering and integration support to the Global Positioning Systems Wing (GPSW) provided under this contract.

l. "System" means the collection of segments composing a generation of the Global Positioning System including GPS II/IIA, GPS IIF, GPS IIR/IIR-M and GPS III.

m. "System Life" means all phases of the GPS development, production, operation or support.

n. "Team Member" means a party to this contract in a relationship by subcontract, interdivisional work authorization or other working arrangement with a "sister" entity within a company, partnership agreement, joint venture, vendor, purchase order arrangement, or other binding relationship between any parties to this contract at any level.

o. "Technical Direction" means developing work statement, determining parameters, directing other contractor's operations, or resolving technical controversies.

p. "Within the Government" means within the GPS Wing (GPSW) including the Aerospace Corporation, MITRE, and GPS A&AS SETA contractors.

2) Roles and Restrictions:

a. In executing this contract, the contractor shall perform Systems Engineering and Integration (GPS IIIA) for the GPSW, but will not have overall contractual responsibility for any GPS segment's development, integration, assembly and checkout, or production. In performing this GPS IIIA effort, the contractor will not be supervising design or providing technical direction. The Contractor's judgment and recommendations must be objective, impartial, and independent. To avoid the prospect of the Contractor's judgment or recommendations being influenced by its own products or capabilities, the following restrictions apply:

i. Any division of a company/corporation/organization participating in the GPS IIIA effort is precluded from participating in other GPS Segment contracts as a prime or subcontractor at any level. Contractors at any level participating in this GPS IIIA contract that wish to have another division bid on work on one or more other GPS Segment contracts must submit an OCI Mitigation Plan under this contract for Government approval prior to participation in the other pre-contract effort and maintain and conform to the

approved Plan for the life of this contract. Any changes to the approved OCI Mitigation Plan will require Government review and approval.

ii. Management, program staff, and administrative support staff participating in the GPS IIIA effort as a prime or subcontractor at any level are prohibited from participating in any other GPS Segment contracts as a prime or subcontractor at any level unless permitted in an approved OCI Mitigation Plan incorporated into this contract at Attachment MC13 to Volume II. This employment restriction applies for a period of three (3) years from the last day the employee participated in the GPS IIIA effort as a member of management, program staff, or administrative support staff in any capacity. In order to obtain an exemption to the three-year limit, the Government will consider exceptions on a case-by-case basis. The GPS IIIA contractor shall provide a request for exemption to the GPS IIIA Contracting Officer identifying the individual(s) for the proposed exemption and providing the rationale and justification for the exemption(s) for each individual named. The rationale and justification should clearly describe the importance of the individual to the proposed GPS Segment contract, and explain how the exemption would not violate the spirit or intent of this OCI clause or the GPS IIIA OCI Mitigation Plan incorporated into this contract.

iii. The GPS IIIA Contractor's team members are precluded from participating in competitive efforts including source selections of its parent company/corporation/organization, or other entities owned by, affiliated with, or a division or subsidiary of that parent company, corporation or organization.

b. The Contractor and its team members may gain access to Sensitive Government Information and/or provide advice/data submittals to the Government, which the Government considers sensitive during performance of this contract. The Contractor agrees it shall not disclose such information to any party outside the Government (see definition of "within the Government") as long as the Government considers such information sensitive.

c. The Contractor and its team members may gain access to proprietary information of other companies during performance of this contract. The Contractor agrees to enter into company-to company agreements to (1) protect other company's information from unauthorized use or disclosure for as long as it is considered proprietary by the other company, and (2) refrain from using the information gained for any purpose other than that for which it was furnished. The Contractor shall furnish to the PCO copies of all company-to-company agreements at every level of the GPS IIIA contract team. These agreements are not intended to protect information which is available to the Government or to this Contractor from other sources and furnished voluntarily without restriction.

3) Administration

a. The Contractor shall be responsible for meeting all requirements of this OCI clause, including the responsibility for ensuring that ALL team members have agreed to comply with the Contractor's approved Comprehensive OCI Mitigation Plan incorporated into this contract as Attachment 6.

b. At the time of award, only those team members who have accepted the Contractor's Comprehensive OCI Mitigation Plan in writing will be allowed to commence work on this contract. The Contractor shall provide to Boeing copies of team member's Letters of Commitment (LOC) to the Comprehensive OCI Mitigation Plan or other evidence that they have agreed to the Contractor's Plan. If separate team member OCI Mitigation Plans are proposed, they shall be listed below, approved by Boeing.

c. The following Comprehensive OCI Mitigation Plan and any team member OCI Mitigation Plans are listed below. In addition, the names of all team members that have accepted the Contractor's Comprehensive OCI Mitigation Plan are listed below. The Contractor and all team members to this contract are bound by this clause and agree that this clause and the OCI Mitigation Plans below represent terms or conditions of the contract.

i. OCI Mitigation Plans

(to be filled in by Offeror)

ii. List of team members (including division names as applicable) that have accepted the Contractor's Comprehensive OCI Mitigation Plan and/or are covered by a team member OCI Mitigation Plan. (to be filled in by Offeror)

d. Changes in Team Composition: Notwithstanding any other term or condition of this contract, the PCO shall be notified in advance of any addition, deletion, or change to GPS IIIA team members prior to the addition, deletion or change taking place. This notification shall include sufficient information for the PCO to make a decision if the change is in compliance with this OCI clause and the OCI Mitigation Plans incorporated in the contract. The notification shall also include any necessary changes to the Contractor's Comprehensive OCI Mitigation Plan incorporated into this contract, or any necessary additions, deletions, or changes to other OCI Mitigation plans on this contract. Changes, additions or deletions affecting OCI shall be approved by the PCO prior to implementation on the contract.

e. GPS IIIA Data Submittals: To minimize conflicting roles and impaired objectivity or bias, the Contractor shall be responsible for all data developed, produced and delivered to the Government under this contract. A list of ALL data developed and delivered under this contract shall be provided to GPSW/GP3SI at least once per month for the duration of this contract. The list shall include title of the document/data, entity responsible for developing the submission, date of the document/data, individual/office receiving the document, identification that data is considered conflicted or non-conflicted and any other information necessary to demonstrate adequate monitoring to mitigate impaired objectivity or bias.

f. OCI Violations: The contractor shall report any violation of the OCI Mitigation Plan(s), or appearance of violation of the OCI Mitigation Plan(s), listed above and incorporated herein by reference, whether by its own personnel, those of the contractor's team members, or the Government or its other contractors, to the GPS GPS IIIA PCO. The report shall include a description of the violation or appearance of violation and the actions the Contractor has taken or proposes to take to mitigate and avoid repetition of the violation. After conducting such further inquiries and discussions as may be necessary, the PCO and the Contractor shall agree on appropriate corrective action, if any, or the PCO shall direct such action, subject to the terms of this contract.

g. This OCI clause and the Contractor's approved Comprehensive OCI Mitigation Plan shall be included in all subcontracts, teaming arrangements, and other agreements for performance of work under this contract

F. NOTIFICATION OF DEBARMENT/SUSPENSION STATUS

Seller shall provide immediate notice to Buyer in the event of being debarred suspended, or proposed for debarment by any Federal Agency during the performance of this contract.