BDS Terms and Conditions Guide

Effective: 07/03/2014 Page 1 of 6

CUSTOMER CONTRACT REQUIREMENTS Research and Technologies for Aerospace Propulsion Systems CUSTOMER CONTRACT NNC10BA05B

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.
 - **52.203-7 Anti-Kickback Procedures** (OCT 2010). Buyer may withhold from sums owed Seller the amount of any kickback paid by Seller or its subcontractors at any tier if (a) the Contracting Officer so directs, or (b) the Contracting Officer has offset the amount of such kickback against money owed Buyer under the prime contract. This clause, excluding subparagraph (c)(1), applies only if this contract exceeds \$150,000.
 - **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 (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase 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** (SEP 2007). This clause applies only if this contract exceeds (i) \$100,000 if included in Buyer's customer RFP or customer contract issued before October 1, 2010 or (ii) \$150,000 if included in Buyer's customer RFP issued on or after October 1, 2010, or if the prime contract was issued prior to October 1, 2010 but was amended after October 1, 2010 to increase the Simplified Acquisition Threshold.
 - **52.203-12 Limitation on Payments to Influence Certain Federal Transactions** (OCT 2010). This clause applies only if this contract exceeds \$150,000. Paragraph (g)(2) is modified to read as follows: "(g)(2) 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."
 - **52.203-13** Contractor Code of Business Ethics and Conduct (APR 2010). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.
 - **52.203-14 Display of Hotline Poster(s)** (DEC 2007). This clause applies only if this contract is in excess of \$5,000,000 and is not for a commercial item or performed entirely outside the United States. For the purposes of this clause, the United States is defined as the 50 states, the District of Columbia, and outlying areas.
 - **52.203-15** Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (JUN 2010). This clause applies if this contract is funded in whole or in part with Recovery Act funds.
 - 52.204-2 Security Requirements (AUG 1996). Changes clause means the changes clause of this contract. This clause applies only if

Effective: 07/03/2014 Page 2 of 6

access to classified material is required.

52.204-7 Central Contractor Registration (APR 2008).

52.204-11 American Recovery and Reinvestment Act--Reporting (MAR 2009). If this contract is in excess of \$25,000, Seller is not an individual, and in the previous tax year, Seller had gross income of \$300,000 or more, Seller shall promptly upon receipt of the contract provide Buyer's Authorized Procurement Representative the information described in subparagraphs (i), (ix), (x), and (xi) of paragraph (d) (10) of FAR 52.204-11. Buyer advises Seller that the information will be made available to the public as required by section 1512 of the Recovery Act.

52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment (SEP 2006). Seller agrees it is not debarred, suspended, or proposed for debarment by the Federal Government. Seller shall disclose to Buyer, in writing, whether as of the time of award of this contract, Seller or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.

52.211-15 Defense Priority and Allocation Requirements (APR 2008). This clause is applicable if a priority rating is noted in this contract.

52.215-2 Audit and Records - Negotiation (OCT 2010). This clause applies only if this contract exceeds \$150,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types; (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause.

52.215-10 Price Reduction for Defective Certified Cost or Pricing Data (OCT 2010). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4 and is not otherwise exempt. In subparagraph (3) of paragraph (a), insert "of this contract" after "price or cost." In Paragraph (c), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Paragraphs (c)(1), (c)(1)(ii), and (c)(2)(i), "Contracting Officer" shall mean "Contracting Officer or Buyer." In Subparagraph (c)(2)(i)(A), delete "to the Contracting Officer." In Subparagraph (c)(2)(ii)(B), "Government" shall mean "Government or Buyer." In Paragraph (d), "United States" shall mean "United States or Buyer."

52.215-11 Price Reduction for Defective Certified Cost or Pricing Data -- Modifications (OCT 2010). 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."

52.215-12 Subcontractor Certified Cost or Pricing Data (OCT 2010). 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 "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government)."

52.215-13 Subcontractor Certified Cost or Pricing Data -- Modifications (OCT 2010). 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 (c) 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 "to The Boeing Company or The Boeing Company's representative (including data submitted, when applicable, to an authorized representative of the U.S. Government)."

52.215-14 Integrity of Unit Prices (OCT 2010). This clause applies except for contracts at or below \$150,000; 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 2010). This clause applies to this contract if it meets the requirements of FAR 15.408(g).

BDS Terms and Conditions Guide

Effective: 07/03/2014 Page 3 of 6

52.215-18 Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other Than Pensions (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 Requirement for Certified Cost or Pricing Data or Information Other Than Certified Cost and Pricing Data - Modifications (OCT 2010). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4. The term "Contracting Officer" shall mean Buyer. Insert the following in lieu of paragraph (a)(2): "Buyer's audit rights to determine price reasonableness shall also apply to verify any request for an exception under this clause. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the Contractor's determination of the prices to be offered in the catalog or marketplace."

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

52.219-9 Small-Business Subcontracting Plan (APR 2008). This clause applies only if this contract exceeds \$550,000 and Seller is not a small business concern. Seller shall adopt a subcontracting plan that complies with the requirements of this clause. In addition, Seller shall submit to Buyer Form X31162, Small Business Subcontracting Plan Certificate of Compliance. In accordance with paragraph (d)(10)(iv), Seller agrees that it will submit the ISR and/or SSR using eSRS, and, in accordance with paragraph (d)(10)(vi), Seller agrees to provide the prime contract number, its own DUNS number, and the email address of the Government or Contractor official responsible for acknowledging or rejecting the reports, to its subcontractors with subcontracting plans.

52.219-28 Post-Award Small Business Program Representation (JUN 2007). In paragraph (b), delete "...or, if applicable paragraph (g) of this clause..." Delete paragraph (c) and insert the following paragraph (c) in lieu thereof: "Seller shall represent its size status in accordance with SBA's size code standards in effect at the time of this representation to Buyer. The size status shall corespond to the North American Industry Classification System (NAICS) code applicable to Seller's contract." Delete paragraphs (d) and (g). Delete paragraph (e) and insert the following paragraph (e) in lieu thereof: "Seller shall make the representation required by paragraph (b) of this clause by submitting an updated Buyer Form F70102 or updating Seller's profile information on line in Buyer's BEST system."

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

52.222-20 Walsh-Healey Public Contracts Act (OCT 2010). This clause applies only if this contract exceeds \$15,000.

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

52.222-26 Equal Opportunity (MAR 2007).

52.222-35 Equal Opportunity for Veterans. (SEP 2010). This clause applies only if this contract is \$100,000 or more.

52.222-36 Affirmative Action For Workers With Disabilities (OCT 2010). This clause applies only if this contract exceeds \$15,000.

52.222-37 Employment Reports on Veterans (SEP 2010). This clause applies if this contract is \$100,000 or more.

52.222-50 Combating Trafficking in Persons (AUG 2007). In paragraph (d), the term "Contracting Officer" means Buyer, and in paragraph (e), the term "the Government" means Buyer.

52.222-54 Employment Eligibility Verification (JAN 2009).

This clause applies to all subcontracts that (1) are for (i) commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item, or an item that would be a COTS item, but for minor modifications performed by the COTS provider and are normally provided for that COTS item), or (ii) construction; (2) has a value of more than \$3,000; and (3) includes work performed in the United States.

Effective: 07/03/2014 Page 4 of 6

52.223-3 Hazardous Material Identification and Material Safety Data Basic (JAN 1997), Alternate I (JUL 1995). This clause applies only if Seller delivers hazardous material under this contract.

52.223-14 Toxic Chemical Release Reporting (JUN 2003). Applies if this contract exceeds \$100,000 (including all options). In paragraphs (c) (1) and (d), "Contractor" means Buyer. paragraph (e) is deleted.

52.225-13 Restriction on Certain Foreign Purchases (JUN 2008).

52.227-1 Authorization and Consent (DEC 2007).

52.227-10 Filing of Patent Applications - Classified Subject Matter (DEC 2007).

52.227-11 Patent Rights - Ownership by the Contractor as modified by NASA FAR Supplement 1852.227-11 (DEC 2007). This clause applies only if this contract is for experimental, developmental, or research work and Seller is a small business concern or nonprofit organization.

52.227-14 Rights in Data - General (Dec 2007), Alternate II (Dec 2007) and Alternate III (Dec 2007) as modified by NASA FAR Supplement 1852.227-14. This clause applies only if data, as defined in paragraph (a) of the clause, will be produced, furnished, or acquired under this contract.

52.227-14 Rights in Data--General (DEC 2007). This clause applies only if data, as defined in paragraph (a) of the clause, will be produced, furnished, or acquired under this contract.

52.227-16 Additional Data Requirements (JUN 1987). This clause applies only if this contract involves experimental, developmental, research, or demonstration work.

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

52.234-4 Earned Value Management System (JUL 2006). This clause applies to those subcontractors specified elsewhere in this contract. In (b) (2) "Contracting Officer" means Buyer. In (c) Government means Buyer and "may" is substituted for "will." In (d) "Contracting Officer" means Buyer. In (e) delete the last two sentences. Seller agrees to notify Buyer in writing when a waiver or change is approved by the CFA. In (f) "Contracting Officer" means Contracting Officer or Buyer and Government means Government or Buyer.

52.244-6 Subcontracts for Commercial Items (MAR 2007).

52.245-1 Property Records Alternate I (JUN 2007). This clause applies only if Government property is acquired or furnished for contract performance. The Government-Owned Property article in GP4 is hereby deleted.

52.253-1 Computer Generated Forms (JAN 1991).

2. NASA FAR Supplement Clauses NASA Contracts. The following contract clauses are incorporated by reference from the National Aeronautics and Space Administration Federal Acquisition Regulation Supplement and apply to the extent indicated. In all of the following clauses, "Contractor" means Seller.

1852.204-76 Security Requirements for Unclassified Information Technology Resources (MAY 2007). This clause applies if this contract meets the requirements of paragraph a. of this clause.

1852.208-81 Restrictions on Printing and Duplicating (NOV 2004).

1852.219-74 Use of Rural Area Small Businesses (SEP 1990). This clause applies only if this contract offers subcontracting

Effective: 07/03/2014 Page 5 of 6

possibilities.

1852.219-75 Small Business Subcontracting Reporting (MAY 1999). This clause applies if FAR 52.219-9 is included in this contract.

1852.219-76 NASA 8 Percent Goal (JUL 1997). This clause applies only if Seller is not a small business.

1852.223-70 Safety and Health Plan (APR 2002).

1852.223-74 Drug-and Alcohol-Free Workforce (MAR 1996). This clause applies to Seller if work is performed by an employee in a sensitive position, except if this contract is for commercial items.

1852.225-70 Export Licenses (FEB 2000).

1852.227-11 Patent Rights--Retention by the Contractor (Short Form) (JAN 1980).

1852.227-70 New Technology (DEC 2006). 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.

1852.227-70 New Technology (MAY 2002). 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..

1852.227-71 Requests for Waiver of Rights to Inventions (APR 1984).

1852.227-72 Designation of New Technology Representative and Patent Representative (JUL 1997). The new technology representative (if any) will be designated in this contract. This is applicable to this contract if it includes a "New Technology" clause or a "Patents Rights -- Retention by the Contract (Short Form)" clause.

1852.237-72 Access to Sensitive Information (JUN 2005).

1852.237-73 Release of Sensitive Information (JUN 2005). This clause applies only if Seller may be required to furnish sensitive information in performance of this contract. Throughout the referenced clause, "this proposal" means Seller's proposal, and "this contract" means the contract between Buyer and Seller.

1852.242-73 NASA Contractor Financial Management Reporting (NOV 2004). This clause applies only if this contract is a cost-type, price redetermination or FPI contract. "Contracting Officer" shall mean Buyer's Authorized Procurement Representative.

1852.243-70 Engineering Change Proposals Basic (OCT 2001), Alternate II (SEP 1990) .

1852.244-70 Geographic Participation in the Aerospace Program (APR 1985). This clause applies only if this contract is for \$100,000 or more.

1852.245-70 Contractor Requests for Government-Provided Equipment (JAN 2011).

1852.245-73 Financial Reporting of NASA Property in the Custody of Contractors (JAN 2011). Seller will submit annual reports to Buyer no later than October 15th.

1852.245-73 Financial Reporting of NASA Property in the Custody of Contractors (OCT 2003). Seller will submit annual reports to Buyer no later than October 15th.

1852.245-74 Identification and Marking of Government Equipment (JAN 2011). In paragraph (a), "Government" means

BDS Terms and Conditions Guide

Effective: 07/03/2014 Page 6 of 6

Government or Buyer and "NASA Industrial Property Office means Buyer or NASA Industrial Property Office if Seller delivered the equipment directly to the Government. Delete paragraph (d), and insert the following in lieu thereof: The data required in paragraph (c) and (d) of this clause should be delivered to Buyer, and to the NASA Center where Seller delivered equipment, if applicable.

1852.245-76 Deviation cancelled 1/12/2011; replaced by clause 1852.245-76 released 1/12/2011. Deviation (SEP 2007).

1852.245-78 Physical Inventory of Capital Personal Property (DEVIATION) (SEP 2007).

1852,245-82 OCCUPANCY MANAGEMENT REQUIREMENTS (DEVIATION) (SEP 2007).

- **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:
 - **52.203-13 Contractor Code of Business Ethics and Conduct** (DEC 2008). This clause applies only if this contract is in excess of \$5,000,000 and has a period of performance of more than 120 days.
 - 52,203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (MAR 2009).
 - **52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment** (SEP 2006). Seller agrees it is not debarred, suspended, or proposed for debarment by the Federal Government. Seller shall disclose to Buyer, in writing, whether as of the time of award of this contract, Seller or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.
 - 52.219-8 Utilization of Small Business Concerns (MAY 2004).
 - **52.222-26** Equal Opportunity (MAR 2007).
 - **52.222-35 Equal Opportunity for Veterans.** (SEP 2010). This clause applies only if this contract is \$100,000 or more.
 - **52.222-36 Affirmative Action For Workers With Disabilities** (OCT 2010). This clause applies only if this contract exceeds \$15,000.
 - **52.222-50 Combating Trafficking in Persons** (FEB 2009). In paragraph (d), the term "Contracting Officer" means Buyer, and in paragraph (e), the term "the Government" means Buyer.
 - **52.222-54** Employment Eligibility Verification (JAN 2009).

This clause applies to all subcontracts that (1) are for (i) commercial or noncommercial services (except for commercial services that are part of the purchase of a COTS item, or an item that would be a COTS item, but for minor modifications performed by the COTS provider and are normally provided for that COTS item), or (ii) construction; (2) has a value of more than \$3,000; and (3) includes work performed in the United States.

- $\textbf{52.244-6 Subcontracts for Commercial Items} \ (MAR\ 2007).$
- **52.245-1 Government Property** (AUG 2010). This clause applies only if Government property is acquired or furnished for contract performance. "Government" shall mean Government throughout except the first time it appears in paragraph (g)(1) when "Government" shall mean the Government or the Buyer. If the contract incorporates Boeing General Provision GP4, the Government-Owned Property article in GP4 is hereby deleted.