

**CUSTOMER CONTRACT REQUIREMENTS**  
**Space Launch System (SLS) Stages**  
**CUSTOMER CONTRACT NNM07AB03C**

**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 (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 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 \$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 (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.

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

**52.204-7 Central Contractor Registration (APR 2008).**

"Government" means Government except as otherwise stated herein. In paragraph (a) in the definition of Central Contractor Registration (CCR), "Government" means Government the first time it is used; "Government" means Buyer the second time it is used. In paragraph (a) in the definition of Data Universal Numbering System+4 (DUNS+4) number, establishing the 4-character suffix will not assist EFT from Buyer to Seller. In subparagraph (b)(2), "Contracting Officer" means Buyer. In the second sentence in

subparagraph (c)(1)(ii), delete "for" and insert "under" in lieu thereof. In paragraph (d), "Contracting Officer" means Buyer. In paragraph (f), "Government's" means "Buyer's." Paragraph (g) is deleted.

**52.204-9 Personal Identity Verification of Contractor Personnel.** (JAN 2011). This clause applies only if performance under this contract requires Seller to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

**52.204-10 Reporting Executive Compensation And First-Tier Subcontract Awards** (JUL 2010).

Delete all paragraphs except (b). Contractor means Buyer in paragraph (b). The "required information" in paragraph (b) that will be made public includes the information required as set forth in the deleted paragraphs.

**52.209-6 Protecting the Government's Interests When Subcontracting With Contractors Debarred, Suspended or Proposed for Debarment** (DEC 2010).

This clause applies to contracts that exceed \$30,000 and is not a contract or subcontract for commercially available off-the-shelf items. "Contracting Officer" means "Buyer." Seller shall disclose to Buyer, in writing, whether as of the time of Buyer's offered contract herein, Seller or its principals, is or is not debarred, suspended or proposed for debarment by the Federal Government.

**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** (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** (AUG 2011). 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** (AUG 2011). 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).

**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.

**52.215-21 Requirement for Cost or Pricing Data or Information Other Than Cost and Pricing Data - Modifications Alternate II** (OCT 1997).

**52.215-23 Limitations on Pass-Through Charges.** (OCT 2009).

This clause applies to all cost-reimbursement subcontracts that 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 contract is with DoD, then this clause applies to all cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4. In paragraph (c), "Contracting Officer" shall mean Buyer.

**52.215-23 Limitations on Pass-Through Charges. Alternate I** (OCT 2009).

**52.219-8 Utilization of Small Business Concerns** (JAN 2011).

**52.219-9 Small-Business Subcontracting Plan** (JAN 2011).

This clause applies only if this contract exceeds \$650,000 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 and Small Disadvantaged Business and Women-Owned 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 Seller's official responsible for acknowledging or rejecting the ISRs, to its subcontractors with subcontracting plans.

**52.219-9 Small-Business Subcontracting Plan Alternate II** (OCT 2001). This clause applies only if this contract exceeds \$500,000 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 and Small Disadvantaged Business and Women-Owned Small Business Subcontracting Plan Certificate of Compliance.

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

**52.222-4 Contract Work Hours and Safety Standards Act-Overtime Compensation** (JUL 2005). Buyer may withhold or recover from Seller the amount of any sums the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.

**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.

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

**52.222-40 Notification of Employee Rights Under the National Labor Relations Act.** (DEC 2010).

**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.

**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.

**52.223-7 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."

**52.223-18 Encouraging Contractor Policies To Ban Text Messaging While Driving** (AUG 2011).

**52.224-2 Privacy Act** (APR 1984). This clause applies only if Seller is required to design, develop, or operate a system of records contemplated by this clause.

**52.225-1 Buy American Act- Supplies** (FEB 2009).

**52.225-5 Trade Agreements** (AUG 2009).

**52.225-8 Duty-Free Entry** (OCT 2010). This clause applies only if this contract identifies supplies to be afforded duty-free entry or

if foreign supplies in excess of \$15,000 may be imported into the customs territory of the United States. For the purposes of this clause, the blanks in paragraph (g)(3) are completed as follows: UNITED STATES GOVERNMENT, DEPARTMENT OF DEFENSE, Duty-free entry is claimed pursuant Section XXII, Chapter 98, Subchapter VIII, Item No. 9808.00.30 of the Harmonized Tariff Schedule of the United States. Upon arrival of shipment at port of entry, the importer or authorized agent will notify Commander, Defense Contract Management Area Operations (DCMAO, New York, 201 Varick Street, New York, New York, 10014-4811, Attention DCRN-NCT) for execution of Customs Forms 7501, 7501-A, or 7506 and required duty free entry certificates.

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

**52.227-1 Authorization and Consent** (DEC 2007).

**52.227-1 Authorization and Consent Alternate I** (APR 1984).

**52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement** (DEC 2007). A copy of each notice sent to the Government will be sent to Buyer.

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

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

**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.

**52.227-14 Rights in Data--General Alternate II** (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.

**52.227-14 Rights in Data--General Alternate III** (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.

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

**52.230-6 Administration of Cost Accounting Standards** (JUN 2010). Add "Buyer and the" before "CFAO" in paragraph (m). This provision applies if clause H001, H002, H004 or H007 is included in this contract.

**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.

**52.242-15 Stop-Work Order Alternate I** (APR 1984). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer. In the first sentence of Alternate I, "the Termination clause of this contract" is modified to read "the Termination/Cancellation clause of this contract."

**52.244-5 Competition in Subcontracting** (DEC 1996).

**52.244-6 Subcontracts for Commercial Items** (DEC 2010).

Clauses in paragraph (c) (1) are applicable to Seller for commercial items ordered by Buyer from Seller under this contract.

**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. Paragraph (h)(1) is deleted and replaced by the following: "Seller assumes the risk of, and shall be responsible for, any loss, damage, destruction, or theft of Government property upon its delivery to Seller as Government-furnished property. However, Seller is not responsible for reasonable wear and tear to Government Property or for Government property properly consumed in performing this contract." If the contract incorporates Boeing General Provision GP4, the Government-Owned Property article in GP4 is hereby deleted.

**52.247-63 Preference for U.S.-Flag Air Carriers** (JUN 2003). This clause only applies if this contract involves international air transportation.

**52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels** (FEB 2006). This clause does not apply if this contract is for the acquisition of commercial items unless (i) this contract is a contract or agreement for ocean transportation services; or a construction contract; or (ii) the supplies being transported are (a) items the Seller is reselling or distributing to the Government without adding value (generally, the Seller does not add value to the items when it subcontracts items for f.o.b. destination shipment); or (b) shipped in direct support of U.S. military (1) contingency operations; (2) exercises; or (3) forces deployed in connection with United Nations or North Atlantic Treaty Organization humanitarian or peacekeeping operations.

**52.247-67 Submission of Transportation documents for Audit** (FEB 2006).

(a) (2) is deleted. Documents shall be submitted to as specified elsewhere in this contract.

**52.248-1 Value Engineering** (OCT 2010). The term "Contracting Officer" means Buyer. This clause applies only if this contract is for \$150,000 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. 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** (JAN 2011). This clause applies if this contract meets the requirements of paragraph b. 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 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). This clause applies only if this contract exceeds \$1,000,000 or construction, repairs or alteration in excess of \$100,000, or it involve the use of hazardous materials or operations.

**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 Basic (FEB 2000), Alternate I (FEB 2000) .**

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

Applicable clause date is revised to JUN 1997.

**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..

**1852.227-72 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.

**1852.227-86 Commercial Computer Software--Licensing (DEC 1987).** This clause applies only if Seller's software will be delivered to NASA under licensing.

**1852.228-76 Cross-Waiver of Liability for Space Station Activities (DEC 1994).**

**1852.228-82 Insurance - Total Immunity From Tort Liability (SEP 2000).**

**1852.234-2 Earned Value Management System (NOV 2006).**

**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.

**1852.242-72 Observance of Legal Holidays Basic (AUG 1992), Alternate II (OCT 2000) .** This clause applies only if this contract requires work on a Government installation.

**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) .**

**1852.243-70 Engineering Change Proposals Alternate I (JUL 1997).**

**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.

**1852.245-74 Contractor Accountable On-Site Government Property** (JAN 2011).

**1852.245-78 Physical Inventory of Capital Personal Property** (JAN 2011).

**1852.245-79 Records and Disposition Reports for Government Property with Potential Historic or Significant Real** (JAN 2011).

**1852.245-82 OCCUPANCY MANAGEMENT REQUIREMENTS** (JAN 2011).

**1852.245-83 Real Property Management Requirements** (JAN 2011).

**1852.246-73 Human Space Flight Item** (MAR 1997).

**1852.247-71 Protection of the Florida Manatee** (MAR 1989). This clause applies only if this contract requires deliveries, vessel operations, dockside work, or disassembly functions that will involve use of waterways inhabited by manatees.

**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** (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.

**52.219-8 Utilization of Small Business Concerns** (JAN 2011).

**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.

**52.222-40 Notification of Employee Rights Under the National Labor Relations Act.** (DEC 2010).

**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.

**52.223-18 Encouraging Contractor Policies To Ban Text Messaging While Driving** (AUG 2011).

**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.

#### **4. Cost Accounting Standards**



**52.230-2 Cost Accounting Standards (OCT 2010).**

- (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 October 2010.
- (2) (Applicable if this contract incorporates clause H002) The version of FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices, incorporated by H002 is the version dated October 2008.
- (3) (Applicable if this contract incorporates clause H004) The version of FAR 52.230-5, Cost Accounting Standards - Educational Institution, is the version dated October 2010.
- (4) (Applicable if this contract incorporates clause H007) The version of FAR 52.230-4, Disclosure and Consistency of Cost Accounting Practices-Foreign Concerns, is the version dated June 2010.

**5. Prime Contract Special Provisions** The following prime contract special provisions apply to this purchase order**A. ASBESTOS MATERIAL (MSFC 52.223-90) (JUN 2002)**

During performance of this contract, Contractor personnel performing work in MSFC buildings may come in contact with materials containing asbestos. MSFC Buildings 4200, 4201, 4202, 4663, and 4666 are of special concern since they are known to contain a sprayed on fire insulation on or above the ceiling, usually located on the metal or concrete structure of the buildings. These buildings and all other MSFC buildings may contain asbestos in floor tile, pipe and lagging insulation, exterior siding, roofing felt, and many other building materials. Prior to disturbing suspected asbestos material in any manner, the Contractor shall notify MSFC's Occupational Medicine and Environmental Health Services, for guidance. Contractor shall be responsible for ensuring

**B. CONTRACTOR EMPLOYEE BADGING AND EMPLOYMENT TERMINATION CLEARANCE (MSFC 52.204-90) (AUG 2010)**

- (a) It is anticipated that performance of the requirements of this contract will require employee access to and picture badging by the Marshall Space Flight Center. Contractor requests for badging of employees shall be submitted electronically through NASA's Agencywide Personal Identity Verification (PIV) system. Requests for badging will be routed electronically to the appointed Contracting Officer Technical Representative (COTR) or the Alternate COTR for approval prior to processing by the MSFC Protective Services Office.
- (b) Contractor employees must undergo a background investigation prior to being issued a full-time Contractor badge granting access to Redstone Arsenal. Contractor employees not previously cleared for a full-time Contractor badge (e.g., not previously included in the NASA/MSFC or DoD/Redstone database) must complete a Background Investigation Questionnaire and Release form as soon as practicable and before the employee requires Redstone access. When these forms are completed and submitted to MSFC Security, the Contractor employees may be granted an extended visitor's badge granting restricted Redstone access for a period not to exceed 30 days. This 30-day period is normally more than adequate for the Government to conduct its Background Investigation if the applicant's submission is truthful, accurate and complete, and there are no preexisting issues noted in the investigation. If the Contractor employee does not successfully clear the Background Investigation process within 30 days, the extended visitor badge will be revoked. If the visitor badge is revoked, the contractor employee may not enter MSFC and, if the contractual work assignment requires the employee to be onsite and/or have access to Government IT systems, the employee shall discontinue charging their time to the contract immediately. Any Contractor concerns regarding the timeliness of investigation processing should be raised to the Contracting Officer. The Contracting Officer has sole discretion to extend the 30-day limit.
- (c) Contractor employees requiring a badge and/or access to NASA IT systems for less than 179-days within a 365-day period must undergo a fingerprint check through National Crime Information Center/Interstate Identification Index (NCIC/III). Contractor requests for temporary badging of employees shall be submitted electronically through NASA's PIV system. Requests for temporary badging will be routed electronically to the appointed Contracting Officer Technical Representative (COTR) or the Alternate COTR for approval prior to processing by the MSFC Protective Services Office.
- (d) The Contractor shall establish procedures to ensure that badged contractor employees who no longer require Center access properly clear all accounts and turn in their badge and decal(s) to the MSFC Protective Services Office in accordance with MSFC Form 383-1, "Contractor Employee Clearance Document," or MSFC Form 383-3, —Michoud Assembly Facility (MAF) Contractor Employee Clearance Form , when the access is no longer needed. An electronic PIV Employee Termination Request must also be submitted.
- (e) Instruction on how to access the PIV system and request for copies of MSFC Forms 383-1 and 383-3 shall be directed to the MSFC Protective Services Office, Marshall Space Flight Center, Alabama 35812.

**C. HAZARDOUS MATERIAL REPORTING (MSFC 52.223-91)(AUG 2005)**

(a) If during the performance of this contract, the Contractor transports or accepts delivery of any hazardous materials (hazardous as defined under the latest version of Federal Standard No. 313, including revisions adopted during the term of the contract) on-site to MSFC, the hazardous material shall be processed through MSFC Central Receiving to be bar-coded for inventory. Chemical containers shall be managed in accordance with the provisions of MWI 8550.5, —Hazardous Material Management. The Contractor shall be responsible for ensuring that all Contractor/subcontractor personnel are made aware of and comply with this clause.

(b) Nothing contained in this clause shall relieve the Contractor from complying with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits) in connection with hazardous material; or with clauses regarding hazardous materials, which may be contained in the order.

**D. SECURITY / BADGING REQUIREMENTS FOR FOREIGN NATIONAL VISITORS AND EMPLOYEES OF FOREIGN CONTRACTORS (Applies to MSFC and MAF)**

(a) An employee of a domestic MSFC Contractor or its subcontractor who is not a U.S. citizen (foreign national) may not be admitted to the MSFC site for purposes of performing work without special arrangements. In addition, all employees or representatives of a foreign MSFC Contractor/subcontractor may not be admitted to the MSFC site without special arrangements. For employees as described above, advance notice must be given to the MSFC Protective Services Office at least 3 weeks prior to the scheduled need for access to the site so that instructions on obtaining access may be provided.

(b) All visit / badge requests for persons described in paragraph (a) above must be entered in the NASA Foreign National Management System (NFMMS) for acceptance, review, concurrence and approval purposes. When an authorized company official requests a MSFC badge for site access, he/she is certifying that steps have been taken to ensure that its Contractor or subcontractor employees, visitors, or representatives will not be given access to export-controlled or classified information for which they are not authorized. The authorized company officials shall serve as the Contractor's representative(s) in certifying that all visit/badge request forms are processed in accordance with MSFC security and export control procedures. No foreign national, representative, or resident alien Contractor/subcontractor employee shall be granted access into MSFC until a completed request has been approved and processed through the NFMMS. Unescorted access will not be granted unless the MSFC Protective Services Office has completed a favorable National Agency Check (NAC).

(c) The Contractor agrees that it will not employ for the performance of work onsite at the MSFC any individuals who are not legally authorized to work in the United States. If the MSFC Industrial Security Specialist or the CO has reason to believe that any employee of the Contractor may not be legally authorized to work in the United States and/or on the contract, the Contractor may be required to furnish copies of federal Form I-9 (Employment Eligibility Verification), U.S. Department of Labor Application for Alien Employment Certification, and any other type of employment authorization document.

(d) The Contractor agrees to provide the information requested by the MSFC Protective Services Office in order to comply with NASA policy directives and guidelines related to foreign visits to NASA facilities so that (1) the visitor/employee/ representative may be allowed access to MSFC or other NASA Centers for performance of this contract, (2) required investigations can be conducted, and (3) required annual or revalidation reports can be submitted to NASA Headquarters. All requested information must be submitted in a timely manner in accordance with instructions provided by MSFC or any other Center to be visited.

**E. SPECIAL PROVISION FOR CONTRACT CHANGES**

(a) This clause establishes procedures by which the parties agree to change this contract pursuant to the *Changes* clause without an equitable adjustment to the contract price as specified in this subparagraph. The parties agree that each change not exceeding \$700,000 shall be a change having no effect on contract target cost or fee. Contract cost shall be added IAW paragraph (b) per under limit change up to the maximum amount. The per annum maximum amount for said changes is \$2,800,000, and the contract maximum amount is \$28,000,000 beyond which, this clause is no longer operative unless mutually agreed to by the parties and implemented via supplemental agreement.

(b) When it is proposed to make a change under the *Changes* clause and both parties agree that such a change will require no equitable adjustment as contemplated by subparagraph (a) of this clause, the contractor shall submit a written proposal or offer to accomplish the proposed change. If the contractor's proposal is within the limits established in paragraph (a), the change may be accepted by issuing an executed copy of an SF 30. The modification shall: (1) be issued under the *Changes* clause; (2) cite this clause; (3) reference

the contractor's proposal or offer; (4) add the proposed cost to the *estimated* contact value; and (5) direct the changes to be made. The issuance of the modification shall be a full, complete, and final settlement for the directed changes.

## **F. SUBCONTRACTING WITH RUSSIAN ENTITIES FOR GOODS OR SERVICES**

(a) Definitions: In this provision:

(i) The term —Russian entities— includes the following:

- (1) The Russian Federal Space Agency (Roscosmos),
- (2) Any organization or entity under the jurisdiction or control of Roscosmos, or
- (3) Any other organization, entity, or element of the Government of the Russian Federation.

(ii) The term —Organization or entity under the jurisdiction or control of Roscosmos— means an organization or entity that:

- (1) Was made part of the Russian Federal Space Agency upon its establishment on February 25, 1992;
- (2) Was transferred to the Russian Federal Space Agency by decree of the Russian Government on July 25, 1994, or May 12, 1998;
- (3) Was or is transferred to the Russian Aviation and Space Agency or Russian Federal Space Agency by decree of the Russian Government at any other time before, on, or after March 14, 2000; or
- (4) Is a joint stock company in which the Russian Aviation and Space Agency or Russian Federal Space Agency has at any time held controlling interest.

(iii) The term —extraordinary payments— means payments in cash or in kind made or to be made by the United States Government prior to January 1, 2012, for work to be performed or services to be rendered prior to that date necessary to meet United States obligations under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.

(b) This clause implements the Iran and Syria Nonproliferation Act (the Iran Nonproliferation Act as amended by the Iran Nonproliferation Amendments Act of 2005) to allow extraordinary payments prior to January 1, 2012 to Russian entities in connection with the International Space Station. NASA has applied the restrictions in the Act to include funding of Russian entities via U.S. Contractors.

(c) (i) The Contractor shall not subcontract with Russian entities without first receiving written approval from the CO. In order to obtain this written approval to subcontract with any Russian entity as defined in paragraphs (a), the Contractor shall provide the CO with the following information related to each planned new subcontract and any change to an existing subcontract with entities that fit the description in paragraphs (a):

- (1) A detailed description of the subcontracting entity, including its name, address, and a point of contact, as well as a detailed description of the proposed subcontract including the specific purpose of payments that will be made under the subcontract.
- (2) The Contractor shall provide certification that the subcontracting entity is not on any of the denied parties, specially designated nationals and entities of concern lists found at:

<http://www.hq.nasa.gov/office/oer/nasaecp/Welcome.html>

### **Denied Parties, Specially Designated Nationals and Entities of Concern**

BIS's Listing of Entities of Concern BIS's List of Denied Parties

OFAC's List of Specially Designated Nationals (*Adobe PDF format*) List of Unverified Persons in Foreign Countries

(ii) Unless relief is granted by the CO, the information necessary to obtain approval to subcontract shall be provided to the CO 30 business days prior to executing any planned subcontract with entities defined in paragraph (a).

(d) After receiving approval to subcontract, the Contractor shall provide the CO with a report every 6 months which documents the individual extraordinary payments made to an entity in paragraph a. The reports are due on July 15th and January 15th. The July 15th report should document all of the individual extraordinary payments made from the previous January through June. The January 15th report should document all of the individual extraordinary payments made from the previous July through December. The content of the report shall provide the following information for each time an extraordinary payment is made to an entity in paragraph a:

- (i) The name of the entity
- (ii) The subcontract number
- (iii) The amount of the payment
- (iv) The date of the payment

(e) The CO may direct the Contractor to provide additional information for any other prospective or existing subcontract at any tier. The CO may direct the Contractor to terminate for the convenience of the government any subcontract at any tier with an entity described in paragraphs (a), subject to an equitable adjustment.

(f) Notwithstanding FAR 52.216-7, —Allowable Cost and Payments, on or after January 1, 2012 the Contractor shall be responsible to make payments to entities defined in paragraphs (a) of this provision. Any subcontract with entities defined in paragraph (a), therefore, should be completed in sufficient time to permit the U.S. Government to make extraordinary payments on subcontracts with Russian entities on or before December 31, 2011.

(g) The Contractor shall include the substance of this clause in all its subcontracts, and shall require such inclusion in all other subcontracts of any tier. The Contractor shall be responsible to obtain written approval from the CO to enter into any tier subcontract that involves entities defined in paragraph (a).

#### **G. INDEMNIFICATION FOR UNUSUALLY HAZARDOUS RISKS**

(a) The Government recognizes that the Contractor's approach to fulfill the requirements of this contract might involve conditions considered to constitute unusually hazardous risks resulting in potential third party liability exceeding insurance coverage the Contractor could reasonably be expected to purchase and maintain, considering the availability, cost, and terms and conditions of such insurance. In the event the Contractor believes such conditions exist and necessitate indemnification by the Government, the Contractor shall provide documentation and rationale adequate to substantiate processing of such requests in accordance with applicable laws and regulations. The Contractor shall furnish the information required in accordance with FAR 50.403-1 and NASA FAR Supplement 1850.403. Reference to these FAR and NASA FAR Supplement sections are not an indication that NASA has determined indemnification to be applicable. The Contractor's request for indemnification must explain under what authority NASA can provide indemnification for unusually hazardous risks associated with performance of the contract. In addition to identifying a sufficient legal basis for indemnification, the Contractor's request for indemnification also must substantiate a sufficient factual basis for indemnification by explaining specifically what work under the contract poses unusually hazardous risks.