



Boeing Commercial Airplanes (BCA) Terms and Conditions

2XXX -- FINANCIAL

NEW NO.	OLD NO.	REV NO.	CLAUSE TITLE/TEXT
20XX			ACCOUNTING
2001	892		CHANGE ORDER ACCOUNTING
			When Boeing estimates that the cost of a change or series of related changes will exceed one hundred thousand dollars (\$100,000), Boeing may require change order accounting. Seller, for each such change or series of related changes, shall maintain separate accounts, by job order or other suitable accounting procedures, of all incurred segregable, direct costs (less allocable credits), of work, both changed and not changed, allocable to the change. Such accounts shall be maintained until the parties agree to an equitable adjustment for the change order.
21XX			AUDIT
2101	845		AUDIT BY BOEING
			<p>1. Seller shall maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of the work hereunder.</p> <p>2. Seller's books, records, documents and other supporting data shall be made available to Boeing, or its authorized representative, for inspection and audit as required by Boeing in conjunction with the negotiation of any changes hereunder, including termination claims, and in the event Boeing elects to exercise an option for the purpose of additional quantities or request a price quotation for follow-on orders for the same or similar item or services.</p> <p>3. In any of the above events, Seller shall, upon request of Boeing, furnish a statement of related historical cost experience by cost element, or in such form as stipulated by Boeing, together with applicable projections and supporting data. Such statements shall be based on current, accurate and complete cost information and so certified by a responsible officer.</p> <p>4. Seller shall cause a like provision to be included in all subcontracts valued over one hundred thousand dollars (\$100,000).</p>
22XX			PRICING
2201	110		TERMINATION LIABILITY
			1. The Not-To-Exceed prices set forth herein are subject to negotiation and downward adjustment only. However, Seller agrees to proceed immediately with the effort hereunder, except as expressly provided to the contrary herein, and to pursue such work with all diligence so that the supplies and

			<p>services may be delivered or performed in accordance with the schedules noted herein.</p> <p>2. Seller agrees to promptly provide such price and cost information as may be reasonably required to definitize the Not-To-Exceed prices herein.</p> <p>3. If supplies and/or services are delivered or performed prior to negotiated agreement on the related prices, then interim provisional billing and payment shall be made at eighty percent (80%) of the Not-To-Exceed price set forth in this Purchase Order/Letter Contract.</p> <p>4. The maximum termination liability amount under this Purchase Order/Letter Contract, including a reasonable amount for termination costs and for profit or fee (if any), for which Boeing shall be liable is set forth in the Purchase Order/Letter Contract. This termination liability amount shall be Boeing's total liability whatsoever to Seller, including the price of any changes (bilateral or unilateral) made under this Purchase Order/Letter Contract.</p>
2202	868		PRICES IN EFFECT AT TIME OF DELIVERY
			Prices are subject to adjustment to the price in effect on the date of shipment. Seller shall advise Boeing's Purchasing Representative in writing of such price adjustment thirty (30) working days prior to shipment to ensure prompt payment.
23XX			INVOICING
			RESERVED
24XX			PAYMENT
2401	(851)	052710	Deleted.
2402	(852)	052710	Deleted.
2403	(853)	052710	Deleted.
2404	(891)	052710	Deleted.
2405	(895)	052710	Deleted.
2406	(896)	052710	Deleted.
2407	894		DEFINITIVE CONTRACT
			Seller agrees that in the process of definitizing this Letter Contract, the terms and conditions herein may be added to, deleted and/or revised as necessary in accordance with the definitized prime contract.
2408	(897**)	052710	Deleted.
2409	(899**)	052710	Deleted.
2410	906		TECHNICAL DATA -- WITHHOLDING OF PAYMENT
			<p>1. Boeing reserves the right, if Seller fails to deliver required technical data or computer software (hereinafter "data") by the dates set forth herein or such data is found to be deficient at the time of delivery (including but not limited to having restrictive markings not authorized by this Purchase Order/Contract) to withhold ten percent (10%) of the total price of this Contract until such time as Seller makes the required delivery or corrects any such deficiency. Boeing will not withhold such amount if Seller's failure to deliver data is due to causes beyond its reasonable control and without its fault or negligence; provided Seller has reasonably notified Boeing and has provided Boeing with documentary evidence supporting such claim.</p>

		<p>2. After payments total ninety percent (90%) of the total contract price and if all technical data specified to be delivered under this Contract has not been accepted, Boeing may withhold from further payment such sum as Boeing considers appropriate, not exceeding ten percent (10%) of the total contract price.</p> <p>3. The withholding of any amount or subsequent payment to Seller shall not be construed as a waiver of any rights accruing to Boeing under this Contract.</p>
(END OF CLAUSE)		
25XX		OFFSET
2501	267	BOEING OFFSET/CO-PRODUCTION REQUIREMENT -- FOREIGN SELLER
		Boeing reserves the right to credit the value of this Purchase Order/Contract to meet any offset/coproduction requirement (present or future) to your country or a third country. Seller agrees to work with appropriate in-country agencies as required, including but not limited to, completing and filing all required documentation that will effect the passing through of offset credits to Boeing.
2502	504	OFFSET COMMITMENT -- CONTRACTUAL IMPLEMENTATION
		<p>Seller agrees to negotiate and enter into a separate contract with Boeing not later than one hundred twenty (120) days after acceptance of this Contract in order to implement Seller's firm commitment to support Boeing's offset obligations. Boeing reserves the right to extend this time frame in order to facilitate the establishment of Seller's separate Contract with Boeing.</p> <p>This Clause supersedes Article 32 to Form DAC 26-800, General Terms and Conditions -- Commercial/FAR, or Form DAC 26-685, General Terms and Conditions -- DAR, as applicable.</p>

*New Clause, no corresponding Clause number assigned under "old" scheme.

**New Clause, "old" number assigned for Boeing internal use only.

***Clause not published in 1/87 edition of DAC 26-730, but was applied as a full text attachment to purchase orders.

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