BOEING

Terms & Conditions:

MODIFICATIONS TO GENERAL TERMS AND CONDITIONS CONTRACT N00019-98-C-0073

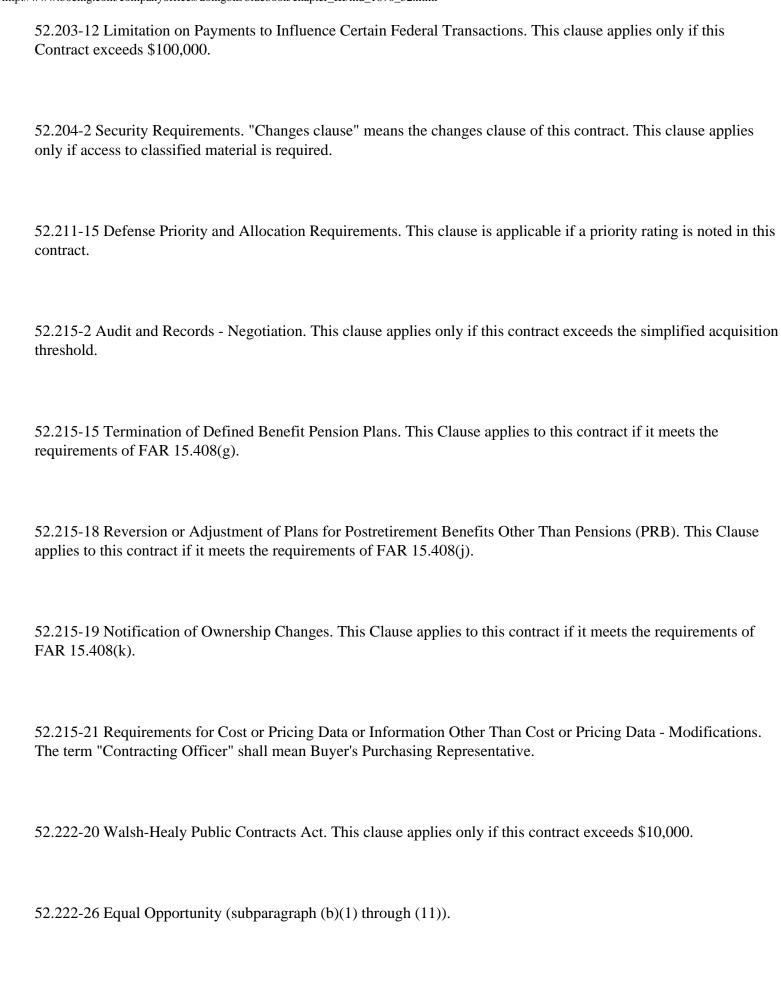MD-1870-32 (14 JAN 99) NEW

GOVERNMENT CONTRACT REQUIREMENTS

If Form GP1 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 29. If Form GP4 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 31. If Form 70-C-33 (MD-1965-02) is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 30.
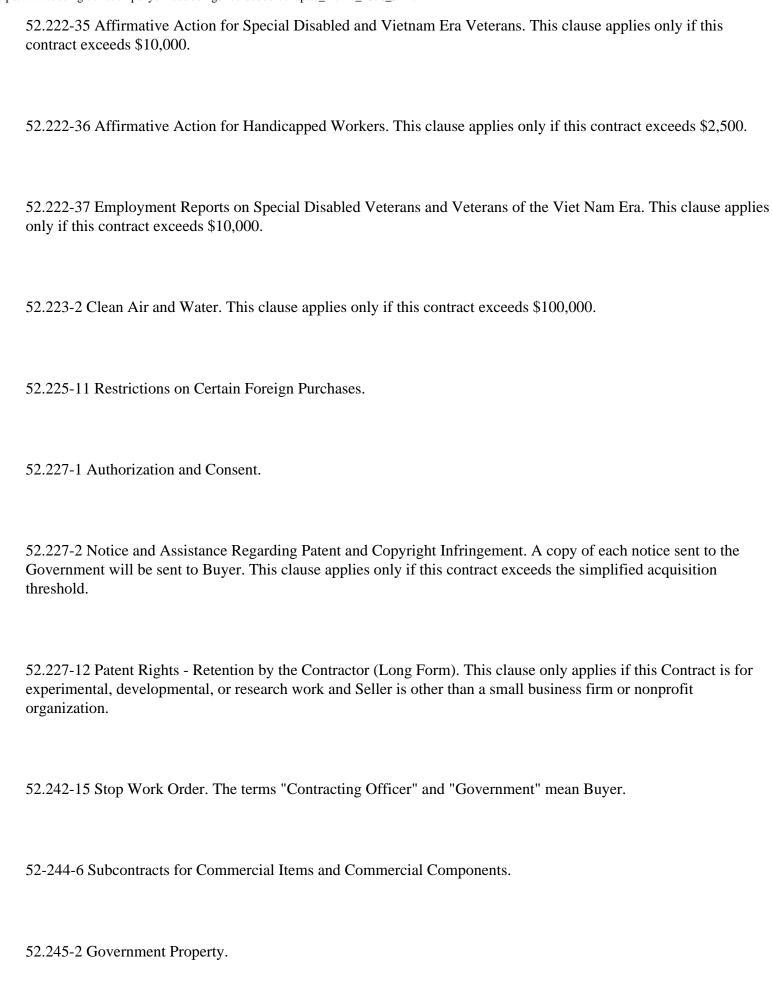
1. The following contract clauses are incorporated by reference from the Federal Acquisition Regulation and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1)). 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. 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. This clause applies only if this contract exceeds 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.

52.203-12 Limitation on Payments to Influence Certain Federal Transactions. This clause applies only if this Contract exceeds $100,000.

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

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

52.215-2 Audit and Records - Negotiation. This clause applies only if this contract exceeds the simplified acquisition threshold.

52.215-15 Termination of Defined Benefit Pension Plans. This Clause applies to this contract if it meets the requirements of FAR 15.408(g).

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB). This Clause applies to this contract if it meets the requirements of FAR 15.408(j).

52.215-19 Notification of Ownership Changes. 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. The term "Contracting Officer" shall mean Buyer's Purchasing Representative.

52.222-20 Walsh-Healy Public Contracts Act. This clause applies only if this contract exceeds $10,000.

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

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans. This clause applies only if this contract exceeds $10,000.

52.222-36 Affirmative Action for Handicapped Workers. This clause applies only if this contract exceeds $2,500.

52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Viet Nam Era. This clause applies only if this contract exceeds $10,000.

52.223-2 Clean Air and Water. This clause applies only if this contract exceeds $100,000.

52.225-11 Restrictions on Certain Foreign Purchases.

52.227-1 Authorization and Consent.

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement. A copy of each notice sent to the Government will be sent to Buyer. This clause applies only if this contract exceeds the simplified acquisition threshold.

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

52.242-15 Stop Work Order. The terms "Contracting Officer" and "Government" mean Buyer.

52-244-6 Subcontracts for Commercial Items and Commercial Components.

52.245-2 Government Property.

52.245-18 Special Test Equipment.

2. DoD Contracts. If this Contract is placed under a Department of Defense Contract, 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. Unless otherwise provided, the clauses are those in effect as of the date of this contract.

252.203-7001 Special Prohibition on Employment (excluding paragraph (g)). This clause applies only if this contract exceeds the FAR Part 13 simplified acquisition threshold and does not apply to the purchase of commercial items or commercial components.

252.204-7000 Disclosure of Information. Seller will submit requests for authorization to release through Buyer.

252.209-7000 Acquisition From Subcontractors Subject to On-site Inspection Under the Intermediate-Range Nuclear Forces Treaty. This clause applies only if this contract exceeds the FAR Part 13 simplified acquisition threshold and does not apply to the purchase of commercial items or commercial components.

252.225-7001 Buy American Act and Balance of Payment Program.

252.225-7009 Duty-free Entry — Qualifying Country End Products and Supplies.

252.225-7022 Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber. "Contracting Officer" means Buyer.

252.225-7026 Reporting of Contract Performance Outside the United States. This clause applies only if this contract exceeds $500,000.

252.227-7013 Rights in Technical Data - Noncommercial Items (NOV 1995 Version) and Alternate I (JUN 1995 Version). 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 Version) and Alternate I (JUN 1995 Version). 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 Version).

252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions (JUN 1995 Version).

252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 1995 Version). 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 Version). 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 (OCT 1988 Version). "Government" and "Contracting Officer" mean Buyer. This clause applies only if the delivery of data is required by this contract.

252.227-7036 Certification of Technical Data Conformity (JAN 1997 Version). This clause applies only if the delivery of data is required by this contract.

252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 1995 Version). 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.

252.245-7001 Reports of Government Property.

252.247-7023 Transportation of Supplies by Sea. This clause applies only if this contract exceeds the Simplified Acquisition Threshold in FAR Part 13.

252.247-7024 Notification of Transportation of Supplies by Sea. "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause does not apply to the procurement of commercial items or commercial components.

3. If goods or services being procured under this contract are for commercial items and Clause 1086 is set forth in the purchase order, the foregoing Government clauses are deleted and the following FAR and DFARS clauses are inserted in lieu thereof:

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

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans. This clause applies only if this contract exceeds $10,000.

52.222-36 Affirmative Action for Handicapped Workers. This clause applies only if this contract exceeds $2,500.

252.225-7014 and Alt. 1 Preference for Domestic Specialty Metals.

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

A. SAFETY AND ACCIDENT PREVENTION

In performing work under this Contract on a Government installation, Seller shall (a) conform to the specific safety requirements contained in the Contract, and (b) for those related activities not directly addressed by this Contract, conform to the applicable safety rules prescribed by the Government installation, and (c) take such additional precautions as Buyer or the Contracting Officer under Buyer's Government contract may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected as directed by Buyer or the Contracting Officer, shall be grounds for termination of

this Contract in accordance with the default provisions hereof. Buyer may, by written order, direct additional safety and accident standards as may be required under Buyer's Government contract and any adjustments resulting from such direction will be in accordance with the provisions of this Contract entitled "Changes."

B. FOREIGN MILITARY SALES

The Seller certifies that the price of this Contract does not include any direct or indirect costs of sales commissions or fees for Seller's sales representatives involved in Foreign Military Sales.

C. FOREIGN OBJECT DAMAGE/CONTROL

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