



Terms & Conditions:

00XX - SOLICITATION CLAUSES

00XX INSTRUCTIONS, CONDITIONS AND EVALUATION

0001 SOLICITATION INSTRUCTIONS

Seller shall comply with the instructions herein when responding to the solicitation.

1. Solicitation responses received after the specified "Bid Close Date" may be considered nonresponsive. Any extension of the "Bid Close Date" must be approved by the Buyer's Procurement Agent.
2. Seller shall provide pricing for the next highest quantity break, if any, above the quantity specified herein.
3. Solicitation responses must be based upon zero shipping tolerance. If Seller's offering price can be reduced by allowing for shipping tolerances, Seller must so indicate by quantifying the reduction and specifying the shipping tolerance.
4. Seller shall indicate any manufacturer's part number if the solicitation response proposes an equivalent item other than the requirement stated herein.
5. Seller shall return the original Request For Quotation, completed with the information indicated below and signed and dated. If Seller received a Request For Proposal (RFP), the information indicated below must be provided as part of the solicitation response:
 - a. Terms of Payment;
 - b. FOB point (if different);
 - c. Unit price for quantities indicated, Seller's corresponding unit of measure and the extended price (total of the quantity required multiplied by the unit price);
 - d. Seller's delivery schedule. Note that if Seller can deliver in accordance with Buyer's required schedule, a separate indication of schedules is not required;
 - e. Production lead-time required (in weeks).
6. Seller shall carefully review all documents referenced and received with Buyer's solicitations (RFP/RFQ) to ensure the following:
 - a. All information required to properly respond to the solicitation has been received;
 - b. All tooling and material requirements, processes and procedures are understood and priced

accordingly in the response to the solicitation.

7. Seller accepts the responsibility to contact Buyer's Procurement Agent, at the number noted on the solicitation, to resolve questions or concerns regarding the solicitation.

8. Requests from successful Seller (i.e., Bidder) for additional funding or schedule adjustments to cover factors not initially included in the response to the solicitation will not be recognized by Buyer; thus Seller shall be held liable to meet all requirements, including but not limited to price and delivery, as originally quoted.

9. Seller acknowledges by its response to this solicitation that no former Buyer employee is representing Seller in connection with this solicitation or any resulting order.

10. Code of Conduct. Boeing is committed to conducting this procurement fairly, impartially, and in an ethical and proper manner. In the event that Bidder has cause to believe that Boeing or any Boeing employee or agent has acted improperly or unethically in connection with this solicitation, Bidder shall report such conduct to the Boeing Ethics hotline. Copies of Boeing's Code of Conduct and contacts for such reports are available on <http://www.boeing.com/> under "Ethics and Business Conduct." Boeing will not use the failure to make such a report as a basis for rejecting Bidder's proposal. Bidder is nonetheless encouraged to exert reasonable efforts to make such reports when warranted.

0004 QUOTATIONS SENT VIA FACSIMILE (FAX)

Return of the solicitation response via facsimile (FAX) transmission to MDC is expressly authorized. Reference the solicitation number on the FAX cover sheet and include the MDC address and the name and location of the MDC Purchasing Representative. The telephone number of the FAX machine(s) authorized to receive the transmission of the solicitation response is indicated on the solicitation. In addition, Seller shall send the original solicitation response to the MDC Purchasing Representative in accordance with the requirements of Clause 0005, as applicable.

WARNING: To ensure the integrity of the solicitation process, MDC strongly urges Sellers to use only FAX machine(s) specifically authorized for receipt of controlled bids and reserves the right to deem any solicitation response to be nonresponsive and ineligible for award if it was submitted via a FAX machine not authorized in writing by MDC.

0005 RETURN QUOTE AND BID CONTROL

Return the solicitation response via U.S. mail or recognized common carrier in the (blue) bid envelope, Form MD-1912, to the address indicated on the solicitation. To ensure the solicitation response is received by the proper Bid Control Center, the specific location and internal mail code must be incorporated into the address by the Buyer. Reference the solicitation number on the envelope. If the solicitation response cannot be placed in the envelope provided, the MDC bid envelope must be attached to the outside of the package. Where multiple volumes of the solicitation response are provided, only the volume which contains the cost or pricing information must go to bid control. All other volumes may be sent directly to the MDC Purchasing Representative.

0006 RETURN QUOTE TO BUYER

Return the solicitation response via U.S. mail, common carrier, TWX or facsimile (FAX) directed to the attention of the buyer at the address shown on the solicitation. The Buyer's name, location, internal mail code and the telephone number of the FAX machine(s) authorized to receive transmission of solicitation responses are shown on the solicitation.

0007 SPARES

If the price for the procurement of spare parts can be reduced by changing the delivery dates set forth herein to coincide with the delivery of the C-17 production parts, please provide an alternate quote setting forth the proposed delivery dates and the reduced price.

0010 SELLER SIZE AND POINT OF MANUFACTURE

Seller's solicitation response must state the number of employees of Seller, the place of manufacture of the items, whether Seller is a large or small business, and if manufactured or subcontracted outside the U.S., the export license number and whether Seller is an affiliate of an U.S. firm.

0015 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW

An award in the amount of \$10 million or more will not be made under this solicitation unless the Seller is found, on the basis of a compliance review, to be able to comply with the provisions of the Equal Opportunity Clause of this solicitation.

0020 SELLER OFFSET COMMITMENT

Seller's solicitation response must include a firm commitment to support MDC's offset, coproduction and similar obligations to certain foreign governments (hereinafter collectively called "offset" obligations). These offset obligations have been accepted by MDC as requirements for the sale of products to these foreign customers. The commitment proposed by Seller will be a factor in MDC's evaluation of Seller's solicitation response.

0030 EVALUATION OF QUOTE

MDC reserves the right to reject any and all solicitation responses and to evaluate all solicitation responses with regard to quality, price, assurance of timely delivery, and all other factors that MDC, in its sole discretion, deems relevant.

0031 ALTERNATE QUOTES

Seller is invited to submit additional, alternate solicitation responses which might reduce the price by taking advantage of price breaks, delivery schedule variations, more economical packaging, bulk handling or changes to configurations, materials, tolerances, finishes, etc. which will not impair any essential characteristics of form, fit or function, such as service life, reliability, ease of maintenance or interchangeability.

0032 QUOTE FIRM FOR THREE MONTHS

Seller must accompany its solicitation response with a written assurance that it will be held open and not revoked for lack of consideration for a period of three (3) months.

0033 BEST VALUE

The offerer is advised that this solicitation shall be evaluated based on price/cost, past delivery performance, and past quality performance factors. MDC shall use the data set forth in its Supplier Rating System (SRS) to determine the past delivery and quality performance in such evaluation.

0040 NO BID RESPONSE

If Seller declines to submit a solicitation response for any item described in this solicitation, Seller is requested to state the reason for such "No-Bid" response.

0050 DISCOUNTS FOR PROMPT PAYMENT

The amount and terms of any prompt payment discount shall be proposed in Seller's solicitation response.

0060 POTENTIAL SPLIT REQUIREMENTS

Unless Seller otherwise specifies in its solicitation response, MDC may accept any item or group of items and may make an award on any item for a quantity less than the quantity stated at the unit price indicated.

0070 CLASSIFIED INFORMATION

In order to respond to this solicitation, Seller must have access to classified matter. All classified matter furnished in connection with this solicitation must be controlled in accordance with the provisions of the Department of Defense Industrial Security Manual, as revised. Such material shall be returned to MDC in accordance with Paragraph 64 of said manual.

01XX CERTIFICATIONS

0110 SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN CERTIFICATE OF COMPLIANCE

If the total value of Seller's solicitation response exceeds \$500,000, Form MD-1959, Small Business and Small Disadvantaged Business Subcontract Plan Certificate of Compliance, shall be executed and returned with the solicitation response.

0111 SMALL BUSINESS SUBCONTRACTING PLAN

1. If selected for this procurement and the supplier is a domestic large business, the supplier will be required to complete and submit a small business subcontracting plan (SBSP) in accordance with the electronic template. The template may be found at the following Boeing external website: <http://www.boeing.com/companyoffices/doingbiz/supplier/sdforms.htm>

Upon notification of source selection, the supplier will forward the SBSP to the Procurement Agent (PA) via the PA's E-mail address and also to the Supplier Diversity Program Office via e-mail to: supplierdiversity@boeing.com before contract award will be made if the final agreed to price (or total estimate cost plus fee) is in excess of \$500,000. The supplier will also be required to submit a semi-annual SF294 available at:

<http://www.boeing.com/companyoffices/doingbiz/supplier/sdforms.htm> "Subcontracting Report for Individual Contracts" to the A&M Supplier Diversity Program Office supplierdiversity@boeing.com, for the periods ending March 31 and September 30, on or before April 30 and October 31, respectively, each year during the period of performance of the Purchase Order/Contract (PC).

2. If the Offeror is a participant in the DoD Comprehensive Plan (Test Program), rather than the preceding requirements, copies of the semi-annual SF295 available at: <http://www.boeing.com/companyoffices/doingbiz/supplier/sdforms.htm> "Summary Subcontract Report" on the plan shall be submitted to the A&M Supplier Diversity Program Office supplierdiversity@boeing.com concurrently with the filing of such reports with the DoD.

3. The resultant PC will contain a provision requiring the submission of the forgoing SF294s and SF295s.

0120 COST ACCOUNTING STANDARDS (DAR and FAR) (\$100,000)

Cost Accounting Standards Certification Quotation Conditions, Form MD-1958, shall be executed and returned with the solicitation response.

0123 COST ACCOUNTING STANDARDS (FAR) (\$500,000)

Cost Accounting Standards Certification Quotation Conditions (FAR), Form MD-1964, shall be executed and returned with the solicitation response.

0130 CERTIFICATION OF CURRENT COST OR PRICING DATA (DAR/NASA)

Subcontractor's Certificate of Current Cost or Pricing Data, Form MDC 450-3, shall be executed and returned upon completion of negotiations (not with the initial solicitation response)

0131 CERTIFICATION OF CURRENT COST OR PRICING DATA (FAR)

Subcontractor's Certificate of Current Cost or Pricing Data, Form MD-7064, shall be executed and returned upon completion of negotiations (not with the initial solicitation response).

0132 COST OR PRICING DATA THRESHOLD (FAR)

The dollar threshold for requiring a Certificate of Current Cost or Pricing Data is \$500,000.

0160 ROYALTY INFORMATION

If Seller's solicitation response contains costs or charges for royalties totaling more than \$250.00, Form MD-7072 shall be completed and provided to MDC with the solicitation response. Each separate item of royalty or license fee must be reflected on a separate Form MD-7072. In addition, as a condition to the execution of the contract contemplated by the solicitation, MDC may request a copy of the current license agreement and the identification of applicable claims of special patents.

0180 DEBARMENT, SUSPENSION, AND PROPOSED FOR DEBARMENT

By signing and returning its solicitation response to Buyer, Seller certifies to the best of its knowledge and belief, that the Seller and/or any of its principals are not debarred, suspended, or proposed for debarment by the Federal Government or by any Federal agency. Seller shall provide immediate written notice to Buyer if Seller learns that its certification was erroneous when submitted or if the Seller and/or any of its principals has become debarred, suspended, or proposed for debarment by the Federal Government or by any Federal Agency.

0181 DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS

By signing and returning its solicitation response to MDC, Seller certifies pursuant to and that it is in compliance with FAR 52.203-11, Certificate and Disclosure Regarding Payments to Influence Certain Federal Transactions.

0182 ANNUAL REPRESENTATIONS AND CERTIFICATIONS

Seller shall complete, execute and return Form MD-7260, Annual Representation and Certification, with the solicitation response.

02XX FINANCIAL

0201 COST BREAKDOWN

Seller shall prepare the cost/price portion of the solicitation response and submit Form MD-7050 for work to be performed under a resulting contract. Seller's compliance with these forms shall be in accordance with FAR requirements.

0202 COST BREAKDOWN DATA ITEMS

Seller shall prepare a detailed cost breakdown for technical publication data items by submitting such cost breakdown with the solicitation response. Estimated costs for data items shall include only those costs which are generated solely as a direct result of the imposition of the data requirement. Each data element shall be priced separately. Allowable costs for technical publication data includes all effort to generate the document such as research, technical illustration, copy preparation and photography but excludes all initial design and development effort.

0205 CONTRACT FACILITIES CAPITAL COST OF MONEY

Seller shall submit a completed Form DD 1861, Contract Facilities Capital Cost of Money, to the MDC Purchasing Representative with its solicitation response. MDC shall have the right to verify by audit any amounts claimed by Seller for land, buildings and equipment.

0210 PROGRESS PAYMENTS

It is anticipated that, consistent with progress payments made available to MDC by the U.S. Government, progress payments will be available under the contract contemplated by this solicitation in conformance with the standards for customary progress payments stated in Paragraph 503 of Appendix E of the Defense Acquisition Regulation or Section 32.501 of the Federal Acquisition Regulation. The need for progress payments will not be considered as a handicap or adverse factor in the award of the Purchase Order/Contract.

0220 PERFORMANCE MEASUREMENT INFORMATION

Seller must include in its solicitation response a current financial statement (including balance sheet and latest income statement). In addition, a proposed cumulative monthly termination liability schedule, time-phased expenditure profile, controlled item master schedule, and a monthly status report must be submitted. Selected items will be made a part of the Purchase Order/Contract when issued. MDC's maximum liability will be limited in accordance with the termination liability schedule incorporated into the Purchase Order/Contract.

0230 AGREEMENT TO FURNISH SUPPLEMENTARY PRICING INFORMATION

By submission of a solicitation response Seller agrees:

1. Seller's books, records, documents and other supporting data shall be made available to MDC, or its authorized representative, for inspection and audit as required by MDC in connection with any negotiations
2. Seller shall, upon request of MDC, furnish a statement in such form as stipulated by MDC, together with applicable projections and support data. Such statement shall be based on current, accurate and complete cost information and so certified by a responsible officer.
3. Seller's solicitation response must include the name of Seller's employee who is most familiar with cost and pricing data supporting the prices.
4. Seller agrees no restriction will be imposed on the release of any audit report to MDC.

03XX GOVERNMENT FACILITIES/PROPERTY**0301** RENT FREE USE OF GOVERNMENT FACILITIES

Seller is requested to submit alternate solicitation responses if use of Government facilities, special tooling or special test equipment on a rent-free basis is anticipated by Seller in performance hereunder. One solicitation response should show a price based on use of rent-free facilities, special tooling and special test equipment, and the other should show a price based on payment of rent for such usage. Said usage charge(s) shall conform to the rates prescribed in FAR 45.403. Seller shall identify the Government facilities contract, the Administrative Contracting Officer (including address and telephone number) with cognizance over the facilities contract, provide a list of the property accountable to the facilities contract (including nomenclature, property identification or control number, acquisition date, and acquisition value) and indicate the completion date of the accountable facility or supply contract.

0310 CONTROL OF GOVERNMENT PROPERTY

Seller must submit with its solicitation response documentation evidencing Government approval of Seller's system for control of Government property, or if Seller has no Government approved system, Seller must cooperate with MDC representatives in the conduct of a property system survey by telephone, correspondence and/or through visits to Seller's facility at reasonable times.

04XX TOOLING**0410 MDC/GOVERNMENT FURNISHED SPECIAL TOOLING/SPECIAL TEST EQUIPMENT**

See the solicitation for a listing of special tooling or special test equipment anticipated to be provided in connection with the work to be performed under any resulting Purchase Order/Contract.

0411 NO MDC/GOVERNMENT FURNISHED SPECIAL TOOLING/SPECIAL TEST EQUIPMENT

MDC does not anticipate that any special tooling or special test equipment will be provided to the Seller in connection with the work to be performed under any resulting Purchase Order/Contract.

0430 SPECIAL TOOLING AND/OR SPECIAL TEST EQUIPMENT

If the contemplated procurement will require the use of special tooling or special test equipment which is not presently in the Seller's possession, Seller shall submit an itemized, priced listing of such tooling or special test equipment. Should the Seller have Government owned special tooling or Special test equipment in their possession suitable for use on the Purchase Order/Contract contemplated by this solicitation, Seller shall comply with the provisions of MDC Clause 0301 in the Seller's solicitation response.

Should special tooling or special test equipment be quoted, or utilizing existing Government property, the Seller shall be subject to MDC Clauses 1050, 3501 and/or 3512, as appropriate and will be incorporated in any resulting Contract. For the definition of special tooling or special test equipment, see Form MD-7159.

05XX INTELLECTUAL PROPERTY**0501 RESTRICTIVE LEGENDS ON PROPRIETARY DATA**

MDC acceptance of any document marked with a restrictive legend does not indicate MDC agreement that information contained therein is proprietary. MDC will have the right to reproduce any submitted data, drawings or other material as required for evaluation purposes only, even though marked with a restrictive legend, under the condition that the Seller's restrictive legends shall be included on any reproduction of any Seller's data so marked. It is understood that, in the event information contained in submitted documents is already within MDC's knowledge, is obtained from any source without restriction, or is for any reason not protectable at law, restrictive markings which purport to cover the information shall not be valid nor be binding upon MDC.

0502 PROPRIETARY DATA CONTROL

All MDC furnished data and information relating to this solicitation, including interface or other technical data of MDC's subcontractors which is revealed to Seller, is considered to be proprietary to the McDonnell Douglas Corporation (MDC) or MDC's subcontractors and all rights therein are reserved. MDC hereby provides the Seller the right to use the proprietary data and a limited license to reproduce any copyrighted material from this solicitation based on the following conditions:

1. The Seller agrees that by accepting this solicitation and related documents that neither the solicitation data nor any part of the related information disclosed to the Seller shall be reproduced or transferred to other documents except for purposes relating to the Seller's response to this solicitation. The Seller agrees not to use or disclose to others, for manufacturing purposes or any other purpose, the data provided except as specifically authorized by McDonnell Douglas Corporation in this solicitation and any resulting Purchase Order/Contract.

2. The Seller further agrees to respect the confidential nature of the disclosure, oral and/or written, and not to disclose to others except to discuss it within the Seller's own personnel or with subcontractors who agree to respect the confidential nature of this information and the conditions set forth in this Clause. The purpose of revealing this information to the Seller is to permit the Seller's employees to evaluate the data and to use the information in the preparation of the Seller's response to this MDC solicitation. If at a later date the Seller desires to use this information for any other purpose, the Seller agrees not to do so unless and until first obtaining either a formal Purchase Order/Contract from MDC or MDC's written permission.

3. SELLER AGREES TO DESTROY OR RETURN THE DATA TO MDC IN THE EVENT THAT SELLER IS NOT SELECTED TO RECEIVE THE AWARD RESULTING FROM THIS SOLICITATION.

4. The above obligations shall not apply or shall cease to apply, as appropriate, to the information disclosed when it can be established by Seller that the information was in the public domain at the time of this disclosure; such information was known to Seller prior to this disclosure; or such information has become known to Seller from an independent source which did not receive it from MDC under an obligation of confidence.

0514 NOTICE OF LIMITATIONS ON GOVERNMENT RIGHTS

Form MD-2321, DFARS 252.227-7013(e) Noncommercial Technical Data Identification & Assertion, Form MD-2322, DFARS 252.227-7014(e) Noncommercial Computer Software Identification & Assertions, and/or MD-2323, DFARS 252.227-7017 Commercial Technical Data/Computer Software Identification & Assertions, is to be completed as notice of the Subcontractor's or subtier Subcontractor's use of items, components or processes whenever commercial and/or noncommercial technical data or computer software is required to be delivered and will be furnished with limitations on the Government's rights in accordance with DFARS 252.227-7013(e), 252.227-7014(e), and/or 252.227-7017.

0520 EXPORT CONTROL OF TECHNICAL DATA

MDC is providing with this solicitation certain technical data which is subject to export laws of the United States of America. Such data may not be used for any purpose other than preparing Seller's response to this solicitation. If the data will be needed by foreign contractors, Seller must identify each such proposed foreign subcontractor, the country of origin, the kind of work to be subcontracted and the anticipated percentage of the work to be subcontracted in relation to the total scope of work in Seller's response. If Seller is not selected to receive the award, MDC shall require Seller to return or destroy the data, at MDC's election. Similarly, MDC may require Seller to certify in writing that it has complied with MDC's directions.

06XX MISCELLANEOUS

0601 SELLER TO ADVISE LOCATION OF QUALIFICATION TESTS

Seller must advise whether all qualification testing is to be done at its facility and if not, what tests are to be subcontracted and to what laboratory.

0602 NEW ITEMS REQUIRING QUALIFICATION TEST QUALIFIED UNITS

Seller's solicitation response must state the number of days (after the date of issuance of the contract contemplated by this solicitation) for delivery of unqualified units and the number of days (after delivery of the unqualified units) for delivery of qualified units.

0610 MDC/GOVERNMENT FURNISHED RAW MATERIAL

MDC/Government furnished material will be in random lengths or sizes. Seller must specifically state any exception taken to use of randomly sized material in the solicitation response.

0615 WARRANTY PERIOD(S) C 17

Seller's solicitation response must state the Warranty period(s) for defects in design and other warranties within the scope of Clause 7315, 7316, 7317, 7322, 7323 or 7324, whichever is applicable to this solicitation. Clause 1420 will state the negotiated Warranty period(s) in the resulting Purchase Order/Contract.