

Date: July 2002**EXHIBIT A**

**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT C29A16, C29A27, AND 000111**

The clauses contained in the following Government regulations are incorporated by reference. Where necessary or appropriate to derive proper meaning in a subcontract situation, "Contractor" shall mean Seller. Government clauses cited elsewhere in the contract shall be those in effect in April 1993.

**FAR/DFARS
Reference**

Title

52.204-2	Security Requirements (Applies only if the contract requires access to classified information, "Government" means Buyer or the Government.)
52.211-7	Other Than New Material, Residual Inventory and Former Government Surplus Property ("Contracting Officer" means Buyer.)
52.211-15	Defense Priority and Allocation Requirements
52.215-1	Examination of Records by Comptroller General
52.219-8	Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns
52.222-1	Notice of Labor Disputes ("Contracting Officer" means Buyer.)
52.222-21	Prohibition of Segregated Facilities (Certification required. The clause is to be included in every subcontract or purchase order subject to the equal opportunity clause.)
52.222-4	Contract Work Hours and Safety Standards Act – Overtime Compensation
52.223-3	Hazardous Material Identification and Material Safety Data (Applies only if hazardous material will be delivered)
52.223-7	Notice of Radioactive Materials (In paragraph (1) insert "sixty (60)" before "days".)
52.225-10	Duty-Free Entry
52.225-11	Restrictions on Certain Foreign Purchases ("Contracting Officer" means Buyer.)
52.227-1	Authorization and Consent
52.227-10	Filing of Patent Applications - Classified Subject Matter (Applies only if contract will involve access to classified information)
52.227-11	Patent Rights - Retention by Contractor (Short Form) (Applies only if Special Provision F.1 is included and Seller is a small business or non-profit organization.)
52.227-12	Patent Rights - Retention by Contractor (Long Form) [Applies only if Special Provision F.1 is included. If Seller is a small business or nonprofit organization, include FAR 52.227-11, Patent Rights - Retention by the Contractor (Short Form), in such subcontract or purchase order instead of this clause.]
52.242-15	Stop Work Order ("Contracting Officer" means Buyer)
52.244-5	Competition in Subcontracting
52.246-23	Limitation of Liability (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
52.247-63	Preference for U.S.-Flag Air Carriers
252.204-7000	Disclosure of Information
252.208-7000	Intent to Furnish Precious Metals on Government-Furnished Material
252.215-7000	Pricing Adjustments

252.223-7002	Safety Precautions for Ammunition and Explosives (Applies only if contract involves ammunition or explosives.)
252.223-7003	Change in Place of Performance - Ammunition and Explosives (Applies only if DFARS 252.223-7002 applies.)
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives (SEP 99)
252.225-7002	Qualifying Country Sources
252.225-7009	Duty-Free Entry--Qualifying Country End Products
252.225-7010	Duty-Free Entry--Additional Provisions
252.225-7012	Preference for Certain Domestic Commodities
252.225-7014	Preference for Domestic Specialty Metals, Alt. I (Applies only if contract item contains specialty metals.)
252.225-7015	Preference for Domestic Hand or Measuring Tools (Applies only if hand or measuring tools will be delivered.)
252.225-7016	Restriction on Acquisition of Anti-Friction Bearings
252.225-7017	Preference for United States and Canadian Valves and Machine Tools
252.225-7019	Restriction on Acquisition of Foreign Anchor and Mooring Chain (This clause applies only if restricted welded shipboard anchor or mooring chain are being delivered under this contract.)
252.225-7022	Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (JUN 97) ("Contracting Officer" means Buyer. Applies only if a contract item contains such carbon fiber.)
252.225-7023	Restriction on Acquisition of Carbonyl Iron Powders
252.225-7024	Restrictions on Acquisition of Night Vision Image Intensifier Tubes and Devices
252.225-7025	Foreign Source Restrictions
252.225-7030	Restriction on Acquisition of Carbon, Alloy and Armor Steel Plate
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles
252.231-7000	Supplemental Cost Principles
252.235-7003	Frequency Authorization (Applies only if contract involves developing, producing, testing or operating a device requiring radio frequency authorization.)
252.243-7001	Pricing of Contract Modifications
252.247-7024	Notification of Transportation of Supplies by Sea ("Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" means Buyer.)

The following clauses also apply if the contract price exceeds \$10,000:

52.222-20	Walsh-Healey Public Contracts Act
52.222-35	Affirmative Action for Special Disabled and Vietnam ERA Veterans
52.222-36	Affirmative Action for Handicapped Workers
52.222-37	Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era

The following clauses also apply if the contract price exceeds \$100,000:

52.203-6	Restrictions on Subcontractor Sales to the Government
----------	---

- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Seller's signed proposal provided the required certification.)
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (The disclosures of Seller and its lower tier subcontractors required by paragraph (c) shall be submitted to Buyer's Material Representative.)
- 52.215-2 Audit and Records-Negotiation (Applies if the contract is cost reimbursement, incentive, time-and-materials, labor hour, or price redeterminable type or any combination of these; if cost or pricing data was required; or if cost funding or performance reports will be furnished.)
- 52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation
- 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.) ("Contracting Officer" means Buyer.)
- 52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels
- 52.248-1 Value Engineering [excluding subparagraph (f)]. ("Contracting Officer" shall mean Buyer. If a 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 net acquisition savings or 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.)
- 252.203-7001 Special Prohibition on Employment
- 252.209-7000 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INT) Treaty
- 252.247-7023 Transportation of Supplies by Sea (In paragraph (d) "45 days" is changed to 60 days.)

The following clauses also apply if the contract price exceeds \$500,000:

- 52.219-9 Small Business Subcontracting Plan (Applies only if Seller is not a small business. "Contracting Officer" in paragraph (c) means Buyer.)
- 52.230-2 Cost Accounting Standards (This clause applies only if Seller is subject to Cost Accounting Standards (CAS).)
- 52.230-3 Disclosure and Consistency of Cost Accounting Practices [excluding paragraph (b)]. This clause applies only if Seller is subject to Cost Accounting Standards (CAS). In paragraph (c), "Government" shall mean Government.
- 252.225-7026 Reporting of Contract Performance Outside the United States" (not applicable if only commercial products are involved.) (This clause applies only if this contract is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.)

The following clauses also apply if the contract price exceeds \$1,000,000:

- 252.211-7000 Acquisition Streamlining
- 252.225-7032 Waiver of United Kingdom Levies

The following clauses also apply if Technical Data or Computer Software will be Generated or Delivered:

- 252.227-7013 Rights in Technical Data and Computer Software
- 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation

252.227-7016	Rights in Bid or Proposal Information
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions
252.227-7018	Restrictive Markings on Technical Data
252.227-7019	Validation of Asserted Restrictions - Computer Software
252.227-7027	Deferred Ordering of Technical Data or Computer Software
252.227-7029	Identification of Technical Data
252.227-7030	Technical Data - Withholding of Payment (This clause applies only if the delivery of data is required by this contract.) ("Contracting Officer" and "Government" means Buyer.)
252.227-7036	Certification of Technical Data Conformity
252.227-7037	Validation of Restrictive Markings on Technical Data

Additional Provisions:

DEFENSE PRIORITY RATING. If a defense priority rating is identified on the face of this contract, this is a rated order certified for national defense use and the Seller shall follow all the requirements of the Defense Priorities and Allocations Systems Regulation (15 CFR Part 700), including accepting or rejecting this contract in writing within fifteen (15) working days after receipt of DO rated or ten (10) days after receipt if DX rated. If rejected, the reason(s) for such rejection shall be included in the notice to the Buyer.

ANTI-KICKBACK PROCEDURES. Seller agrees to abide by the Anti-Kickback Act of 1986 (41 U.S.C. 51 through 58) and FAR 52.203-7, "Anti-Kickback Procedures" which is incorporated herein by reference, except that subparagraph (c)(1) of FAR 52.203-7 shall not apply to Seller, and further that in subparagraphs (c)(2), (c)(3), and (c)(5), the term "Contractor" shall mean Seller, and in subparagraph (c)(4) the term "Prime Contractor" shall mean Buyer and the term "Subcontractor" shall mean Seller. In addition to reporting possible violations of the Anti-Kickback Act to the Government pursuant to 41 U.S.C. §57(c), Seller shall report such possible violations, if related to Buyer, to the Director of Materiel and/or the Division Counsel of the Boeing division or subsidiary issuing this contract. Seller agrees to hold Buyer harmless from, defend Buyer against, and indemnify Buyer for all costs, expenses, and offsets Buyer may incur as a consequence of violations of this clause by Seller or by Seller's subcontractors or suppliers. The rights and obligations set forth in this clause shall survive completion of, final payment under, or termination of, this order.

TRUTH IN NEGOTIATIONS ACT - Modifications. (Applies if certified cost or pricing data was not provided.) Seller shall comply with the provisions of FAR 52.215-11 and 52.215-13 which are incorporated herein by reference to the extent such clauses are or become applicable to this contract. In the absence of other instructions, Seller shall submit cost or pricing data for changes which exceed the established threshold consistent with the cost or pricing data instructions applicable to the proposal for this contract. Seller shall reimburse the Buyer any amount by which this contract is determined by the Government to have been overpriced because of Seller's or Seller's subcontractor's failure to comply with such provisions plus any interest, fines or other penalties imposed upon the Buyer as a result of the Seller's or the Seller's subcontractor's defective pricing.