

Date: November 10, 2003

EXHIBIT A

**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT DAAH01-03-C-0217 LC**

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 October 7, 2003.

FAR/DFARS

| <u>Reference</u> | <u>Title</u> |
|-------------------------|---|
| 52.203-8 | Cancellation, Recission, and Recovery of Funds for Illegal or Improper Activity (JAN 97) |
| 52.211-5 | Material Requirements (AUG 00) ("Contracting Officer" means Buyer.) |
| 52.211-15 | Defense Priority and Allocation Requirements (SEP 90) |
| 52.215-15 | Pension Adjustments and Asset Reversions (DEC 98) ("Contracting Officer" means Buyer and Seller's cognizant ACO.) (Applicable only if contract is other than firm-fixed-price or if certified cost or pricing data was provided.) |
| 52.215-18 | Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other than Pensions (OCT 97) (Applicable only if the contract is other than firm-fixed price or if certified cost or pricing data was provided.) |
| 52.215-19 | Notification of Ownership Changes (OCT 97) |
| 52.219-8 | Utilization of Small Business Concerns (OCT 00) |
| 52.222-21 | Prohibition of Segregated Facilities (FEB 99) (Certification required. The clause is to be included in every subcontract or purchase order subject to the equal opportunity clause.) |
| 52.222-26 | Equal Opportunity (APR 02) [Subparagraphs (b)(1) through (11)] |
| 52.225-13 | Restrictions on Certain Foreign Purchases (JUN 03) ("Contracting Officer" means Buyer.) |
| 52.227-1 | Authorization and Consent (JUL 95) |
| 52.242-15 | Stop-Work Order (AUG 89) (Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The Termination for Convenience of the Government clause refers to the Termination clause of this contract. "Contracting Officer" and "Government" shall mean "Buyer". |
| 52.244-5 | Competition in Subcontracting (DEC 96) |
| 252.225-7001 | Buy American Act and Balance of Payments Program (APR 03) |
| 252.225-7002 | Qualifying Country Sources as Subcontractors (APR 03) |
| 252.225-7004 | Reporting of Contract Performance Outside the United States (APR 03) |
| 252.225-7012 | Preference for Certain Domestic Commodities (FEB 03) |
| 252.225-7013 | Duty Free Entry (APR 03) |
| 252.225-7014 | Preference for Domestic Specialty Metals (APR 03), Alt. I (APR 03) (Applies only if contract item contains specialty metals.) |
| 252.225-7016 | Restriction on Acquisition of Ball and Roller Bearings (APR 03) (Applies only if contract item contains ball or roller bearings.) |
| 252.225-7025 | Restriction on Acquisition of Forgings (APR 03) (Applies only if delivered items could contain forging items) |

252.231-7000 Supplemental Cost Principles (DEC 91)

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

52.222-20 Walsh-Healey Public Contracts Act (DEC 96)

52.222-36 Affirmative Action for Workers with Disabilities (JUN 98)

The following clause also applies if the contract price exceeds \$25,000:

52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 01)

52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 01)

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

52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 95)

52.203-7 Anti-Kickback Procedures (JUL 95)

52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (JAN 97)

52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 03) (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 (JUN 99) (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.)

52.215-14 Integrity of Unit Prices (OCT 97) (Excluding paragraph (b)). (Not applicable if only services will be provided.)

52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation (SEP 00)

52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 96). (A copy of each notice sent to the Government will be sent to Buyer.) ("Contracting Officer" means Buyer.)

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies (MAR 99) (This clause does not apply to the purchase of commercial items or commercial components. "Contractor" and "contract" are not changed in paragraphs (a) and (b). In paragraph (e), "Government" shall mean Government or Buyer. In paragraph (f), "through the Buyer" is inserted after "Contracting Officer". Paragraph (g) is deleted and "Contracting Officer" shall mean Contracting Officer.)

252.209-7000 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INT) Treaty (NOV 95)

252.247-7023 Transportation of Supplies by Sea (MAY 02) (In paragraph (d) "45 days" is changed to 60 days.)

252.247-7024 Notification of Transportation of Supplies By Sea (MAR 00) ["Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" shall mean "Buyer".]

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

52.215-21 Requirements For Cost or Pricing Data or Information Other Than Cost or Pricing Data – Modifications (OCT 97) (Contracting Officer shall mean Buyer throughout the clause.)

52.219-9 Small Business Subcontracting Plan (JAN 02) (Applies only if Seller is not a small business. "Contracting Officer" in paragraph (c) means Buyer.)

52.230-2 Cost Accounting Standards (APR 98) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS).

52.230-3 Disclosure and Consistency of Cost Accounting Practices (APR 98) [excluding paragraph (b)]. This clause applies only if Seller is subject to Cost Accounting Standards (CAS). In paragraph (c),

"Government" shall mean Government.

- 52.230-6 Administration of Cost Accounting Standards (NOV 99) (Add "Buyer and "before "Contracting Officer" in paragraph (e).)
- 252.215-7000 Pricing Adjustments (DEC 91)
- 252.249-7002 Notification of Anticipated Contract Termination or Reduction (DEC 96) In paragraph (e), "two weeks" is changed to "10 days".)

Full Text Flow Down Clauses

ELECTRONIC FABRICATION: REQUIREMENTS FOR SOLDERED ELECTRICAL AND ELECTRONIC ASSEMBLIES (USAAMCOM) 52.209-4716 (JUN 97) (Clause C-1 of the Prime Contract)

Notwithstanding any other provision contained in any part of this contract to the contrary, the minimum requirements/ standards for soldering electrical and electronic assemblies shall be the non-military joint industry standard, ANSI/J-STD-001, Class 3.

The revision of ANSI/J-STD-001 in effect on the effective date of this contract (October 7, 2003) shall govern the hardware produced hereunder.

A copy of ANSI/J-STD-001 may be obtained from the Institute for Interconnecting and Packaging Electronic Circuits (IPC), 2215 Sanders Road, Northbrook, IL, 60062-6135, telephone number (847) 509-9700, fax number (847) 509-9798.

BAR CODE MARKINGS (USAAMCOM) 52.247-4700 (JUN 03) (Clause D-2 of the Prime Contract)

Bar Code Markings are required in accordance with the latest revision of MIL-STD-129 and ISO/IEC 16368 – Information Technology Automatic Identification and Data Capture Techniques – Bar Code Symbology Specification – Code 39.

Additional Provisions:

COST ACCOUNTING STANDARDS(CAS). CAS applies for any purchase contract that equals or exceeds \$500,000. FAR 52.230-6 applies and a notification letter to the ACO is required for any award that equals or exceeds \$500,000. See FAR 52.230-6.

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. (Applicable if certified cost or pricing data was provided.) Seller shall comply with the provisions of FAR 52.215-10 and 52.215-12 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.

A = ADDED
D = DELETED
R = REVISED