

Date: 1/3/02

EXHIBIT A**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT F34601-02-C-0003**

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 1, 2001.

<u>FAR/DFARS Reference</u>	<u>Title</u>
52.204-2	Security Requirements (AUG 96) (Applies only if the contract requires access to classified information, "Government" means Buyer or the Government.)
52.208-1	Required Source for Jewel Bearings and Related Items (Applies only if items to be delivered contain such items.) [Pre 1/97]
52.211-5	New Material ("Contracting Officer" means Buyer.) [Pre 10/97]
52.211-7	Other Than New Material, Residual Inventory and Former Government Surplus Property ("Contracting Officer" means Buyer.) [Pre 10/97]
52.211-15	Defense Priority and Allocation Requirements (SEP 90)
52.215-26	Integrity of Unit Prices (Excluding paragraph (c)) [Pre 2/97]
52.215-27	Termination of Defined Benefit Pension Plans ("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.) [Pre 10/97]
52.215-40	Notification of Ownership Changes
52.222-1	Notice to the Government of Labor Disputes (APR 84) ("Contracting Officer" means Buyer.)
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 84) [Subparagraphs (b)(1) through (11)]
52.225-8	Duty-Free Entry (FEB 00)
52.225-11	Restrictions on Certain Foreign Purchases (OCT 96) ("Contracting Officer" means Buyer.)
52.227-1	Authorization and Consent (JUL 95)
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)
52.244-5	Competition in Subcontracting (DEC 96)
52.244-6	Subcontracts for Commercial Items and Commercial Components (OCT 95)

52.246-23	Limitation of Liability (APR 84) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
52.246-25	Limitation of Liability -- Services (APR 84) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
252.215-7000	Pricing Adjustments (DEC 91)
252.225-7002	Qualifying Country Sources as Subcontractors (DEC 91)
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 95)
252.231-7000	Supplemental Cost Principles (DEC 91)
252.243-7001	Pricing of Contract Modifications (DEC 91)
252.243-7002	Requests for Equitable Adjustment (MAR 98)
252.245-7001	Reports of Government Property (MAY 94). Seller will provide information Buyer may require to complete Buyer's annual report.
252.246-7000	Material Inspection and Receiving Report (DEC 91)

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

52.222-20	Walsh-Healy Public Contracts Act (DEC 95)
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (APR 84)
52.222-36	Affirmative Action for Workers with Disabilities (APR 84)
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (JAN 88)

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

52.203-6	Restrictions on Subcontractor Sales to the Government (JUL 95)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (JAN 90) (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 (AUG 96) (Applies only if contract is other than Firm-Fixed-Price, if cost or pricing data was required or if cost, funding or performance reports will be furnished.)
52.223-2	Clean Air and Water (APR 84) (Also applicable if Seller's facility has been the subject of a conviction under the Clean Air Act or Federal Water Pollution Control Act.)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (AUG 96) (This clause applies only if this contract exceeds the simplified acquisition threshold. A copy of each notice sent to the Government will be sent to Buyer.) ("Contracting Officer" means Buyer.)
52.246-24	Limitation of Liability -- High-Value Items (APR 84) (This clause applies only if this contract exceeds \$100,000. "Government's" shall mean Government's or Buyer's in paragraph (e). Applies if requested by the Seller and approved by the Buyer's Customer. This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)

- 52.248-1 Value Engineering (MAR 89) [excluding subparagraph (f)]. (This clause applies only if this contract is for \$100,000 or more. "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 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies (NOV 95) (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. "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.)

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

- 52.215-39 Reversion or Adjustment of Plans for Post-Retirement Benefits other than Pensions. (Applicable only if certified cost or pricing data is provided.) [MAR 96]
- 52.230-2 Cost Accounting Standards (APR 96) (This clause applies only if Seller is subject to Cost Accounting Standards and if this contract exceeds \$500,000.)
- 52.230-6 Administration of Cost Accounting Standards (APR 96) (Add "Buyer and" before "Contracting Officer" in paragraph (e).)

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

- 252.227-7013 Rights in Technical Data--Noncommercial Items (NOV 95)
- 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (JUN 95)
- 252.227-7016 Rights in Bid or Proposal Information (JUN 95)
- 252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 95)
- 252.227-7030 Technical Data - Withholding of Payment (MAR 00) (This clause applies only if the delivery of data is required by this contract.) ("Contracting Officer" and "Government" means Buyer.)

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 ten working days after receipt of DO rated or five 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