

CUSTOMER CONTRACT REQUIREMENTS (Exhibit A)
PACAF
CUSTOMER CONTRACT FA5215-05-R-0012

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 August 2005.

If Form GP1 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 29. If Form GP2 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 28. If Form GP3 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 41. If Form GP4 is applicable to this procurement, this Attachment constitutes the Government clauses contemplated by Article 31. If this contract is for the procurement of commercial items, as defined in FAR Part 2.101, see Section 3 below.

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.*

- 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 1995). This clause applies only if this contract exceeds \$100,000.
- 52.203-7 Anti-Kickback Procedures (excluding subparagraph (c)(1)) (JUL 1995). 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 (JAN 1997). 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 (JAN 1997). This clause applies only if this contract exceeds \$100,000. 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 (JUN 2003). This clause applies only if this Contract exceeds \$100,000. Paragraph (c)(4) is modified to read as follows: "(c)(4) Seller will promptly submit any disclosure required (with written notice to Boeing) directly to the PCO for the prime contract. Boeing will identify the cognizant Government PCO at Seller's request. Each subcontractor certification will be retained in the subcontract file of the awarding contractor.
- 52.204-2 Security Requirements (AUG 1996). "Changes clause" means the changes clause of this contract. This clause applies only if access to classified material is required.
- 52.215-2 Audit and Records – Negotiation (JUN 1999). This clause applies only if this contract exceeds \$100,000 and (i) is cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these types: (ii) Seller was required to provide cost or pricing data, or (iii) Seller is required to furnish reports as discussed in paragraph (e) of the referenced clause.
- 52.215-11 Price Reduction For Defective Cost or Pricing Data - Modifications (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. "Contracting Officer" shall mean "Contracting Officer or Buyer." In subparagraph (d)(2)(i)(A), delete "to the Contracting Officer." In subparagraph (d)(2)(ii)(B), "Government" means "Government" or "Buyer." In Paragraph (e), "United States" shall mean "United States or Buyer."

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- 52.215-13 Subcontractor Cost or Pricing Data – Modifications (OCT 1997). This clause applies only if this contract exceeds \$550,000 and is not otherwise exempt. The certificate required by paragraph (b) of the referenced clause shall be modified as follows: delete "to the Contracting Officer or the Contracting Officer's representative" and substitute in lieu thereof "The Boeing Company or any of its wholly owned subsidiaries".
- 52.215-14 Integrity of Unit Prices (excluding subparagraph (b)) (OCT 1997). This clause applies except for contracts at or below \$100,000; construction or architect-engineer services under FAR Part 36; utility services under FAR Part 41; services where supplies are not required; commercial items; and petroleum products.
- 52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications (OCT 1997). This clause applies only if this contract exceeds the threshold set forth in FAR 15.403-4. The term "Contracting Officer" shall mean Buyer.
- 52.219-8 Utilization of Small Business Concerns (MAY 2004).
- 52.219-9 Small Business Subcontracting Plan (JAN 2002). In paragraph (c), "Contracting Officer" shall mean Buyer. This clause applies only if this contract exceeds \$500,000. and Seller is not a small business concern.
- 52.222-1 Notice to Government of Labor Disputes (FEB 1997). "Contracting Officer" shall mean Buyer.
- 52.222-4 Contract Work Hours and Safety Standards Act — Overtime Compensation (SEP 2000). This clause applies only if this contract exceeds \$100,000. Buyer may withhold or recover from Seller the amount of any sums the Contracting Officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.
- 52.222-21 Prohibition of Segregated Facilities (FEB 1999).
- 52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (APR 2002).
- 52.222-35 Equal Opportunity for Special Disabled, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). This clause applies only if this contract exceeds \$25,000.
- 52.222-36 Affirmative Action for Workers With Disabilities (JUN 1998). This clause applies only if this contract exceeds \$ 10,000.
- 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 2001). This clause applies only if this contract exceeds \$25,000.
- 52.222-41 Service Contract Act of 1965, As Amended (MAY 1989). This clause only applies to contracts which are subject to this act.
- 52.223-14 Toxic Chemical Release Reporting (excluding subparagraph (e)) (AUG 2003). This clause applies only if this contract is not for commercial items as defined in FAR Part 2, was competitively awarded, and exceeds \$100,000 (including all options).
- 52.224-2 Privacy Act (APR 1984). This clause applies only if Seller is required to design, develop, or operate a system of records contemplated by this clause.
- 52.225-13 Restrictions on Certain Foreign Purchases (JUN 2003).
- 52.227-1 Authorization and Consent (JUL 1995).
- 52.228-3 Workers' Compensation Insurance (Defense Base Act) (APR 1984).
- 52.228-5 Insurance - Work on a Government Installation (JAN 1997). Seller shall provide and maintain insurance as set forth in this contract.
- 52.237-2 Protection of Government Buildings, Equipment, and Vegetation (APR 1984). This clause applies only if work will be performed on a Government installation. "Contracting Officer" shall mean Buyer.
- 52.242-15 Stop Work Order (AUG 1989). Change "90 days" and "30 days" to "100 days" and "20 days" respectively. The terms "Contracting Officer" and "Government" shall mean Buyer.
- 52.244-6 Subcontracts for Commercial Items (APR 2003)
- 52.245-2 Government Property (Fixed Price Contracts) (JUN 2003). This clause is not applicable if this contract incorporates Form GP4. "Government" shall mean Government throughout except the first time it appears in paragraph (f) when "Government" shall mean the Government or the Buyer.

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- 52.247-63 Preference for U.S.-Flag Air Carriers (JUN 2003). This clause only applies if this contract involves international air transportation.
- 52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (APR 2003), Alternate I (APR 2003).. In paragraph (C)(2) "20" and "30" are changed to 10 and 20 respectively.
- 52.248-1 Value Engineering (excluding subparagraph (f)) (FEB 2000). The term "Contracting Officer" means Buyer. This clause applies only if this contract is for \$100,000 or more. If 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 the net acquisition savings and 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.
- 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 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (excluding paragraph (g)) (DEC 2004). This clause applies only if this contract exceeds \$100,000 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.
- 252.204-7000 Disclosure of Information (DEC 1991). Seller will submit requests for authorization to release through Buyer.
- 252.215-7000 Pricing Adjustments (DEC 1991). This clause applies only if this contract exceeds \$500,000.
- 252.225-7001 Buy American Act and Balance of Payment Program. (APR 2003)
- 252.225-7002 Qualifying Country Sources as Subcontractors (APR 2003)
- 252.225-7012 Preference for Certain Domestic Commodities (FEB 2003).
- 252.225-7043 Antiterrorism/Force Protection for Defense Contractors Outside the United States (JUN 1998). This clause applies only if this contract requires Seller to perform or travel outside the United States and Seller is not (i) a foreign government, (ii) a representative of a foreign government, or (iii) a foreign corporation wholly owned by a foreign government.
- 252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises – DoD Contracts (SEP 2004). This clause applies if this contract exceeds \$100,000 and does not apply to the acquisition of commercial items/services as defined in FAR 2.101.
- 252.227-7013 Rights in Technical Data - Noncommercial Items (NOV 1995). This clause applies only if the delivery of data is required for noncommercial items under this contract.
- 252.227-7016 Rights in Bid or Proposal Information (JUN 1995).
- 252.227-7030 Technical Data - Withholding of Payment (MAR 2000). In this clause, "Government" and "Contracting Officer" shall mean Buyer. This clause applies only if the delivery of technical data is required under this contract.
- 252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 1999). This clause applies only if the delivery of data is required by this contract.
- 252.231-7000 Supplemental Cost Principles (DEC 1991)
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (MAR 2000).
- 252.245-7001 Reports of Government Property (MAY 1994). Seller will provide information that the Buyer may require to complete Buyer's annual report.

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252.247-7023 Transportation of Supplies by Sea (MAY 2002). This clause applies only if the supplies are of a type described in paragraph (b)(2) of this clause. In paragraph (d), "45 days" is changed to "60 days." In paragraph (g) "Government" means Buyer. If this contract is at or below \$100,000, paragraphs (f) and (g) are excluded.

252.251-7000 Ordering From Government Supply Sources (OCT 2002). This clause applies only if Seller is notified by Buyer that Seller is authorized to purchase from Government supply sources in the performance of this contract.

3. *If goods or services being procured under this contract are for commercial items and Clause H203 is set forth in the purchase order, the foregoing Government clauses in Sections 1 and 2 above are deleted and the following FAR/DFARS clauses are inserted in lieu thereof:*

52.219-8 Utilization of Small Business Concerns (OCT 2000). Include in all subcontracts that offer further subcontracting opportunities. If a subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), Seller and any lower tier subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

52.222-26 Equal Opportunity (subparagraph (b)(1) through (11)) (APR 2002).

52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (Dec 2001). This clause applies only if this contract exceeds \$25,000.

52.222-36 Affirmative Action for Handicapped Workers (JUN 1998). This clause applies only if this contract exceeds \$10,000.

52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (APR 2003). This clause only applies if this contract is (i) a contract or agreement for ocean transportation services; or a construction contract; or (ii) the supplies being transported are (a) Items the Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to the items when it subcontracts items for f.o.b. destination shipment); or (b) shipped in direct support of U.S. military (1) contingency operations; (2) exercises; or (3) forces deployed in connection with United Nations or North Atlantic Treaty Organization humanitarian or peacekeeping operations.

252.225-7014 Preference for Domestic Specialty Metals (MAR 1998), Alternate I (MAR 1998).

252.247-7023 Transportation of Supplies by Sea (MAR 2000). This clause applies only if this contract exceeds \$100,000 and are a type of supplies described in paragraph (b)(2) of this clause. In paragraph (c), "45 days" is changed to "60 days". In paragraph (g) "Government" means Buyer.

252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000). "Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" mean Buyer. This clause applies only if the supplies being transported are noncommercial items or commercial items that (i) Seller is reselling or distributing to the Government without adding value (generally, Seller does not add value to items that it contracts for f.o.b. destination shipment); (ii) are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or (iii) are commissary or exchange cargoes transported outside the Defense Transportation System in accordance with 10 U.S.C. 2643.

4. *The following Air Force FAR Supplement clauses are applicable as indicated:*

5352.204-9000 Notification of Government Security Activity (NOV 2002) (Applies only if work will be performed on a Government installation.)

5352.223-9001 Health and Safety on Government Installations (JUN 97) (Applies only if work will be performed on a Government installation.)

5. *The following supplemental clauses are applicable as indicated:*

H-9.ADDITIONAL REQUIRED INSURANCE FOR JAPAN

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(a) The Contractor shall procure and maintain during the entire period of performance under this contract the following minimum insurance on each vehicle used by the Contractor at the work site:

Type: Automobile Property Damage Insurance Amount: 3,000,000 Yen or U.S. Dollar equivalent
Bodily Injury Insurance Amount: 30,000,000 Yen or U.S. Dollar equivalent

All vehicles must be properly inspected/insured in accordance with Japanese Compulsory Insurance (JCI) requirements.

(b) Prior to the commencement of work hereunder, the Contractor shall furnish to the Contracting Officer a certificate or written statement of the above required insurance. The policies evidencing required insurance shall contain an endorsement to the effect that cancellation or any material change in the policies adversely affecting the interests of the U.S. Government in such insurance shall not be effective for such period as may be prescribed by the laws of the state in which this contract is to be performed and in no event less than thirty (30) days after written notice thereof to the Contracting Officer.

(c) The Contractor agrees to insert the substance of this clause, including this Paragraph (c), in all subcontracts hereunder.

H-29. CONFLICT OF INTEREST

Federal Acquisition Regulation, Subpart 9.5, Organizational Conflicts of Interest, is applicable to this acquisition.

(a) The contractor shall not act as a prime contractor, subcontractor, or consultant to provide any hardware/software of the system or major components or systems for which the contractor has provided systems engineering and technical direction.

(b) The contractor shall not act as a prime contractor, subcontractor, or consultant to furnish any item or items for which the contractor prepared and/or furnished complete specifications covering non-developmental items to be used in competitive procurement. This prohibition and the prohibition in paragraph (a) above shall remain in effect until five years after expiration of this contract.

(c) The contractor shall not sue proprietary data or classified Government information coming into its possession in connection with work under this contract, for purposes other than those for which it has been furnished unless specifically authorized by the organization providing such proprietary data or Government information.

(d) In the event the work required to be performed under this contract requires access to proprietary data of other companies, the contractor shall obtain agreements from such other companies for such use unless such data is provided or made available to the contractor by the Government. These agreements shall prescribe the scope of authorized use of disclosure, and other terms and conditions to be agreed upon between the parties thereto. The contractor agrees that any such data, whether obtained by the contractor pursuant to the aforesaid agreement or from the Government shall be protected from unauthorized use or disclosure to any individual, corporation, or organization as long as it remains proprietary.

(e) The contractor agrees to hold the Government harmless and indemnify the Government as to any cost/loss resulting from the unauthorized use of disclosure of third party data or software by the contractor, its employees, subcontractors, or agents.

(f) The contractor shall include the substance of this provision in all subcontracts for this program. The Contracting Officer will consider case-by-case subcontract exceptions for individual task orders in the event that (1) the prime contractor considers the application of the prohibitions set forth in paragraph (a) or (b) of this provision to be in appropriate and unnecessary in the case of a particular subcontractor expected to perform a limited, well-defined, and non-conflicting role on a particular task order effort; (2) the subcontractor provides a written statement affirming absolute unwillingness to perform absent some relief from the substance of said paragraphs; (3) use of an alternate subcontract source would unreasonably detract from the quality of efforts; and (4) the prime contractor provides the Contracting Officer timely written

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advance notice of these and any other extenuating circumstances. The Contracting Officer's decision on this issue is final and subject to the "Disputes" clause of the contract.

(g) The contractor shall make employees aware of the philosophy of FAR 9.5 to the extent that they refrain from divulging either the proprietary data of other companies or data that is obtained from the Government, or data submittals (including any portion thereof), to anyone except as authorized. The contractor shall obtain from each employee engaged to any effort connected with this contract an agreement, in writing, which shall provide that such employee shall not, during his or her employment by the contractor, or thereafter, disclose to others or use for his or her own benefit of any individual, data submittals (or any portion thereof), trade secrets, confidential information, or proprietary/restricted data (to include documents classified "For Official Use Only") received in connection with the work under this contract.

Created by: Jill Holmes 8/15/05

A = ADDED

D = DELETED

R = REVISED