

EXHIBIT A

**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT FA8105-05-C-0002**

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 November 17, 2004.

FAR/DFARS

<u>Reference</u>	<u>Title</u>
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)
52.222-1	Notice to the Government of Labor Disputes (FEB 97) ("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 02) [Subparagraphs (b)(1) through (11)]
52.225-13	Restrictions on Certain Foreign Purchases (JUL 00) ("Contracting Officer" means Buyer.)
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer. Change "90 days" to "100 days" and "30 days" to "20 days". The "Termination for Convenience" clause shall refer to the "Termination for Convenience" clause of this contract.)
52.244-5	Competition in Subcontracting (DEC 96)
52.244-6	Subcontracts for Commercial Items and Commercial Components (MAY 01)
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (MAR 1999)
252.204-7000	Disclosure of Information (DEC 91) (Seller will submit requests for authorization through Buyer.)
252.215-7000	Pricing Adjustments (DEC 91)
252.225-7002	Qualifying Country Sources as Subcontractors (APR 03)
252.225-7013	Duty-Free Entry (APR 03)
252.225-7043	Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States (JUN 98)
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 95)
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles and Space Launch Vehicles (DEC 91)
252.231-7000	Supplemental Cost Principles (DEC 91)

Date: December 20, 2004

- 252.243-7001 Pricing of Contract Modifications (DEC 91)
- 252.243-7002 Requests for Equitable Adjustment (MAR 98)
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (MAR 00)
- 252.245-7001 Reports of Government Property (MAY 94). Seller will provide information Buyer may require to complete Buyer's annual report.

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

- 52.222-20 Walsh-Healey Public Contracts Act (DEC 96)
- 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (DEC 01)
- 52.222-36 Affirmative Action for Workers with Disabilities (JUN 98)
- 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)
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (JUN 97) (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.)
- 52.227-2 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.)
- 52.248-1 Value Engineering (FEB 00) [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.)
- 252.209-7000 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INT) Treaty (NOV 95)
- 252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises - DoD Contracts (JUN 00). (Should be flowed down in DoD contracts to subcontractors when contract is for "other than commercial items" and exceeds \$100,000.)

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

- 52.230-2 Cost Accounting Standards (APR 98) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS).
- 52.230-6 Administration of Cost Accounting Standards (NOV 99) (Add "Buyer and "before "Contracting Officer" in paragraph (e).)
- 252.225-7004 Reporting of Contact Performance Outside the United States. (APR 03)

Date: December 20, 2004

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

252.227-7016 Rights in Bid or Proposal Information (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:

Notice of the requirements of DFARS 252.225-7014, *Preference For Domestic Specialty Metals, Alternate I* (hereinafter "specialty metals clause")

DoD's interpretation of this specialty metals clause is that it prohibits the contractor (including its suppliers at every tier) from incorporating into military parts, components, and/or end item deliverables "specialty metals" (identified in the clause, including titanium and stainless steel) which have been melted outside the United States, its possessions, or Puerto Rico, unless certain limited exceptions set forth in the clause or DFARS Subpart 225.7002-2 apply. One such exception is for specialty metals melted in a qualifying country or incorporated into an article manufactured in a qualifying country. Those countries are listed at DFARS 225.872-1(a) or (b). Since the United States is not listed as a qualifying country, DoD does not consider it to be a qualifying country. Even if a qualifying country exception applies, the source for specialty metals melted outside the United States may also have to be listed in an applicable Qualified Products List (QPL), such as that set forth in Douglas Material Specification (DMS) 2201, *Procurement from Foreign Sources - Metallic Raw Material*. Please check your purchase order carefully for any such requirement. If your purchase order contains this requirement, you must comply with its provisions unless you apply for and are granted, through The Boeing Company, one or more of the limited exemptions authorized under the specialty metals clause.

If your organization is issued a purchase order with the specialty metals clause, compliance to the following is strongly encouraged:

- a. Your Quality Assurance Personnel, particularly Receiving Inspection, (i.e. where in-coming material and certifications are verified), should be made aware of specialty clause requirements, and ensure that no foreign melted specialty metals are utilized to fabricate any components for use on a product to be supplied to DoD unless they are melted in a qualifying country.
- b. If a distributor or other subtier supplier is the source of your material, ensure that the specialty metals clause requirements have been flowed down. Also take the necessary steps to ensure that your supplier provides only specialty metals (such as Titanium or stainless steel) that have been melted within the United States or a qualifying country and, if required, proper certifications are issued.

If your organization needs further information and/or assistance, please contact the Boeing Procurement Quality Representative assigned to your facility or identified in your purchase order.

(Applies only if contract item contains specialty metals.)

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