

Date: April 1999**EXHIBIT A****GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT N68939-97-D-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 August 1996.

<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 (APR 84) (Applies only if items to be delivered contain such items.)
52.210-5	New Material ("Contracting Officer" means Buyer.) (APR 84)
52.212-8	Defense Priority and Allocation Requirements (SEP 90)
52.212-13	Stop Work Order ("Contracting Officer" and "Government" mean Buyer.)
52.215-26	Integrity of Unit Prices (Excluding paragraph (c)) (OCT 95)
52.215-27	Termination of Defined Benefit Pension Plans (MAR 96) ("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.)
52.219-8	Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns (JAN 99)
52.222-1	Notice of Labor Disputes (APR 84) ("Contracting Officer" means Buyer.)
52.224-2	Privacy Act (APR 84) (Applies only if the contract involves the design, development or operation of a system of records on individuals.)
52.225-11	Restrictions on Certain Foreign Purchases (MAY 92) ("Contracting Officer" means Buyer.)

- 52.227-1 Authorization and Consent (JUL 95)
- 52.227-3 Patent Indemnity (APR 84)
- 52.237-2 Protection of Government Buildings, Equipment and Vegetation
(APR 84) (Applies only if work will be performed on a government installation. "Contracting Officer" means Buyer.)
- 52.242-15 Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)
- 52.244-5 Competition in Subcontracting (JAN 96)
- 52.247-63 Preference for U.S.-Flag Air Carriers (APR 84)
- 252.215-7000 Pricing Adjustments (DEC 91)
- 252.225-7002 Qualifying Country Sources (DEC 91)
- 252.225-7009 Duty-Free Entry-Qualifying Country End Products (DEC 91)
- 252.225-7010 Duty-Free Entry--Additional Provisions (DEC 91)
- 252.231-7000 Supplemental Cost Principles (DEC 91)

The following clauses also apply if the contract price exceeds \$25,000:

- 52.215-1 Examination of Records by Comptroller General (FEB 93)
- 52.215-2 Audit and Records-Negotiation (OCT 95)
- 52.246-25 Limitation of Liability - Services (APR 84)

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

- 52.203-6 Restrictions on Subcontractor Sales to the Government (JUL 95)
- 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (APR 91) (Seller's signed proposal provided the required certification.)
- 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.)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (APR 84) ("Contracting Officer" means Buyer.)

- 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 Special Prohibition on Employment (APR 93) (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.)
- 252.209-7000 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate - Range Nuclear Forces (INT) Treaty (NOV 95)
- 252.225-7026 Reporting of Contract Performance Outside the United States (not applicable if only commercial products are involved.) (NOV 95)
- 252.247-7023 Transportation of Supplies by Sea (NOV 95) (In paragraph (c) "45 days" is changed to 60 days.)

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)
- 52.219-9 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (AUG 96) (Applies only if Seller is not a small business. "Contracting Officer" in paragraphs (b) and (c) means Buyer.)
- 252.249-7001 Notification of Substantial Impact on Employment (DEC 91)

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

- 52.227-14 Rights in Data - General (JUN 87)
- 252.227-7013 Rights in Technical Data--Noncommercial Items (NOV 95)
- 252.227-7014 Rights in Noncommercial Software and Noncommercial Software Documentation (JUN 95)
- 252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 95)

- 252.227-7030 Technical Data - Withholding of Payment (OCT 88) ("Contracting Officer" and "Government" means Buyer.)
- 252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 95)
- 252.246-7001 Warranty of Data (DEC 91) ("Contracting Officer" means Buyer.)
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A = ADDED

D = DELETED

R = REVISED