

Date: July 1999**EXHIBIT A****GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT N00019-99-C-1047**

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 April 1998.

<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.)
52.211-5	Material Requirements (OCT 97) ("Contracting Officer" means Buyer.)
52.211-15	Defense Priority and Allocation Requirements (SEP 90)
52.219-8	Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns (JAN 99)
52.222-1	Notice of Labor Disputes (FEB 97) ("Contracting Officer" means Buyer.)
52.222-26	Equal Opportunity (FEB 99) [Subparagraphs (b)(1) through (11)]
52.225-10	Duty-Free Entry (APR 84)
52.225-11	Restrictions on Certain Foreign Purchases (AUG 98) ("Contracting Officer" means Buyer.)
52.227-1	Authorization and Consent (JUL 95)
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 (DEC 96)

52.244-6	Subcontracts for Commercial Items and Commercial Components (OCT 98)
52.247-63	Preference for U.S.-Flag Air Carriers (JAN 97)
252.204-7000	Disclosure of Information (DEC 91) (Seller will submit requests for authorization through Buyer.)
252.223-7005	Hazardous Waste Liability (OCT 92) (Applies only if work will be performed on a Government installation.)
252.225-7002	Qualifying Country Sources (DEC 91)
252.225-7009	Duty-Free Entry-Qualifying Country End Products (MAR 98)
252.225-7010	Duty-Free Entry--Additional Provisions (MAR 98)
252.225-7012	Preference for Certain Domestic Commodities (JAN 99)
252.225-7014	Alternate I (MAR 98). [This clause applies only if the product contains specialty metal(s).]
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings (AUG 98) (Applies only if contract item contains ball or roller bearings.)
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)
252.231-7000	Supplemental Cost Principles (DEC 91)

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

52.222-20	Walsh-Healy Public Contracts Act (DEC 96)
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 98)
52.222-36	Affirmative Action for Workers with Disabilities (JUN 98)
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (JAN 99)

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.)

- 52.215-2 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.)

- 52.215-14 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 (JUL 95)

- 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.)

- 52.223-14 Toxic Chemical Release Reporting (OCT 96) (Paragraph (e) is deleted and "Contracting Officer" in paragraph (d) means Buyer.)

- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 96) ("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 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies (MAR 99) (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)

- 252.247-7023 Transportation of Supplies by Sea (NOV 95) (In paragraph (c) "45 days" is changed to 60 days.)

- 252.249-7002 Notification of Proposed Program Termination or Reduction (DEC 96) In paragraph (e), "two weeks" is changed to 10 days.)

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

- 52.219-9 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (JAN 99) (Applies only if Seller is not a small business. "Contracting Officer" in paragraphs (b) and (c) means Buyer.)
- 252.225-7026 "Reporting of Contract Performance Outside the United States.

(MAR 98) (Not applicable if only commercial products are involved.)

The following clause also applies if the contract price exceeds \$1,000,000:

- 252.225-7032 Waiver of United Kingdom Levies (OCT 92)

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 Software and Noncommercial Software Documentation (JUN 95)
- 252.227-7016 Rights in Bid or Proposal Information (JUN 95)
- 252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 95)
- 252.227-7026 Deferred Delivery of Technical Data (APR 88)
- 252.227-7027 Deferred Ordering of Technical Data or Computer Software (APR 88)
- 252.227-7030 Technical Data - Withholding of Payment (OCT 88) ("Contracting Officer" and "Government" means Buyer.)
- 252.227-7036 Certification of Technical Data Conformity
- 252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 95)

Additional Provisions:

PRICING OF ADJUSTMENTS. When costs are a factor in any determination of a contract price adjustment pursuant to the "Changes" clause or any other provision of this contract, or when the allowability of costs under this contract are to be determined, determination of such costs shall be in accordance with FAR Part 31.

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.

A = ADDED

D = DELETED

R = REVISED