

**Date: August 1999****EXHIBIT A**

**GOVERNMENT PROVISIONS  
APPLICABLE TO  
PRIME CONTRACT F33657-98-D-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 8 January 1999.

<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)
52.215-15	Termination of Defined Benefit Pension Plans (OCT 97)
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, Small Disadvantaged and Women-Owned Small Business Concerns (JUN 97)
52.222-1	Notice to the Government of Labor Disputes (FEB 1997)
52.222-26	Equal Opportunity (APR 84)
52.222-29	Notification of Visa Denial (APR 84)
52.223-3	Hazardous Material Identification and Material Safety Data (JAN 97) (Applies only if hazardous material will be delivered)
52.223-7	Notice of Radioactive Materials (JAN 97) (In paragraph (1) insert "sixty (60)" before "days".)

- 52.223-11 Ozone Depleting Substances (JUN 96)
- 52.225-11 Restrictions on Certain Foreign Purchases (OCT 96)
- 52.227-1 Authorization and Consent (JUL 95)
- 52.227-1, Alt. I Authorization and Consent (APR 84)
- 52.227-10 Filing of Patent Applications - Classified Subject Matter (APR 84)  
(Applies only if contract will involve access to classified information)
- 52.227-12 Patent Rights - Retention by Contractor (Long Form) (JAN 97) (Applies  
only if Special Provision F.1 is included and Seller is not a small  
business or non-profit organization.)
- 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  
95)
- 52.246-2 Inspection of Supplies - Fixed-Price (AUG 96)
- 52.246-3 Inspection of Supplies - Cost-Reimbursement (APR 84)
- 52.246-4 Inspection of Services - Fixed-Price (AUG 96)
- 52.246-5 Inspection of Services - Cost-Reimbursement (APR 84)
- 52.246-6 Inspection - Time-and-Material and Labor-Hour (JAN 86)
- 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.)
- 252.211-7005 Substitutions for Military or Federal Specifications and Standards (AUG  
97)
- 252.215-7000 Pricing Adjustments (DEC 91)
- 252.223-7002 Safety Precautions for Ammunition and Explosives (MAY 94)  
  
(Applies only if contract involves ammunition or explosives.)
- 252.223-7003 Change in Place of Performance -- Ammunition and Explosives  
  
(DEC 91) (Applies only if DFARS 252.223-7002 applies.)

- 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials (APR 93)
- 252.225-7002 Qualifying Country Sources (DEC 91)
- 252.225-7009 Duty-Free Entry-Qualifying Country End Products and Supplies (JAN 97)
- 252.225-7010 Duty-Free Entry--Additional Provisions (JAN 97)
- 252.225-7012 Preference for Certain Domestic Commodities (SEP 97)
- 252.225-7014 Preference for Domestic Specialty Metals and Alt. I (FEB 97)
- 252.225-7015 Preference for Domestic Hand or Measuring Tools (DEC 91)
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (JUN 97)
- 252.225-7022 Restriction on Acquisition of Polyacrylonitrile (PAN) Based Carbon Fiber (JUN 97) ("Contracting Officer" means Buyer. Applies only if a contract item contains such carbon fiber.)
- 252.225-7024 Restrictions on Acquisition of Night Vision Image Intensifier Tubes and Devices (DEC 91)
- 252.225-7025 Restriction on Acquisition of Forgings (JUN 97) (Applies only if delivered items could contain forging items)
- 252.225-7030 Restriction on Acquisition of Carbon, Alloy and Armor Steel Plate (OCT 92)
- 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)
- 252.239-7000 Protection Against Compromising Emanations (DEC 91)  
  
(Applies only if classified information will be processed.)
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (FEB 97)
- 252.247-7024 Notification of Transportation of Supplies by Sea (NOV 95)  
("Contracting Officer" and, in the first sentence of paragraph (a), "Contractor" means Buyer.)

**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 84)
- 52.222-36 Affirmative Action for Handicapped Workers (APR 84)
- 52.222-37 Employment Reports on Special 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 (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.)
- 52.223-2 Clean Air and Water (APR 84)
- 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 Special Prohibition on Employment (JUN 97)
- 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 (NOV 95) (not applicable if only commercial products are involved.)

**The following clause also applies 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.)

**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)

252.227-7030 Technical Data - Withholding of Payment (OCT 88) ("Contracting Officer" and "Government" means Buyer.)

252.227-7036 Declaration of Technical Data Conformity (JAN 97)

252.227-7037 Validation of Restrictive Markings on Technical Data (NOV 95)

252.246-7001 Warranty of Data (DEC 91) ("Contracting Officer" means Buyer.)

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

5352.204-9000 Notification of Government Security Activity (MAY 96) (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.)

**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.

TRUTH IN NEGOTIATIONS ACT - Modifications. (Applies if certified cost or pricing data was not provided.) Seller shall comply with the provisions of FAR 52.215-11 and 52.215-13 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.

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A = ADDED

D = DELETED

R = REVISED