

Date: August 1999

EXHIBIT A

**GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT DAAJ09-94-G-0009**

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 October 1994.

<u>FAR/DFARS Reference</u>	<u>Title</u>
52.204-2	Security Requirements (APR 84)
52.208-2	Required Source for Jewel Bearings and Related Items (Applies only if items to be delivered contain such items.) (APR 84)
52.212-9	Variation of Quantity (APR 84)
52.219-8	Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (FEB 90)
52.222-1	Notice of Labor Disputes (APR 84) ("Contracting Officer" means Buyer.)
52.222-26	Equal Opportunity (APR 84)
52.225-10	Duty-Free Entry (APR 84)
52.225-11	Restrictions on Certain Foreign Purchases (MAY 92) ("Contracting Officer" means Buyer.)
52.227-1	Authorization and Consent (APR 84)
52.227-12	Patent Rights - Retention by Contractor (Long Form) (JUN 89) (Applies only if Special Provision F.1 is included and Seller is <u>not</u> a small business or non-profit organization.)
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)
52.244-5	Competition in Subcontracting (APR 84)

52.246-23	Limitation of Liability (APR 84)
52.246-24	Limitation of Liability - High-Value Items (APR 84)
52.246-25	Limitation of Liability - Services (APR 84)
252.204-7000	Disclosure of Information (DEC 91) (Seller will submit requests for authorization through Buyer.)
252.208-7000	Intent to Furnish Precious Metals as Government-Furnished Material (DEC 91)
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)
252.225-7012	Preference for Certain Domestic Commodities (MAY 94)
252.225-7016	Restriction on Acquisition of Anti-Friction Bearings (APR 93)
252.225-7025	Foreign Source Restrictions (APR 93)
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)
252.247-7024	Notification of Transportation of Supplies by Sea (DEC 91)

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

52.222-20	Walsh-Healy Public Contracts Act (APR 84)
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 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 85)
- 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 (JAN 90)
- 52.215-2 Audit and Records-Negotiation (FEB 93)
- 52.223-2 Clean Air and Water (APR 84)
- 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)
- 252.209-7000 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INT) Treaty (DEC 91)
- 252.225-7026 Reporting of Contract Performance Outside the United States (not applicable if only commercial products are involved.) (APR 93)
- 252.247-7023 Transportation of Supplies by Sea (DEC 91)
- 252.249-7002 Notification of Proposed Program Termination or Reduction (MAY 94)

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 91)

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

252.227-7013	Rights in Technical Data and Computer Software (OCT 88)
252.227-7016	Rights in Bid or Proposal Information (JUN 95)
252.227-7018	Restrictive Markings on Technical Data (OCT 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 (MAY 87)
252.227-7037	Validation of Restrictive Markings on Technical Data (APR 88)
252.246-7001	Warranty of Data (DEC 91) ("Contracting Officer" means Buyer.)

The following Air Force FAR Supplement clause is applicable as indicated:

5352.223-9001	Safety and Accident Prevention (Applies only if work will be performed on a Government installation.)
---------------	---

Additional Provisions:

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 - 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.

A = ADDED

D = DELETED

R = REVISED