

**Date: July 2002**

# EXHIBIT B

**GOVERNMENT PROVISIONS  
APPLICABLE TO  
PRIME CONTRACT **N00014-02-C-0108****

Exhibit B is directed to educational institutions. 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 June 25, 2002.

**FAR/DFARS  
Reference**

**Title**

52.204-2	Security Requirements (AUG 96) (Applies only if the contract requires access to classified information, "Government" means Buyer or the Government.)
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)
52.222-21	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.)

- 52.227-1, Alt. I Authorization and Consent (JUL 95, APR 84)
- 52.227-10 Filing of Patent Applications - Classified Subject Matter (APR 84)  
(Applies only if contract will involve access to classified information)
- 52.227-11 Patent Rights - Retention by Contractor (Short Form) (JUN 97)  
(Applies only if Special Provision F.1 is included and Seller is a small business or non-profit organization.)
- 52.244-6 Subcontracts for Commercial Items and Commercial Components  
(MAY 01)
- 252.223-7007 Safeguarding Sensitive Conventional Arms, Ammunition, and  
Explosives (SEP 99)
- 252.235-7002 Animal Welfare (DEC 91) (This clause applies to all purchase contracts  
involving research of live vertebrate animals.)
- 252.245-7001 Reports of Government Property (MAY 94). Seller will provide  
information Buyer may require to complete Buyer's annual report.
- 252.247-7024 Notification of Transportation of Supplies by Sea (MAR 00)  
("Contracting Officer" and, in the first sentence of paragraph (a),  
"Contractor" means Buyer.)
- 252.251-7000 Ordering from Government Supply Sources (MAY 95) (This clause  
applies only if Seller is notified by Buyer that Seller is authorized to  
purchase from Government supply sources in the performance of this  
contract. Contracting Officer approved required.)

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

- 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), Alt II (APR 98) (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.)
- 52.215-14 Integrity of Unit Prices (OCT 97), Alt I (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 (SEP 00)
- 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.) [This clause applies to all purchase contracts for supplies or services (including construction, architect-engineer services, and those for materials, supplies, models, samples, or design or testing services)].
- 52.247-64 Preference for Privately-Owned U.S. Flag Commercial Vessels (JUN 00)
- 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense Contract Related Felonies (MAR 99) (This clause 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 (MAY 00) (In paragraph (d) "45 days" is changed to 60 days.)

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

- 52.219-9 Small Business Subcontracting Plan (OCT 01) (Applies only if Seller is not a small business. "Contracting Officer" in paragraph (c) means Buyer.)
- 52.230-2 Cost Accounting Standards (APR 98) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS).
- 52.230-3 Disclosure and Consistency of Cost Accounting Practices (APR 98) [excluding paragraph (b)]. This clause applies only if Seller is subject to Cost Accounting Standards (CAS). In paragraph (c), "Government" shall mean Government.
- 52.230-5 Cost Accounting Standards - Educational Institutions (APR 98)
- 52.230-6 Administration of Cost Accounting Standards (NOV 99) (Add "Buyer and "before "Contracting Officer" in paragraph (e).)
- 252.225-7026 Reporting of Contract Performance Outside the United States" (JUN 00) (not applicable if only commercial products are involved.) (This clause applies only if this contract is not for commercial items, construction, ores, natural gases, utilities, petroleum products and crudes, timber (logs), or subsistence.)

**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 Computer Software and Noncommercial Computer Software Documentation (JUN 95)
- 252.227-7016 Rights in Bid or Proposal Information (JUN 95)
- 252.227-7018 Rights in Noncommercial Technical Data and Computer Software - Small Business Innovation Research (SBIR) Program (JUN 95)
- 252.227-7019 Validation of Asserted Restrictions - Computer Software (JUN 95)
- 252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 99)

**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 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.

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A = ADDED

D = DELETED

R = REVISED