

THE BOEING COMPANY
GENERAL PROVISIONS

Undefinitized Purchase Contracts
DF 4400-514 (Rev. 8/91)

The following provisions shall apply until such time as a definitive purchase contract is mutually accepted:

- A. Without delay Seller shall enter into negotiations with Buyer with the intent of consummating a definitive purchase contract to supersede this contract. The definitive contract shall include without limitation the provisions of this contract (modified as necessary for definitization purposes), and all other provisions which Buyer is required by law, regulation and prime contract to include, and other mutually acceptable terms and conditions. Failure of the parties hereto to reach agreement and execute the definitive contract not later than the date set forth elsewhere in this contract shall allow either party to terminate this contract by giving written notice thereof. The effective date of the termination shall be not less than thirty (30) days after receipt of such notice. The "Termination for Convenience" clause set forth in the FAR, DAR or NASA PR, whichever is applicable, shall govern such a termination; except that no profit or fee shall be allowed, notwithstanding any provision therein or in this contract to the contrary.
- B. 1. The sum allotted to this contract, and the period of performance which it is estimated the sum allotted will cover are set forth in this contract. From time to time by written notice to Seller or unilateral modification of this contract Buyer may increase the sum allotted and revise the estimated period of performance. Notwithstanding any other provisions including the Termination provisions of this contract: (i) Seller shall not be bound to continue performance, incur costs or obligations or take any other action in connection with this contract, including without limitation any changes thereto pursuant to the "Changes" clause, which would cause the total amount which for any reason Buyer would otherwise be obligated to pay Seller to exceed the sum allotted then set forth in this contract; and (ii) Buyer shall not be obligated to pay Seller for any costs or obligations incurred or any other actions taken by Seller in connection with this contract, including without limitations any changes thereto pursuant to the "Changes" clause, in any amount in excess of the sum allotted then set forth in this contract.
- B. 2. If at any time Seller estimates that the total amount, including termination liability, which, were it not for the provisions of Paragraph B.1(ii) above, Buyer would be obligated to pay Seller if Seller performance of this contract were to be terminated for the convenience of Buyer as of the end of the next succeeding thirty (30) days, might exceed seventy-five percent (75%) of the sum then allotted to this contract at that time, Seller shall provide immediate written notice thereof to Buyer. Such notice shall state the estimated date when such point will be reached and the estimated amount of additional funds, if any, required for the period then set forth in the contract. In addition, not more than thirty (30) days prior to the end of the period then set forth in the contract, Seller shall notify the Buyer in writing as to the estimated amount of additional funds, if any, which will be required for the timely performance of this contract and for all obligations hereunder for an additional thirty (30) days or for such further period as may be specified by Buyer or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the end of the period then set forth in the contract, then upon request of the Seller, Buyer will terminate this contract on such date, or on a date to be specified in such request, whichever is later, on which the Seller, in the exercise of its reasonable judgment, estimates that its obligation to perform hereunder will be discharged in accordance with Paragraph B.1(i) above.