



Section 8 : GENERAL TERMS AND CONDITIONS

866. Additional General Provisions (Contract Labor) (6/14/99).

The following terms and conditions are in addition to the terms and conditions in GP3, The Boeing Company General Provisions (Labor Hour/Time and Material Contract). In some cases, they modify or supplement terms and conditions with the same or similar titles as in GP3.

1. INVOICE AND PAYMENT

(A) For each shipment of goods or completed item of services, Seller will submit an original invoice marked "Original" and one copy marked "Copy" to Buyer's appropriate Accounts Payable Department.

(B) Additional Invoicing Requirements. After inspection and acceptance, Seller will submit properly certified invoices for each order. Invoices will include, at a minimum:

- (i) This contract number.
- (ii) The authorization number for the work performed.
- (iii) A description of the work performed, including the location where the work was performed.
- (iv) Detailed charges for labor.

2. PRECEDENCE

(A) If the various parts of this contract are inconsistent, the following order of precedence will apply: (i) special terms and conditions; (ii) the terms and conditions in this document, Clause 866; (iii) the terms and conditions in GP3; (iv) specifications; (v) all other attachments incorporated in this contract by reference.

(B) Buyer's specifications will prevail over any subsidiary documents referenced therein. Seller will not use any specification in lieu of those contained in this contract without the written consent of Buyer's authorized purchasing representative.

3. REPRESENTATIONS AND CERTIFICATIONS

This Article includes representations and certifications that Buyer is required to obtain from Seller in order to comply with various provisions of its Government contracts. They have been stated in such a way as to allow Seller's acceptance of this contract to serve as representations and certifications that will present no bar to Buyer's award of this contract. If, upon receipt of a solicitation that precedes a contract that will incorporate these terms and conditions, Seller believes it is not prepared to make these representations and certifications, it will so notify Buyer as part of its response to the solicitation.

By the acceptance of this order, Seller makes the following representations and certifications:

(A) Certification of Nonsegregated Facilities

(i) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(ii) Seller certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Seller agrees that a breach of this certification is a violation of the Equal Opportunity clause in the contract.

(iii) Seller further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will -

(a) Obtain identical certifications from proposed subcontractors before the award of contracts under which the subcontractor will be subject to the Equal Opportunity clause;

(b) Retain the certifications in the files; and

(c) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods).

Notice to Proposed Subcontractors of Requirement for Certifications of Nonsegregated Facilities.

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract under which the subcontractor will be subject to the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

(B) Previous Contracts and Compliance Reports

Seller represents that:

(i) It has participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 301 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114.

(ii) It has filed all Compliance Reports.

(iii) Representations indicating submission of required compliance reports, signed by proposed

subcontractors, will be obtained.

(C)Affirmative Action Compliance (applicable if Seller has 50 or more employees)

Seller represents that:

- (i)If required to do so by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), it has developed and has on file a written Affirmative Action Compliance Program at each of its establishments, or
- (ii)In the event such a program does not presently exist, and this contract is for \$50,000 or more, that it will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of this contract.

(D)Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters

Seller certifies that, to the best of its knowledge and belief, it is not presently debarred, suspended, proposed for debarment, or ineligible from entering into contracts with the Executive Branch of the Federal Government.

4.SINGLE PROCESS INITIATIVES

When reading this Article, Seller should keep in mind that Buyer is a wholly owned subsidiary of The Boeing Company and is a part of Boeing's Space & Communications Group (SCG).

(A)Seller is encouraged to pursue and implement Single Process Initiatives (SPI) throughout the life of this contract. Seller may be relieved of requirements in this contract when those requirements are inconsistent with Government-approved SPI processes at Seller's facility. This relief will be granted under the following conditions:

- (i)Boeing's customer (U.S. Air Force, U.S. Navy, U.S. Army, or NASA) must have been a party to the SPI approval at Seller's facility.
- (ii)Seller must describe in writing the requirements of this contract that are inconsistent with the SPI process and must commit that there will be no adverse impact to performance, cost, quality, or schedule due to the substitution of Seller's approved SPI process.
- (iii)There must be no specific technical reason that prevents the use of Seller's approved SPI process on work under this contract.
- (iv)Cost savings realized from Seller's implementation of the SPI process will be shared with The Boeing Company in a manner similar to that used for determining the Government's share of cost savings.
- (v)Seller's SPI must be submitted to Buyer for review as early as possible, preferably concurrent with Seller's submittal to its Government customer.
- (vi)Seller's submittal to Buyer must include the following if available:

- (a) A copy of the concept paper/block change proposal that was submitted to Seller's Government customers.
- (b) A list of the Boeing SCG locations and programs affected by the SPI.
- (c) A description of the equipment items affected.
- (d) Specific change language (was/now) being requested.
- (e) Seller's proposed consideration to Boeing for agreeing to the change.
- (f) A copy of the signed block change form, or MOA with, the Government.
- (g) Seller's regular Boeing point of contact.
- (h) Seller's point of contact for SPI technical issues.
- (i) Names of other prime contractors affected by the SPI.
- (j) A list of Government agencies that have approved the SPI.

(B) Boeing will consider all Government-approved SPI processes meeting the above conditions as applicable to all existing and follow-on contracts with Seller.

5. CONCURRENT CONTRACTS

Seller will not seek or accept from Buyer or its contractors any concurrent firm-fixed-price contract for the same skills and/or disciplines at the same Buyer location. Questions regarding the boundaries of an "Buyer location" should be directed to Buyer's authorized purchasing representative.

6. SECURITY

All employees, agents, and representatives of Seller or its subcontractors who are expected to enter premises owned or controlled by Buyer or the Government may, at Buyer's discretion, be required to provide Buyer's Security personnel birth certificates and/or other evidence of citizenship satisfactory to Buyer before being allowed within any restricted area. All such employees, agents, and representatives are bound by the provisions of the United States Criminal Code relating to espionage and sabotage and will conform to the standards and requirements established by the Government and Buyer Security. The name, social security number, and birth certificate and/or other satisfactory evidence of citizenship of each such employee, agent, or representative will be submitted by Seller, if requested by Buyer, prior to the time for reporting to work. Selected positions and assignments of Seller's employees may require a security clearance.

7. PATENT RIGHTS, COPYRIGHTS, AND NONDISCLOSURE

(A) Definitions. As used in this contract the term "invention" or "invention or discovery" includes any art, machine, manufacture, design, composition of matter, or any new and useful improvement thereof which is or may be patentable under the Patent Laws of the United States or of any foreign country; and "made," when used in relation to any invention or discovery,

shall mean the conception or the first actual or constructive reduction to practice of such invention.

(B)Disclosure. Whenever an invention or discovery is made by Seller or any of its employees either solely or in collaboration with others, including employees of Buyer, under or relating to this contract, Seller will give Buyer prompt written notice thereof and will furnish Buyer with complete information thereon, including, as a minimum, a complete written disclosure of each such invention and information concerning the date and identity of any public use, sale, or publication of such invention made by or known to Seller or of any contemplated publication by Seller or its employees.

(C)Rights in Inventions. Rights in any inventions or discoveries made by Seller or its employees under this contract, including title to and rights under any patent application or patent which may issue thereon, will reside solely with Buyer, together with the exclusive power to determine whether or not and where a patent application will be filed and disposition of any rights thereunder. Seller agrees that it will, and warrants that its employees who may be the inventors of any such invention will, execute all documents and do all things necessary or proper to vest in Buyer the rights granted to it under this clause and to enable Buyer to apply for and prosecute any patent application, in any country, covering such invention, where Buyer has the right under this clause to file such application.

(D)Background Patents. Seller agrees to grant to Buyer a nonexclusive, royalty-free license under any patents owned or controlled by Seller which relate to and are required by Buyer to practice any of the work or the results of the work of Seller or its employees under this contract.

(E)Nondisclosure. Seller agrees it will not, and warrants that its employees will not, disclose to any third party, without the written consent of Buyer, any invention or discovery made under or relating to this contract or any information acquired from Buyer under this contract, including trade secrets, business plans, and confidential or other information which may be proprietary to Buyer.

(F)Employee Agreements. Seller will obtain patent agreements to effectuate the provisions of this clause from all persons who perform any part of the work under this contract, except such clerical and manual labor personnel as will have no access to technical data.

(G)Copyrights. Seller agrees to assign to Buyer the copyrights on any works of authorship prepared under this contract and to cause its employees to do the same to the extent that the works of such employees are not considered to be works made for hire for Buyer or Seller under copyright law.