

BDS Terms and Conditions

Clause Number: A001

Effective: 03/08/2016

Page: 1 of 4

SOLICITATION INSTRUCTIONS

Bidder will comply with these instructions when responding to this solicitation.

1. Responses to this solicitation received after the specified "Bid Close Date" or "Required Date " maybe considered nonresponsive. Any extension of the Bid Close Date or Required Date will be approved by Buyer's Authorized Procurement Representative. Any extension of a written solicitation must be in writing.
2. Bidder will provide pricing for the exact quantity requested as written and the next highest quantity break, if any, above the quantity specified herein.
3. Bidder's response to this solicitation will be based upon zero shipping tolerance. If Bidder's offered price can be reduced by allowing for shipping tolerances, Bidder will so indicate by quantifying the reduction and specifying the shipping tolerance.
4. Bidder will indicate any manufacturer's part number if its response to this solicitation proposes an equivalent item other than the requirement stated herein.
5. Bidder will return the original Request For Quotation (RFQ), signed, dated, and incorporating the information indicated below. If Bidder received a Request For Proposal (RFP), the information indicated below will be provided as part of its response to this solicitation:
 - a. Terms of payment including any prompt payment discounts;
 - b. FOB point. (BDS Supplier Management policy is (i) Freight on Board [FOB] destination for domestic shipments and (ii) Free Carrier + the named place of departure [FCA] for international shipments. Exceptions to be coordinated with Procurement Agent).
 - c. Unit price for quantities indicated, Bidder's corresponding unit of measure, and the extended price (the product of the quantity required multiplied by the unit price);
 - d. Bidder's delivery schedule. Note: If Bidder can deliver in accordance with Buyer's required schedule, a separate indication of schedules is not required;
 - e. Production lead-time required (in weeks).
6. Bidder will carefully review all documents cited in Buyer's solicitation to ensure the following:
 - a. All information required to properly respond to this solicitation has been received;

BDS Terms and Conditions

Clause Number: A001

Effective: 03/08/2016

Page: 2 of 4

- b. All tooling and material requirements , processes, and procedures are understood and priced accordingly in its response to this solicitation.
7. Bidder accepts the responsibility to contact Buyer's Authorized Procurement Representative , at the number noted in this solicitation, to resolve questions or concerns regarding this solicitation.
8. Bidder shall notify Buyer if a former employee of Buyer is representing Bidder in connection with its proposal or any resulting order.
9. Proposals signed by an agent of Bidder will be accompanied by evidence of his or her authority to sign as agent of Bidder unless such evidence has been previously furnished.
10. Buyer reserves the right to reject any or all solicitation responses without prior discussions and to evaluate all solicitation responses with regard to quality, price, assurance of timely delivery, and all other factors that Buyer, in its sole discretion, deems relevant.
11. If an award is made, it will be made to the bidder whose proposal, when price and other factors are considered, will result in the best value for the Buyer.
12. Buyer reserves the right to accept other than the lowest-priced proposal and to reject all others without prior discussions.
13. Buyer will use historical data from its Supplier Rating System when considering quality and timely delivery performance as award factors. Buyer intends to employ best value quantitative analysis of historical performance data whenever all responsive bidders have representative performance data in the Supplier Rating System.
14. The award may be made based on initial proposals, without discussion or negotiation. Accordingly, initial proposals should be submitted on the most favorable terms from a price, delivery, and technical standpoint.
15. Unless Bidder otherwise specifies in its proposal, Buyer may make an award for any item (or group of items) in Bidder's proposal for a quantity less than the quantity proposed at the unit price proposed.
16. Buyer reserves the right to consider proposals or modifications to proposals received after the date specified in this solicitation, provided such documents are received prior to award and are in Buyer's and/or the Government's best interests.

BDS Terms and Conditions

Clause Number: A001

Effective: 03/08/2016

Page: 3 of 4

17. Notwithstanding anything else set forth in Buyer's solicitation or any other communications between Buyer or the Offeror to the contrary, Buyer is under no obligation to award a contract to the Offeror and no costs incurred in the submission of any proposals or in making necessary studies or designs for the preparation thereof shall be paid by Buyer.
18. Code of Conduct. Boeing is committed to conducting this procurement fairly, impartially, and in an ethical and proper manner. In the event that Bidder has cause to believe that Boeing or any Boeing employee or agent has acted improperly or unethically in connection with this solicitation, Bidder shall report such conduct to the Boeing Ethics hotline. Copies of Boeing's Code of Conduct and contacts for such reports are available on <http://www.boeing.com/> under "Ethics and Business Conduct." Boeing will not use the failure to make such a report as a basis for rejecting Bidder's proposal. Bidder is nonetheless encouraged to exert reasonable efforts to make such reports when warranted.
19. Identification of Subcontract Effort. If Bidder intends to subcontract to lower-tier subcontractors more than 70 percent of the total cost of work to be performed, Bidder shall identify in its proposal
 - a. The amount of Bidder's indirect costs and profit/fee applicable to the work to be performed by the lower-tier subcontractor(s); and
 - b. A description of the added value provided by Bidder as related to the work to be performed by the lower-tier subcontractor(s).
20. Equal Opportunity Compliance Evaluations. In accordance with the requirements of FAR 52.222-24 (FEB 1999), anticipated award values of \$10 million or more shall subject Bidder to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless within the preceding 24 months the OFCCP has found Bidder to be in compliance with Executive Order 11246.
21. If this solicitation supports a DOD prime contract or subcontract, Bidder's response shall provide detailed information about its intended performance outside the United States and Canada in accordance with DFARS 252.225-7003.
22. Bidder's response shall identify the country of manufacture of end products to be delivered under the contract. Bidder is reminded that it is required to comply with the sourcing requirements of any FAR Part 25 or DFARS Part 225 clauses incorporated in this solicitation.
23. Offeror's Assertion of Commerciality. If this solicitation supports a U.S Government prime contract or subcontract, Bidder is encouraged to propose commercial or non-developmental items as defined in FAR 2.101, and to the extent practical, incorporate such items as components of the items to be proposed, in response to this solicitation. If Bidder contemplates proposing commercial

BDS Terms and Conditions

Clause Number: A001

Effective: 03/08/2016

Page: 4 of 4

items/services, Bidder is requested to explain its assertion of commerciality and to provide all pertinent supporting evidence/information with its proposal submittal. Bidder's assertion of commerciality may be submitted on Buyer's form F70127, Offeror's Assertion of Commerciality or other form or format provided or required by Buyer.

24. If this solicitation supports a DOD prime contract or subcontract, in accordance with 252.222-7007, Bidder is notified that it has a responsibility to report trafficking in persons violations by Buyer, Buyer's employees, or Bidder's employees or subcontractor employees, at any tier, and employees are afforded protection under 10. U.S.C. 2409, as implemented in DFARS subpart 203.9, from reprisal for whistleblowing on trafficking in persons violations.
25. If any portion of the Bidder's proposal is for supplies (excluding commercially available off-the-shelf items) to be acquired outside the United States or is for services to be performed outside the United States, Bidder shall comply, if applicable, with the requirements of clauses A717 and A719, which are incorporated by reference into this solicitation.
26. If this solicitation supports a DOD prime contract or subcontract, the prime contract requirements associated with this solicitation contain DFARS 252.204-7012 (Dec 2015) which, when applicable, is a mandatory flowdown. In performance of any subcontract award resulting from this solicitation, Bidder shall state in its proposal if it expects to meet the December 31, 2017 deadline to provide 'adequate security' for all 'covered defense information' on all 'covered contractor information systems,' as those terms are defined in the clause.