

Date: September 2000**EXHIBIT A****GOVERNMENT PROVISIONS
APPLICABLE TO
PRIME CONTRACT F34601-98-C-0053**

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 January 30, 1998.

<u>FAR/DFARS Reference</u>	<u>Title</u>
52.211-5	New Material ("Contracting Officer" means Buyer.) (OCT 97)
52.211-15	Defense Priority and Allocation Requirements (SEP 90)
52.219-8	Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns (JUN 97)
52.222-1	Notice to the Government of Labor Disputes (FEB 97) ("Contracting Officer" means Buyer.)
52.222-26	Equal Opportunity (APR 84) [Subparagraphs (b)(1) through (11)]
52.222-41	Service Contract Act of 1965, as amended (MAY 89) (If your supplier will be performing work covered by the Service Contract Act.)
52.225-10	Duty-Free Entry (APR 84)
52.225-11	Restrictions on Certain Foreign Purchases (OCT 96) ("Contracting Officer" means Buyer.)
52.227-1, Alt. I	Authorization and Consent (JUL 95, APR 84)
52.242-15	Stop Work Order (AUG 89) ("Contracting Officer" means Buyer)
52.244-6	Subcontracts for Commercial Items and Commercial Components (OCT 95)
52.246-23	Limitation of Liability (FEB 97) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
52.246-25	Limitation of Liability -- Services (FEB 97) (This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
252.215-7000	Pricing Adjustments (DEC 91)

252.225-7002	Qualifying Country Sources as Subcontractors (DEC 91)
252.225-7009	Duty-Free Entry--Qualifying Country Supplies (End Products and Components) (JAN 97)
252.225-7010	Duty-Free Entry--Additional Provisions (JAN 97)
252.225-7012	Preference for Certain Domestic Commodities (SEP 97)
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings (JUN 97) (Applies only if contract item contains ball or roller bearings.)
252.225-7025	Restriction on Acquisition of Forgings (JUN 97) (Applies only if delivered items could contain forging items)
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)
252.246-7000	Material Inspection and Receiving Report (DEC 91)

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

52.222-20	Walsh-Healy Public Contracts Act (DEC 96)
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 Special 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 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 (AUG 96) (Applies only if contract is other than Firm-Fixed-Price, if cost or pricing data was required or if cost, funding or performance reports will be furnished.)
52.223-2	Clean Air and Water (APR 84) (Also applicable if Seller's facility has been the subject of a conviction under the Clean Air Act or Federal Water Pollution Control Act.)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (AUG 96) (This clause applies only if this contract exceeds the simplified acquisition threshold. A copy of each notice sent to the Government will be sent to Buyer.) ("Contracting Officer" means Buyer.)

- 52.246-24 Limitation of Liability -- High-Value Items (Feb 1997) (This clause applies only if this contract exceeds \$100,000. "Government's" shall mean Government's or Buyer's in paragraph (e). Applies if requested by the Seller and approved by the Buyer's Customer. This clause can be used only at the request of the supplier and with the advance written consent of the Contracting Officer.)
- 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 (JUN 97). [excluding paragraph (g)]. This clause applies only if this contract exceeds the simplified acquisition threshold. "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 (NOV 95) (In paragraph (c) "45 days" is changed to 60 days.)

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

- 52.230-2 Cost Accounting Standards (APR 96) (This clause applies only if Seller is subject to Cost Accounting Standards (CAS) and if this contract exceeds \$500,000. Per 52.230-6(e)(1), self-deleting clauses shall not be used.)
- 52.230-6 Administration of Cost Accounting Standards (APR 96) (Add "Buyer and "before "Contracting Officer" in paragraph (e).) (This clause applies only if FAR 52.230-2 or -3 is contained in the prime contract.)
- 252.225-7026 Reporting of Contract Performance Outside the United States (NOV 95) (not applicable if only commercial products are involved.) (This clause applies only if this contract exceeds \$500,000 and 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:

- 252.227-7016 Rights in Bid or Proposal Information (JUN 95)
- 252.227-7030 Technical Data - Withholding of Payment (OCT 88) (This clause applies only if the delivery of data is required by this contract.) ("Contracting Officer" and "Government" means Buyer.)

The following Air Force FAR Supplement clauses are applicable as indicated:

5352.246-9000

Material Inspection and Receiving Report (Applies only if items are to be shipped directly to the U.S. Government or to a foreign destination.)

a. The DD Form 250, required by the clause of the contract entitled "Material Inspection and Receiving Report," shall be forwarded to Buyer and to the following addresses:

1. Forward the purchasing office copy to:

OKLAHOMA CITY AIR LOGISTICS CENTER/
LADB

3001 STAFF DR STE 1AG106C

TINKER AIR FORCE BASE OK 73145-3020

2. For shipments involving Military Assistance Program (MAP), Grant Aid (GA), and Foreign Military Sales (FMS) requirements, an additional copy shall be sent under separate cover to:

OC-ALC/FMIBSAM

3350 D AVE STE P26

TINKER AFB OK 73145-9103

b. If delivery of MAP, GA, or FMS items to foreign destinations is required, the copies of DD Forms 250 required by DFARS, Appendix F, Table 2, Material Inspection and Receiving Report, Special Distribution, shall be forwarded to the "ship to" address designated for delivery of the supplies. If the "ship to" address is not in the contract, it shall be provided by the Buyer when shipment is ready.

c. DD Form 250s will be distributed only to Buyer and to those offices specifically identified above and in DOD FAR SUPP. Appendix F, Table 2.

d. These special instructions shall be included in any subcontract hereunder where the items produced by the subcontractor are to be shipped directly to the U.S. Government or to a foreign destination.

e. A copy of the bill of lading or other transportation receipt will be attached to the DD 250 sent to the addressees listed in a.2. above.

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 ten working days after receipt of DO rated or five 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.

A = ADDED

D = DELETED

R = REVISED