

THIS ATTACHMENT NO. IS A PART OF ORDER NO. BETWEEN BOEING NORTH  
AMERICAN, INC. (BNA), AND , (SELLER)

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NOTE: FAR clauses incorporated by reference in this document are arranged in numerical sequence.

1. DEFINITIONS

As used in this order:

- A. "Contracting Officer" means a person with the authority to enter into, administer and/or terminate Government contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting officer acting within the limits of their authority as delegated by the Contracting Officer.
- B. "Government" means the Government of the United States.
- C. "Prime contract" means the Government contract under which this order is issued.
- D. "FAR" means the Federal Acquisition Regulation. The text of clauses identified below by a FAR clause number are incorporated herein by reference, subject to the following definitions and to the modifications indicated below:

"Contractor" means Seller except in the term "prime contractor".

"Subcontractor" means Seller's subcontractor.

"Contract" means this order except in the term 'prime contract'.

The FAR clauses incorporated herein are those in effect on the date of this order.

2. ANTI-KICKBACK PROCEDURES - FAR 52.203-7

Delete paragraph (c)(1). The following is added in paragraph (c)(2): "Seller shall notify Buyer when such action has been taken." In paragraph (c)(4)(i) "this contract" is replaced by the "prime contract which in turn may be offset by Buyer under this order."

3. SECURITY REQUIREMENTS - FAR 52.204-2

4. NEW MATERIAL - FAR 52.210-5

in which "Contracting Officer" means Buyer and "Government" means Buyer in the last sentence.

5. DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS - FAR 52.212-8

6. STOP-WORK ORDER - FAR 52.212-13 AND ALTERNATE t

in which "Contracting Officer" means Buyer, the term "for the convenience of the Government" in paragraph (c) is replaced by "for convenience", "90 days" is changed to "100 days" in paragraph (a) and "30 days" is changed to "20 days" in paragraph (b).

7. EXAMINATION OF RECORDS BY COMPTROLLER GENERAL- FAR 52.215-1

Delete paragraph (c),

8. ALLOWABLE COST AND PAYMENT - FAR 52.216-7

"Contracting Officer" means Buyer, "Government" means Buyer except in paragraph (b) (1) (ii) (E); "Government" means Government or Buyer in paragraph (b)(4); "by the Contracting Officer" is deleted from paragraph (g); "six months" replaces "one year" in paragraph (h)(1) and the following is added to paragraph (a):

"Concurrently with the submission to Buyer of said invoice (or voucher) and statement, 4 copies thereof shall be forwarded by Seller to the Contracting Officer."

In addition paragraphs (d) and (e) are replaced by the following:

"In lieu of the actual indirect costs of performance of this order, Seller will be reimbursed on the basis of the final overhead rates negotiated between Seller and the Government, unless otherwise provided in this order. Such overhead rates, basis of application and the periods for which they shall apply shall be identical to those agreed upon by Seller and the Government in connection with the performance of Seller, at Seller's operating division where the work is performed, of cost-type contracts currently in force between Seller and the Government at such division. In the event that Seller is provisionally reimbursed for indirect costs under such cost-type contracts with the Government on the basis of provisional or billing overhead rates agreed upon for use pending the negotiation of final overhead rates, Seller will be provisionally reimbursed hereunder for indirect costs on the basis of such provisional or billing overhead rates."

9. FIXED FEE - FAR 52.216-8 (applicable to CPFF orders)

"Contracting Officer" and "Government" mean Buyer and "Schedule" means order.

10. INCENTIVE FEE - FAR 52.216-10 (applicable to CPIF orders)

"Contracting Officer" and "Government" mean Buyer and "Schedule" means order and paragraph (e) reads as follows:

"Fee Payable. ( 1 ) The fee payable under this order shall be the target fee increased by cents for every dollar that the total allowable cost is less than the target cost or decreased by cents for every dollar that the total allowable cost exceeds the target cost. In no event shall the fee be greater than                    percent or less than                    percent of the target cost."

11. UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS - FAR 52.219-8

12. SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN - FAR 52.219-9 (applicable to orders over \$500,000)

Paragraph (c) is revised to read: "(c) The offeror, upon request by the Buyer shall submit for review a subcontracting plan, where applicable, which addresses separately subcontracting with small business concerns and small disadvantaged business concerns. Failure to submit a proper subcontracting plan shall make the offeror ineligible for award of a purchase order".

13. UTILIZATION OF WOMEN-OWNED SMALL BUSINESSES - FAR 52.219-13

14. UTILIZATION OF LABOR SURPLUS AREA CONCERNS - FAR 52.220-3

15. LABOR SURPLUS AREA SUBCONTRACTING PROGRAM - FAR 52.220-4 (applicable to Orders that may exceed \$500,000)

16. NOTICE TO THE GOVERNMENT OF LABOR DISPUTES - FAR 52.222-1

"Contracting Officer" means Buyer.

17. PAYMENT FOR OVERTIME PREMIUMS - FAR 52.222-2

\$\_\_\_\_\_ is inserted in the blank in paragraph (a) and "Contracting Officer" means Contracting Officer and Buyer.

18. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION - FAR 52.222-4

Buyer may withhold or recover from Seller such sums as the Contracting officer withholds or recovers from Buyer because of liabilities of Seller or its subcontractors under this clause.

19. EQUAL OPPORTUNITY - FAR 52.222-26

Delete paragraphs (a) and (c).

20. AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS - FAR 52.222-35

21. AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS - FAR 52.222-36

22. EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA - FAR 52.222-37

23. CLEAN AIR AND WATER - FAR 52.223-2

24. BUY AMERICAN ACT - SUPPLIES - FAR 52.225-3

25. LIMITATION OF COST - FAR 52.232-20 (applicable when order is fully funded at commencement of performance)

"Contracting Officer" and "Government" mean Buyer and "Schedule" means order

26. LIMITATION OF FUNDS - FAR 52.232-22 (applicable when order is partially funded at commencement of performance) "Contracting Officer" and "Government" mean Buyer and "Schedule" means order.

27. CHANGES-COST-REIMBURSEMENT - FAR 52.243-2 AND ALTERNATE V

"Contracting Officer" means Buyer and "require additional work or" is inserted after "if any" in paragraph (a), and "30 days" in paragraph (c) is changed to 21 days.

28. SUBCONTRACTS UNDER COST-REIMBURSEMENT AND LETTER CONTRACTS - FAR 52.244-2 AND ALTERNATE I

"Contracting Officer" means Buyer; "Government" means Buyer in paragraph (h); and "the Schedule of" in paragraph (e) is deleted. The following paragraph is added:

"Notwithstanding the advance notification required in Paragraph (a) hereof, Seller agrees, upon request, to render to Buyer a report listing all of Seller's first and second tier subcontracts relating to this order of a type described in Paragraph (a). This report shall include for each such subcontract, the name of the supplier, a brief statement of the general scope of work contemplated thereunder, the estimated cost or price, the form of contract and the current status and progress thereof. Seller further agrees to furnish, upon request of Buyer, a copy of all such subcontracts."

29. COMPETITION IN SUBCONTRACTING - FAR 52.244-5

30. GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS) - FAR 52.245-5

"Schedule" means order; "Contracting Officer" means Buyer (unless otherwise indicated below); and the terms "Government property" and "Government-furnished property" are not changed.

In paragraphs (a)(2), (a)(4), (b)(1), (b)(2), and (c)(3)(iii), "Government" means Buyer.

In paragraph (d) "Contracting Officer" means Contracting Officer or Buyer.

In paragraph (e)(3) "Government" means Buyer except in the terms "assumed by the Government" and "for which the Government is responsible."

In paragraph (f) "Government" means Government or Buyer.

In the first two sentences of paragraph (g)(6) "Contracting Officer", means Contracting officer or Buyer.

In paragraph (g)(7) and (g)(8) "Government" means Buyer.

In paragraph (g)(9) "Contracting Officer" means Contracting Officer or Buyer; and "Government" means Government and Buyer except in the term "Government's expense" where it means Government or Buyer.

In the second sentence of paragraph (h) "Government" means Buyer, and in the fourth sentence it means Government and Buyer.

In paragraph (i) "Government" means Government or Buyer.

In paragraph (j) and (j)(1) "Government" means Government or Buyer.

### 31. SPECIAL TOOLING

If the estimated cost of this order includes an amount for special tooling required for the performance hereof, the following provisions shall apply:

- A. "Special Tooling" means all jigs, dies, fixtures, molds, patterns, taps, gauges, other equipment and manufacturing aids, and replacements thereof, which are of such a specialized nature that, without substantial modification or alteration, their use is limited to the development or production of particular supplies or parts thereof, or the performance of particular services. The term includes all components of such items, but does not include: consumable property; special test equipment; or buildings, nonseverable structures (except foundations and similar improvements necessary for the installation of special tooling), general or special machine tools, or similar capital items.
- B. If requested by Buyer, seller shall prepare and submit to Buyer promptly after execution of this order, if not previously submitted, a tooling plan listing all items of special tooling, if any, which Seller plans to manufacture or acquire for the performance of work hereunder. This tooling plan shall be maintained on a current basis, and periodically as required by Buyer, Seller shall submit to Buyer a revised plan indicating all changes therein.

### 32. SPECIAL TEST EQUIPMENT - FAR 52.245-18

"Contracting Officer" means Buyer, and "Government" means Buyer except in the terms "Government-owned", "Government property" and "Government-furnished". In the second sentence of paragraph (b) "30" is changed to "45" and "30-day" is changed to "45-day" in paragraph (c)."

### 33. INSPECTION OF RESEARCH AND DEVELOPMENT--COST REIMBURSEMENT - FAR 52.246-8

The following is added after the first sentence in paragraph (b): "An inspection system acceptable to the Government shall be deemed acceptable to the Buyer";

"Government" means Government and Buyer in paragraphs (b) and (c); "Government" means Government or the Buyer in paragraph (d); and "Government" means Buyer in paragraphs (e), (f), (g), and (h);

In the first sentence of paragraph (f) "6 months" is changed to "7 months" and "after acceptance" is changed to "after acceptance by Buyer's customer of the work in which Seller's work is incorporated."

34. TERMINATION (COST-REIMBURSEMENT) - FAR 52.249-6

Paragraphs (d), (i) and (m) are deleted; "Contracting Officer" and "Government" mean Buyer except in paragraph (c)(8) where they mean "Contracting Officer or Buyer" and "Government or Buyer" respectively; "to the Government" is deleted in paragraph (c)(6); "1 year" and "1-year" are changed to "6 months" and "6-month" in paragraph (e); and in paragraphs (b) and (g)(4)(i) the term "for the convenience of the Government" is changed to "for convenience."

35. EXCUSABLE DELAYS - FAR 52.249-14

"Contracting Officer" and "Government" mean Buyer except in example (2) in paragraph (a).

36. COMPLIANCE WITH LAWS

To the extent applicable hereto, Seller shall in the performance of this order comply with: The Fair Labor Standards Act of 1938 (29 U.S.C. 201-219); the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45); the Contract Work-Hours and Safety Standards Act (40 U.S.C. 327-333); laws prohibiting the use of convict labor; all other federal, state and local laws; and all regulations and orders issued under any applicable law. Seller warrants that the equipment to be furnished hereunder complies with the Occupational Safety and Health Act of 1970 (29 U.S.C. 651-678) and the Radiation Control for Health and Safety Act of 1968 (42 U.S.C. 263 b-n) and all applicable regulations and standards promulgated thereunder.

37. GRATUITIES

Seller warrants that neither it nor any of its employees, agents, or representatives have offered or given any gratuities to Buyer's employees, agents, or representatives with a view toward securing this order or securing favorable treatment with respect thereto.

38. PATENT INDEMNITY

Seller agrees to indemnify Buyer, its successors, assigns, agents and users of its products, against loss, damage or liability, including costs and expenses, which may be incurred on account of any suit, claim, judgment or demand involving infringement or alleged infringement of any patent rights in the manufacture, use or disposition of any article or material supplied hereunder, provided Buyer shall notify Seller of any suit instituted against it, and to the full extent of its ability to do so, shall permit Seller to defend the same or make settlement in respect thereof, provided, however, the provisions of this clause shall not apply to any invention covered by a patent of the United States, embodied in the structure or composition of any articles, the delivery of which are accepted by the Government and which articles are not (a) supplies which normally are or have been offered for sale to the public in the commercial open market, or (b) supplies described in (a) above with relatively minor modifications made thereto.

39. RELEASE OF NEWS INFORMATION AND ADVERTISING

Seller shall not, without the prior written consent of Buyer: (a) make any news release, public announcement, denial or confirmation of all or part of the subject matter of this order, or any phase of any program hereunder; or (b) in any manner advertise or publish the fact that Buyer has placed this order.

40. SHIPMENTS

- A. All materials purchased by Seller to be used only for the performance of this order shall move on-commercial bills of lading. Freight charges paid by Seller for the transportation of such shipments shall be items of allowable cost under this order.
- B. All articles to be furnished under this order are to be shipped to Buyer's specified destinations in accordance with Buyer's routing instructions and shall be delivered f.o.b. carrier's equipment at Seller's plant or plants and shipped on commercial bills of lading. Any shipment subject either to carload or truckload freight rates, or any shipment subject to less-than-carload or less-than-truckload freight rates, shall be adequately loaded in carrier's equipment at Seller's plant or plants, or at the point or points nearest thereto at which delivery can be effected.
- C. To the extent this order provides for inspection and acceptance by the Government at Seller's plant for the purpose of direct shipment to the Government, Seller shall make timely request of Buyer for special shipping instructions.

41. STANDARDS OF WORK

Seller agrees that the performance of work and services, pursuant to the requirements of this order, shall conform to high professional standards.

42. BUYER APPROVALS AND REVIEWS

The review or approval by Buyer of any work hereunder or of any designs, drawings, specifications or other documents prepared hereunder shall not relieve Seller of any of its obligations under this order nor excuse or constitute a waiver of any defects or nonconformities in any articles or services furnished under this order or change, modify or otherwise affect any of the provisions of this order, including, but not limited to, the estimated cost, fee and delivery schedules contained herein.

43. ASSIGNMENT AND SUBCONTRACTING

Neither this order nor any rights or obligations herein may be assigned by Seller nor may Seller subcontract in whole, or substantially in whole, the performance of its duties thereunder without, in either case, Buyer's prior written consent. The terms and conditions of this order shall bind any permitted successors and assigns of Seller. Any consent by Buyer to assignment shall not be deemed to waive Buyer's right (1) to recoupment and/or set off of claims arising out of this or any other transactions with Seller, its divisions, affiliates or subsidiaries, or (2) to settle or adjust matters with Seller without notice to permitted successors and assigns.

44. EFFECT OF INVALIDITY

The invalidity in whole or in part of any provision hereof shall not affect the validity of any other Provisions.

45. RIGHTS, REMEDIES AND WAIVERS

The rights and remedies provided Buyer herein shall be cumulative, and in addition to any other rights and remedies provided by law or equity. A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach. The laws of the state shown in Buyer's address, printed on the face of this order, shall apply in the construction hereof.

46. DISPUTES

A. Any dispute arising under this order which is not settled by agreement of the parties or pursuant to Paragraph B below may be settled by appropriate legal proceedings. Pending any decision, appeal or judgment referred to in this clause or the settlement of any dispute arising under this order, Seller shall proceed diligently with the performance of this order.

B. Notwithstanding any provision herein to the contrary:

- (1) If a decision arising under the prime contract is made by the Contracting Officer and such decision is also related to this order, said decision, if binding upon Buyer under the prime contract, shall in turn be binding upon Buyer and Seller with respect to such decision insofar as it relates to this order; provided, however, that if Seller is adversely affected by any such decision made by the Contracting Officer, and if Buyer elects not to appeal such decision pursuant to the "Disputes" clause of the prime contract, Buyer shall promptly notify Seller. If Seller thereafter timely requests Buyer to appeal such decision, Buyer shall do so. If Buyer appeal such decision, whether at its election or at Seller's request, any decision upon such an appeal, if binding upon Buyer under the prime contract, shall in turn be binding upon Buyer and Seller under this order with respect to such decision insofar as it relates to this order.
- (2) If any such appeal is denied or otherwise decided adversely to Seller's interest, or if Seller is otherwise adversely affected by any decision made by any representative of the Government on any decision arising under the prime contract which is also related to this order, from which an appeal under the "Disputes" clause in the prime contract is not available, said decision, if binding upon Buyer under the prime contract, shall in turn be binding upon Buyer and Seller with respect to such decision insofar as it relates to this order; provided, however, that if Seller is adversely affected by any such decision, and if Buyer elects not to bring suit against the Government with respect to such decision, Buyer shall notify Seller with reasonable promptness. If Seller timely requests Buyer to bring suit against the Government, Buyer shall do so. If Buyer brings suit against the Government with respect to any such decision, whether at its election or at Seller's request, a final judgment in any such suit, if binding upon Buyer under the prime contract shall in turn be binding upon Seller and Buyer under this order with respect to the decision insofar as it relates to this order.

- (3) If necessary for jurisdiction under the Contract Disputes Act, Buyer shall certify Seller's claim and proceed with the appeal only if Buyer is satisfied that the seller's claim is in good faith, that the supporting data are accurate and complete to the best of its knowledge and belief, and that the amount requested accurately reflects the contract adjustment for which the Buyer believes the Government is liable. Buyer's position on whether or not it is 'satisfied" shall be reasonable and shall not be used to arbitrarily deny Seller certification. Seller shall indemnify Buyer against any liability incurred as a result of acting hereunder at Seller's request, including furnishing such certification.
- (4) If any such appeal or suit is taken or brought by Buyer, whether at its election or at Seller's request, Seller shall assist Buyer in its prosecution thereof in every reasonable manner and Seller shall be afforded reasonable opportunity to participate in the prosecution thereof to the extent Seller's interest may be affected. To the extent requested by Buyer, Seller shall prosecute for Buyer any appeal or suit taken or brought at Seller's request and, in such event, Buyer shall assist Seller in every reasonable manner. All costs and expenses incurred by Seller and Buyer in prosecuting any appeal or suit taken or brought at Seller's request shall be paid by Seller. Where possible, Buyer shall in good faith consult with Seller concerning the presentation to the Contracting Officer or other cognizant representatives of the Government of the matters that may affect Seller's interest, referred to in subparagraphs (1) and (2) above to the extent they may affect Seller's interest.
- (5) If as a result of any decision or judgment which is binding upon Seller and Buyer, as above provided, Buyer is unable to obtain reimbursement from the Government under the prime contract for, or is required to refund or credit to the Government, any amount with respect to any item of cost or fee for which Buyer has reimbursed Seller, Seller shall, on demand, promptly repay such amount to Buyer.
- (6) The rights and obligations described herein shall survive completion of and final payment under this order.

#### 47. ALTERATIONS

This Attachment is amended in the following respects: