

**DEPARTMENT OF THE NAVY**

NAVAL AIR SYSTEMS COMMAND
ADM WILLIAM A. MOFFET BUILDING
47123 BUSE ROAD, BLDG 2272
PATUXENT RIVER, MARYLAND 20670-1547

IN REPLY REFER TO:
Ser AIR-2.3.2.1/11-088
31 Oct 2011

The Boeing Company
Attn: Ms. Maureen Carlson
7755 East Marginal Way
P. O. Box 3707
Seattle, WA 98124-2499

Subject: CONTRACTOR USE OF "COUNTERFEIT" PARTS

Ref: (a) N00019-09-C-0022
(b) N00019-04-C-3146

Dear Ms. Carlson:

1. This letter serves to remind The Boeing Company of its obligation to ensure that deliverables made under references (a) and (b) are in conformance with contractual requirements and do not contain any "counterfeit" material.
2. Reference (a), N00019-09-C-0022, Statement of Work (SOW) paragraph 3.1.4.1.2, Material Review, states "The contractor shall construct records of nonconforming material. All nonconforming material shall be identified and kept separate from the production process until disposition. The contractor shall conduct a Material Review Board (MRB) to disposition nonconforming material. The contractor shall obtain Government approval for "use as is" or repair dispositions when the nonconforming material affects safety, health, performance, interchangeability, reliability, maintainability, function, or weight. "Use as is" and repair dispositions that require MRB review shall be documented and provided at the time of acceptance as supporting documentation."
3. Contract clause 252.246-7003, Notification of Potential Safety Issues, which is part of reference (a) requires the contractor to notify the cognizant Administrative Contracting Officer (ACO) and the Procuring Contracting Officer (PCO) as soon as practicable but not later than 72 hours after discovery of all nonconformances or deficiencies that may result in a safety impact.
4. The Government's position is that any "counterfeit" material received in conjunction with the execution of the above referenced contracts is nonconforming material and shall be immediately reported to the Government.
5. In the event The Boeing Company is made aware of any "counterfeit" materials present on any aircraft and/or aircraft system prior to or after delivery to the Government is made, immediate notification should be made to the cognizant ACO and the PCO.

6. This letter should not be construed as an obligation or commitment on the part of the Government of any kind. This letter constitutes no authorization for increase or decrease in cost or schedule to reference (a) and (b), or any other contract in force between the Government and The Boeing Company. If you have any questions pertaining to this notification, please contact the undersigned at [REDACTED], email [REDACTED]@navy.mil.

Sincerely,

A handwritten signature in black ink, appearing to read "Clare C. Carmack". The signature is fluid and cursive, with a large loop at the end.

Clare C. Carmack
Contracting Officer

Copy to:
PMA-290; CAPT S. Dillon
AIR-11.3; Robert McCall
DCMA Seattle; Debra Hafert