

RAYTHEON RFQ/RFP CERTIFICATE (IN-006)

OFFSET CREDIT SUBMITTAL for PROPOSALS/BIDS over \$100,000

- I. Raytheon Company products and/or services are purchased by many countries throughout the free world to meet their commercial and defense requirements. Doing business with most foreign countries requires a reciprocal obligation to buy, as a percentage of the contract value, products or services from those foreign countries. This negotiated sum is generally referred to as an "offset".
- II. Offsets can be described as either "direct" or "indirect". Direct offset is buying from the foreign country some portion of the product or services being sold by Raytheon Company to that country. Indirect offsets are purchases not related to the products or services being sold to that foreign country. Some examples of areas of offset include: subcontracts/purchase orders, capital equipment, training, integration and logistical services, technology transfers, licensing. These can be either direct or indirect.
- III. Raytheon Company has, or anticipates having, offset commitments to the Governments of over twenty countries.
 - A. Direct Offset, Non US Offeror: If a resultant subcontract/purchase order is issued to a non US (United States of America) Offeror, it is the intent of Raytheon to claim offset credit for said order. Offeror will list all anticipated purchases from non US countries, outside of the Offeror's country, below (paragraph D). Offeror, if requested, agrees to support Raytheon Company in obtaining credit from the appropriate government agencies.
 - B. Direct Offset, US Offeror: Offeror will list all anticipated international purchases below (paragraph D). Offeror agrees that any international subcontract/purchase order resulting from this RFQ will be issued with the intent of Raytheon claiming offset credit. Offeror, if requested, agrees to support Raytheon Company in obtaining credit from the appropriate government agencies.
 - C. Indirect Offset: Offeror may be placing subcontracts/purchase orders internationally outside the US (or outside the Offeror's country, if a non US Offeror) for defense or commercial items not related to this RFQ/RFP. Raytheon requests that information on Offeror's purchases over \$5,000.00 US dollars be listed below (paragraph D). Raytheon will then follow-up to determine the viability of Raytheon claiming offset credit for such purchases.
 - D. International Direct purchases and the International Indirect purchases are planned as follows:

Direct	Indirect	Item Description	Country	Approximate Value US Dollars

PURCHASE ORDER ATTACHMENT IN-006 (Continued)
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- IV. If a Purchase Order is awarded to Offeror, Offeror will cooperate with Raytheon to determine the applicability of potential credit to Raytheon's account(s).
- V. Raytheon advises all subcontractors that it is their legal obligation to comply with the International Traffic in Arms Regulations, administered by the US State Department, and the Export Administration Regulations, administered by the US Department of Commerce, in exporting technical data, products or services to a foreign person or foreign country.
- VI. LOWER-TIER RFP/RFQ/PURCHASE ORDER CLAUSE. If any order is issued as a result of this solicitation, the Supplier's lower-tier RFPs/RFQs and resulting Purchase Orders/Subcontracts exceeding \$50,000.00 US dollars will contain a clause similar to the following: The Seller acknowledges that international procurements qualifying as offset will be identified and assigned to Raytheon Company for its sole use and will be claimed by Raytheon Company for offset credit as a result of this Purchase Order/Subcontract. Seller agrees to provide any additional information or documentation, upon request, as well as reasonable administrative support to Raytheon Company at no additional cost in support of Raytheon's efforts to obtain offset credit from the country involved. Seller warrants that offset credit based on the information reported to Buyer has not been previously committed to its own offset obligation or that of a lower tier supplier or another customer of Seller.
- VII. Offeror understands that this offset commitment may be one of the factors used in evaluating this proposal and subsequently awarding a purchase order.
- VIII. Raytheon appreciates your assistance and support of its International commitments.

(Signature of Authorized Representative)

Typed Name:

Title:

Date:

Company Name:

Address:

END OF DOCUMENT