

CONTENTS

SECTION A APPLIES REGARDLESS OF PRICE

(unless otherwise noted)

ARTICLE NO.

A.1	General.....	1
A.2	Incorporated By Reference.....	1
A.3	Definitions.....	2
A.4	Changes.....	2
A.5	Approvals.....	2
A.6	Inspection.....	2
A.7	Assignment.....	3
A.8	Gratuities.....	3
A.9	Permits and Licenses.....	3
A.10	Public Release of Information.....	3
A.11	Suspension of Work.....	3
A.12	Disputes.....	3
A.13	Notice of Labor Disputes.....	4
A.14	Default.....	4
A.15	Warranty.....	4
A.16	Notice and Assistance Regarding Patent and Copyright Infringement.....	5
A.17	Organizational Conflicts of Interest (OCI).....	5
A.18	Contract Work Hours and Safety Standards Act-Overtime Compensation-General.....	6
A.19	Walsh-Healy Public Contracts Act (>\$10,000).....	6
A.20	Additional Technical Data Requirements.....	6
A.21	Quality Assurance Program.....	6
A.22	Defense Nuclear Facilities Safety Board (DNFSB).....	6
A.23	Price-Anderson Amendments Act (PAAA).....	7
A.24	Notice of Civil Penalties for Violation of Security of DOE Classified or Sensitive Information or Data.....	7
A.25	Non-Waiver.....	7
A.26	Delivery and Payment.....	7
A.27	Federal, State, and Local Taxes.....	7
A.28	Right to Cancel.....	7
A.29	Passage of Title and Lien.....	7
A.30	Domestic Manufacture / Notice Regarding the Purchase of American-Made Equipment and Products-Sense of Congress.....	7
A.31	Lobbying Restriction.....	7
A.32	Asbestos Containing Materials.....	7
A.33	Certifications and Other Statements of the Offeror.....	7
A.34	Governing Law and Compliance With Laws.....	8
A.35	Indemnification and Limitation of Liability.....	8
A.36	Audit Rights.....	8
A.37	Nondisclosure.....	8
A.38	Expediting.....	8
A.39	Restrictions on Subcontractor Sales to the Government.....	8
A.40	Disposition of Intellectual Property – Failure to Complete (Special).....	8
A.41	Insurance Requirements.....	8
A.42	Suspect / Counterfeit Items (S/C).....	9

SECTION B APPLIES WHEN PRICE IS GREATER THAN \$100,000

ARTICLE NO.

B.1	Incorporated By Reference.....	9
B.2	Examination of Records by the Comptroller General.....	9

SECTION C APPLIES WHEN PRICE IS GREATER THAN \$500,000

ARTICLE NO.

C.1	Incorporated By Reference.....	9
C.2	Displaced Employee Hiring Preference and DEAR 970.5226-2 Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for FY 1993.....	9
C.3	Liability For Increased Costs or Interest.....	9

SECTION A

A.1 GENERAL

- a. This Subcontract, which term shall be deemed to include related plans, drawings, specifications, and other documents, contains the entire agreement and understanding between the parties as to the subject matter of this Subcontract, and merges and supersedes all prior agreements, understandings, commitments, representations, writings, and discussions between them.
- b. The terms and conditions of these general provisions and those set forth in the Premier Technology, Inc. (Premier Technology) Purchase Order or Subcontract (terms used interchangeably) apply notwithstanding any different or additional terms and conditions which may be submitted or proposed by Subcontractor, and Premier Technology objects to, and shall not be bound by, any such additional or different terms and conditions.
- c. **REQUIRED FLOW-DOWN ARTICLES:** By entering into this Subcontract, Subcontractor shall bind all lower-tier subcontractors, regardless of their level, to the Provisions of this Subcontract in its lower-tier Subcontracts and Purchase Orders.
- d. The failure of either party to enforce at any time any of the provisions of this Subcontract, or to require at any time performance by the other party of any of such provisions, shall in no way be construed to be a waiver of such provision, nor in any way to affect the validity of this Subcontract or any parts thereof, or the right of either party thereafter to enforce each and every provision.
- c. The headings used in this Subcontract are not to be construed as modifying, limiting or expanding in any way the scope or extent of the provisions in this Subcontract, unless otherwise indicated.
- d. In the event of an inconsistency between provisions of this Subcontract, the inconsistency shall be resolved by giving precedence as follows: 1) Changes to the Purchase Order or Subcontract as amended, 2) Purchase Order or Subcontract; 3) Statement of Work; 4) these General Provisions; and 5) other provisions of this Subcontract, whether incorporated by reference or otherwise. Subcontractor shall notify the Contractor prior to performing work based on resolution of an inconsistency by the order of precedence set forth herein.
- e. Unless otherwise specifically approved by the Contractor, all equipment, materials, or products, including those components, parts, and materials, which are permanently installed into systems, subsystems, and/or assemblies, shall be new and of the grade/type specified by this Subcontract. No mixed manufacturers' or manufacturing production lots will be accepted. All workmanship shall be performed in a skillful and workmanlike manner consistent with the specifications, drawings, stated requirements, and other applicable criteria of this Order.

A.2 INCORPORATED BY REFERENCE

Certain Federal Acquisition Regulation (FAR) and Department of Energy Acquisition Regulation (DEAR) clauses and articles are incorporated herein by reference as if set forth in their entirety. Wherever necessary to make the context of the clauses set forth below applicable to this Subcontract, the term "Contractor" shall mean Subcontractor, the term "subcontract" shall mean lower-tier subcontract, and equivalent phrases shall mean Contractor's representative, except the terms Government and contracting Officer do not change as set forth below. To reference the cited FAR and DEAR flow-down clauses, the following web addresses are provided:

- <http://farsite.hill.af.mil/>
- <http://farsite.hill.af.mil/vfdoea.htm>

Articles incorporated by reference are those in effect on the date of this Order.

- a. FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data
- b. FAR 52.222-21 Prohibition of Segregated Facilities (>\$10,000)

- c. FAR 52.222-26 Equal Opportunity (>\$10,000)
- d. FAR 52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (>\$25,000)
- e. FAR 52.222-36 Affirmative Action for Workers with Disabilities (>\$10,000)
- f. FAR 52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (>\$25,000)
- g. FAR 52.223-3 Hazardous Material Identification and Material Safety Data, Alternate I
- h. FAR 52.223-6 Drug-Free Workplace
- i. FAR 52.224-2 Privacy Act
- j. FAR 52.225-11 Buy American Act – Construction Materials under Trade Agreements
- k. FAR 52.225-13 Restrictions of Certain Foreign Purchases (>\$2,500)
- l. FAR 52.227-14 Rights in Data, General
- m. FAR 52.242-13 Bankruptcy
- n. FAR 52.244-6 Subcontracts for Commercial Items and Commercial Components
- o. DEAR 952.204-71 Sensitive Foreign Nations Controls
- p. DEAR 952.208-70 Printing
- q. DEAR 970.5204-3 Access to and Ownership of Records
- r. DEAR 970.5223-1 Integration of Environment, Safety, and Health into Work Planning and Execution

A.3 DEFINITIONS

- a. "Contractor" means Premier Technology, Inc.
- b. "Subcontractor" and "Seller" mean the business entity contracted to provide the materials, supplies or services covered by this Subcontract.
- c. "Lower-tier Subcontractor" means any party entering into an agreement with the Subcontractor or any other party who has entered into a contract with the Subcontractor, for the furnishing of supplies or services required for performance of this Subcontract.
- d. "Government" shall mean the United States of America or any duly authorized representative thereof.
- e. "DOE" means the U.S. Department of Energy.
- f. "Contracting Officer" means the Contractor-authorized purchasing agent and procurement management personnel.

A.4 CHANGES

- a. The Contractor may at any time, by written order, make changes within the general scope of this Subcontract, in any of the following: 1) Drawings, designs, or specifications, where the supplies or services to be furnished are to be specially manufactured or provided for the Contractor in accordance therewith; 2) Method of shipment or packing; and 3) Place of delivery.
- b. If any change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Subcontract, whether changed or not changed by any such order, an upward or downward equitable adjustment shall be made in this Subcontract cost or delivery schedule or both, and this Subcontract shall be modified in writing accordingly. Any claim by the Subcontractor for adjustment under this Clause must be asserted within 30 days from the date of receipt by the Subcontractor of the notification of change – provided, however, that the Contractor, if it decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Subcontract. Failure to agree to any adjustment shall be a dispute within the meaning of the article of this Subcontract entitled "Disputes." However, nothing in this article shall excuse the Subcontractor from proceeding with this Subcontract as changed.
- c. Adjustments
When costs are a factor in any determination of a Subcontract adjustment pursuant to this "Changes" article,

or any other provision of this Subcontract, such costs shall be in accordance with the cost principles and procedures in Part 31 of the Federal Acquisition Regulation, as supplemented or modified by the Department of Energy Acquisition Regulation (DEAR) Part 931, in effect on the date of this Subcontract.

A.5 APPROVALS

The granting of approvals of any data submitted by Subcontractor under provisions of this Subcontract shall not affect, or relieve, Subcontractor's responsibility for performance of work in compliance with this Subcontract.

A.6 INSPECTION

- a. Subcontractor shall perform, or have performed, all inspections and tests necessary to substantiate that the supplies or services furnished under this Subcontract conform to Subcontract requirements, including any applicable technical requirements for specified manufacturers' parts.
- b. Contractor has the right to inspect and test all supplies and services called for by this Subcontract, to the extent practicable, at all places and times, including the period of manufacture, and in any event, before acceptance. Contractor will perform inspections and tests in a manner that will not unduly delay the work. Contractor assumes no contractual obligation to perform any inspection or test for the benefit of Subcontractor, unless specifically set forth elsewhere in this Subcontract.
- c. If Contractor performs an inspection or test on the premises of Subcontractor, or its lower-tier subcontractor(s), Subcontractor shall furnish, and shall require its lower-tier subcontractors to furnish, without additional charge, all reasonable facilities and assistance for the safe and convenient performance thereof.
- d. When supplies or services are not ready at the time specified by Subcontractor for inspection or test, Contractor may charge to Subcontractor the additional cost to Contractor related to the inspection or test.

Contractor may also charge Subcontractor for any additional cost of inspection or test when prior rejection makes re-inspection or retest necessary. Contractor has the right either to reject or to require correction of nonconforming supplies. Supplies are nonconforming when they are defective in material or workmanship or are otherwise not in conformity with Subcontract requirements. Contractor may reject nonconforming supplies with or without disposition instructions.

- e. If any of the services do not conform to the Subcontract requirements, Contractor may require Subcontractor to perform the services again, in conformity with Subcontract requirements, at no increase in the price of this Subcontract. When the defects in services cannot be corrected by re-performance, Contractor may 1) require Subcontractor to take necessary action to ensure that future performance conforms to Subcontract requirements and 2) reduce the Subcontract price to reflect the reduced value of the services performed.
- f. If Subcontractor fails to remove, replace, or correct rejected supplies promptly, that are required to be removed or to be replaced or corrected, or to re-perform nonconforming services promptly in conformance with Subcontract requirements or to take the necessary action to ensure future performance of services in conformity with Subcontract requirements, Contractor may 1) by Subcontract or otherwise, remove, replace, or correct the supplies and perform the services and charge the cost to Subcontractor; 2) terminate this Subcontract for default; or 3) require delivery and make an equitable price reduction.
- g. Contractor's failure to inspect or reject work shall neither relieve Subcontractor from responsibility for work that is not in accordance with the Subcontract requirements nor impose liability upon the Contractor.

- h. Contractor's inspection of the supplies does not in any way relieve the Subcontractor from its contractual obligations or from any other liability that the Subcontractor may incur as a result of nonconforming supplies; nor does such inspection constitute an acceptance of nonconforming supplies not discovered by inspection.
- i. If acceptance is not conclusive for any reason, Contractor, in addition to any other rights and remedies under provisions of this Subcontract, shall have the right to require Subcontractor, at no increase in Subcontractor price, to: 1) correct or replace the defective or nonconforming supplies, at the original point of delivery or at Subcontractor's plant, at Contractor's election, in accordance with a reasonable delivery schedule as may be agreed upon between Subcontractor and Contractor, provided that Contractor may require a reduction in price if Subcontractor fails to meet such delivery schedule; or 2) within a reasonable time after receipt by Subcontractor of notice of defects or nonconformance, to repay such portion of this Subcontract as is equitable under the circumstances, if Contractor elects not to require correction or replacement.

When supplies are returned to Subcontractor, Subcontractor shall bear the transportation cost from the original point of delivery to Subcontractor's plant and return to the original point when that point is not the Subcontractor's plant. If Subcontractor fails to perform or act as required in this Paragraph 10 and does not cure such failure within a period of ten days (or such longer period as Contractor may authorize in writing) after receipt of notice from Contractor specifying such failure, Contractor shall have the right, by contract or otherwise, to replace or correct such supplies and charge the cost occasioned thereby, to Subcontractor.

A.7 ASSIGNMENT

- a. Neither this Subcontract nor any interest herein nor claim hereunder shall be assigned or transferred by the Subcontractor, except as expressly authorized in writing by the Contractor.
- b. Subcontractor may assign, with the Contractor's approval, claims for monies due or to become due hereunder to a bank, trust company, or other financial institution including any federal lending agency. Any such assignment may cover all amounts payable under this Subcontract and not already paid, and shall not be made to more than one party, except that any such assignment may be made to one party, as agent or trustee two or more parties participating in Subcontractor's financing. Payments to an assignee of any monies due, or to become due hereunder, shall be subject to setoff or recoupment for any present or future claim or claims which the Contractor may have against Subcontractor arising under this and other Subcontracts, in accordance with DEAR 932.803 and FAR 32.804. Subcontractor shall supply the Contractor immediately with two copies of any such assignment and shall indicate on each invoice where payment is to be made.
- c. The Contractor may assign this Subcontract to another entity, as applicable.

A.8 GRATUITIES

The Government and the Contractor prohibit their employees from using their official position for personal financial gain, or from accepting any personal advantage from anyone under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their official duties. Subcontractor or his employees shall not, under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their duties, extend any gratuity or special favor to employees of the Government or the Contractor and shall not accept any gratuity or special favor from individuals or organizations with whom Subcontractor is doing business, or proposing to do business, in accomplishing work under this Subcontract.

A.9 PERMITS AND LICENSES

Except as otherwise directed by the Contractor, the Subcontractor shall procure all necessary permits or licenses and abide by all applicable laws, regulations, and ordinances of the United States and of the state, territory, and political subdivision in which the work under this Subcontract is performed.

A.10 PUBLIC RELEASE OF INFORMATION

Information, data, photographs, sketches, and advertising relating to the work under this Subcontract, which Subcontractor desires to release or publish, shall be submitted to the Contractor for approval eight weeks prior to the desired release date. As part of the approval request, Subcontractor shall identify the specific media to be used as well as other pertinent details of the proposed release. All releases, regardless of tier or supplier, must have the prior approval of the Contractor.

A.11 SUSPENSION OF WORK

- a. Contractor may order Subcontractor in writing to suspend, delay, or interrupt all or any part of the Work for such period of time as may be determined appropriate for the convenience of Contractor. Upon expiration of the period of suspension, Subcontractor shall promptly proceed with the Work.
- b. If the performance of all or any part of the Work is, for an unreasonable period of time, suspended, delayed or interrupted: 1) by an act of Contractor in the administration of this Subcontract; or 2) by Contractor's failure to act within the time specified in this Subcontract (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in the cost of performance of this Subcontract (*excluding profit*) necessarily caused by such suspension, delay or interruption of an unreasonable period of time and this Subcontract modified in writing accordingly. However, no adjustment shall be made under this Article for any suspension, delay, or interruption to the extent: i) that performance would have been suspended, or delayed or interrupted by any other cause, including the fault or negligence of Subcontractor; or ii) for which an equitable adjustment is provided for or excluded under any other provision of this Subcontract.
- c. No claim under this Article shall be allowed: 1) for any costs incurred more than 20 days before Subcontractor shall have notified Contractor in writing of the act or failure to act involved (but this requirement shall not apply to a claim resulting from a suspension order pursuant to paragraph 11.a of this Article); and 2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such suspension, delay, or interruption, but not later than the date of final payment under this Subcontract. No part of any claim under this Article by Subcontractor shall be allowed if not supported by adequate evidence showing that the cost would not have been incurred but for a suspension within the meaning of this Article.

A.12 DISPUTES

- a. The parties agree that the appropriate forum for resolution of any unresolved dispute of claim pertaining to this Subcontract shall be the Federal District Court, with venue in the U.S. District Court for the District of Idaho in Pocatello,, Idaho. In the event the requirements for jurisdiction in any Federal District Court are not present, such litigation shall be brought in the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Bingham, with venue in the District Court of the Seventh Judicial District for the District of Idaho in Idaho Falls, Idaho. Contractor and Subcontractor waive the right to object that the venue or forum is improper or inconvenient.
- b. Any substantive issue of law in such dispute, claim, or litigation shall be determined in accordance with the body of law applicable to procurement of goods and services by the Federal Government. Nothing in this Article shall grant

to the Subcontractor by implication any statutory rights or remedies not expressly set forth in this Subcontract.

- c. Nothing in this Article 12 shall preclude the use of an alternate dispute resolution (ADR) process as agreed by the Parties.
- d. There shall be no interruption in the prosecution of the work, and the Subcontractor shall proceed diligently with the performance of this Subcontract pending final resolution of any dispute, claim, or litigation arising under or related to this Subcontract between the parties hereto or between the Subcontractor and its lower-tier subcontractors or suppliers.
- e. 12.5 The Contract Disputes Act of 1978 (41 U.S.C. Sections 601-613) shall not apply to this Subcontract.

A.13 NOTICE OF LABOR DISPUTES

Whenever an actual or potential labor dispute is delaying or threatening the performance of work, the Subcontractor shall immediately notify the Contractor in writing. Such notice shall include all relevant information concerning the dispute and its background.

A.14 DEFAULT

- a. Contractor may, subject to Paragraphs d and e of this Article, by written notice of default to Subcontractor, terminate this Subcontract in whole or in part, if Subcontractor fails to: 1) deliver the supplies or to perform the services within the time specified in this Subcontract or any extension; 2) make progress, so as to endanger performance of this Subcontract; or 3) perform any of the other provisions of this Subcontract.
- b. Contractor's right to terminate this Subcontract under subdivisions 14.a(2) and 14.a(3) of this Article, may be exercised if Subcontractor does not cure such failure within ten days (or more if authorized in writing by Contractor) after receipt of the notice from Contractor specifying the failure.
- c. If Contractor terminates this Subcontract in whole or in part, it may acquire, under the terms and in the manner Contractor considers appropriate, supplies or services similar to those terminated, and Subcontractor will be liable to Contractor for any excess costs for those supplies or services. However, Subcontractor shall continue the Work not terminated.
- d. Excusable Delays: Except for defaults of its lower-tier subcontractor(s) at any tier, Subcontractor shall not be liable for any excess costs if the failure to perform this Subcontract arises from causes beyond the control and without the fault or negligence of Subcontractor. Examples of such causes include acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fire, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of Subcontractor. Subcontractor shall be entitled to time but no money unless Subcontractor is requested to expedite.

The Seller shall notify the Contractor in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contractor of the cessation of such occurrence.

- e. If the failure to perform is caused by the default of a lower-tier subcontractor at any tier, and if the cause of the default is beyond the control of both the lower-tier subcontractor and the Subcontractor and without the fault or negligence of either, Subcontractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for Subcontractor to meet the required delivery schedule.

- f. If this Subcontract is terminated for default, Contractor may require Subcontractor to transfer title to the Government and deliver to Contractor, as directed by Contractor any 1) completed supplies, and 2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this Article) that Subcontractor has specifically produced or acquired for the terminated portion of this Subcontract. Upon direction of Contractor, Subcontractor shall also protect and preserve property in its possession in which Contractor or the Government has an interest.
- g. Contractor shall pay the Subcontract price for completed supplies delivered and accepted. Subcontractor and Contractor shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the "Disputes" article. Contractor may withhold from these amounts any sum it determines to be necessary to protect itself against loss because of outstanding liens or claims of former lien holders.
- h. If, after termination, it is determined that Subcontractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been cancelled for the convenience of Contractor.
- i. The rights and remedies of Contractor in this Article are in addition to any other rights and remedies provided by law or under this Subcontract.

A.15 WARRANTY

- a. Subcontractor warrants that the supplies shall be free from defects in material and workmanship, of the most suitable grade of their respective kinds for the purpose, and comply with all requirements set forth in this Subcontract, until one year after first placed into service by Contractor, or three (3) years after acceptance, whichever ever first occurs. Subcontractor shall correct any nonconformity with this warranty at its sole expense, as directed by Contractor, by promptly 1) repairing or replacing the nonconforming supplies specified (and correcting, any plans, specifications, or drawings affected); 2) furnishing Contractor any materials, parts, and instructions necessary to correct or have corrected the nonconformity, or 3) paying to Contractor a portion of the Subcontract price as is equitable under the circumstances.
- b. Subcontractor warrants that the services shall reflect the highest standards of professional knowledge and judgment, shall be free from defects in workmanship, and shall be in compliance with all requirements of this Subcontract, until one year from the completion of the services. Subcontractor shall correct any nonconformity with this warranty at its sole expense, as directed by Contractor, by promptly 1) re-performing the nonconforming services or 2) paying to Contractor a portion of the Subcontract price as is equitable under the circumstances.
- c. If Subcontractor fails to perform its obligations promptly under this Article, Contractor may perform, or have performed, such obligations and Subcontractor shall pay Contractor all charges occasioned thereby.
- d. The warranty with respect to replacement supplies or services shall be the same as the warranty provided for in Paragraphs (a) and (b) of this Article. The warranty for other than replacement supplies or services shall continue until the expiration of the original period plus a period equal to the time elapsed between the discovery of the nonconformity and its correction.
- e. Unless installation is an element of the Work, Subcontractor shall not be obligated under this Article for the costs of removal or reinstallation of any supplies furnished or items serviced hereunder from the location of their installation, or for the costs of removal or reinstallation

of structural parts or items not furnished by Subcontractor hereunder. Subcontractor shall, in any event bear all packing, packaging, and shipping costs to the Subcontractor's plant and return, and shall bear all risk of loss or damage for the items upon which services have been performed or supplies while in transit.

- f. Unless decontamination is an element of the Work, in the event that Subcontractor's costs in correcting any nonconformity under this Article are increased solely because the "supplies" furnished or items serviced hereunder must be decontaminated to the level specified in the definition of "radiation area" in 10 CFR 20.202, the Subcontract price shall be equitably adjusted to reflect such necessary additional costs.
- g. This Article shall apply notwithstanding inspection, acceptance, or any other provision of this Subcontract, and shall not limit any other of Contractor's rights and remedies.

A.16 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT

- a. The Subcontractor shall report to the Contractor, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement, based on the performance of this Subcontract, of which Subcontractor has knowledge.
- b. In the event of any claim or suit against the Contractor or the Government on account of any alleged patent or copyright infringement arising out of the performance of this Subcontract, or out of the use of any supplies furnished or work or services performed hereunder, Subcontractor shall furnish to the Contractor or the Government upon request all evidence and information in possession of Subcontractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except in those cases in which Subcontractor has agreed to indemnify the Contractor and the Government.

A.17 ORGANIZATIONAL CONFLICTS OF INTEREST (OCI)

(This Article applies when the Subcontract involves any work or effort, the principal purpose of which is to provide advisory and assistance services as defined at 48 CFR 37.201. Such services typically include: assistance in preparing program plans; evaluation, monitoring or review of Contractor's activities or proposals submitted by prospective Subcontractors; and preparation of preliminary designs, specifications, or statements of work.)

- a. The purpose of this Article is to ensure that the Subcontractor is not biased because of its financial, contractual, organizational, or other interests, which relate to the work under this Subcontract, and does not obtain any unfair competitive advantage over other parties by virtue of its performance of this Subcontract.
- b. The restrictions described herein shall apply to performance or participation by the Subcontractor and any of its affiliates or their successors in interest (hereinafter collectively referred to as the "Subcontractor") in the activities covered by this Article as a prime subcontractor, lower-tier subcontractor, cosponsor, joint venture, consultant, or in any similar capacity. For the purpose of this Article, affiliation occurs when a business concern is controlled by or has the power to control another or when a third party has the power to control both.
- c. The Subcontractor shall be ineligible to participate in any capacity in Contractor's subcontracts or proposals therefore (solicited and unsolicited), which stem directly from the Subcontractor's performance of work under this Subcontract for a period of one (1) year after the completion of this Subcontract. Furthermore, unless so directed in writing by the Contractor, the Subcontractor shall not perform any advisory and assistance services work under this Subcontract on any of its products or services or the products or services of another firm, if the

Subcontractor is, or has been substantially involved in their development or marketing. Nothing in this Paragraph c shall preclude the Subcontractor from competing for follow-on Subcontracts for advisory and assistance services.

- d. If, under this Subcontract, the Subcontractor prepares a complete, or essentially complete, statement of work or specifications to be used in competitive acquisitions, the Subcontractor shall be ineligible to perform, or participate in any capacity, in any contractual effort, which is based on such statement of work or specifications. The Subcontractor shall not incorporate its products or services in such statement of work or specifications, unless so directed in writing by the Contractor, in which case the restriction in this Paragraph d shall not apply.
- e. Nothing in this Article shall preclude the Subcontractor from offering or selling its standard commercial items to the Government.
- f. If the Subcontractor, in the performance of this Subcontract, obtains access to information, such as Contractor plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (5 U. S. C. 552a), or data which have not been released or otherwise made available to the public, the Subcontractor agrees that, without prior written approval of the Contractor, it shall not:
 - Use such information for any private purpose unless the information has been released or otherwise made available to the public;
 - Compete for work for the Contractor, based on such information for a period of six (6) months after either the completion of this Subcontract or until such information is released or otherwise made available to the public, whichever is first;
 - Submit an unsolicited proposal to the Government, which is based on such information until one (1) year after such information is released or otherwise made available to the public; and
 - Release such information unless such information has previously been released or otherwise made available to the public by the Contractor or DOE.
- g. Subcontractor also agrees that to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (5 U. S. C. 552a), or other confidential or privileged technical, business, or financial information under this Subcontract, it shall treat such information in accordance with any restrictions imposed on such information.
- h. Subcontractor may use technical data it first produces under this Subcontract for its private purposes consistent with this Article and the patent, rights in data, and security provisions of this Subcontract.
- i. Subcontractor agrees that, if changes, including additions, to the facts disclosed by it prior to award of this Subcontract, occur during the performance of this Subcontract, it shall make an immediate and full disclosure of such changes in writing to the Contractor. Such disclosure may include a description of any action, which the Subcontractor has taken or proposes to take to avoid, neutralize, or mitigate any resulting conflict of interest. The Contractor may, however, terminate this Subcontract for convenience, if it deems such termination to be in the best interest of the Government.
- j. In the event that Subcontractor was aware of facts required to be disclosed, or the existence of an actual or potential organizational conflict of interest, and did not disclose such facts or such conflict of interest to the Contractor, Contractor may terminate this Subcontract for default.
- k. For breach of any of the foregoing restrictions or for nondisclosure or misrepresentation of any facts required to be disclosed concerning this Subcontract, including the existence of an actual or potential organizational conflict of interest at the time of or after award, the Contractor may terminate this Subcontract for default, disqualify the

Subcontractor from subsequent related contractual efforts, and pursue such other remedies as may be permitted by law or this Subcontract.

- I. Requests for waiver under this Article shall be directed in writing to the Contractor and shall include a full description of the requested waiver and the reasons in support thereof. If it is determined to be in the best interests of the Contractor and the Government, the Contractor shall grant such a waiver in writing.

A.18 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION-GENERAL

- a. Overtime Requirements
Subcontractor, or any lower-tier subcontractor, contracting for any part of the Work which may require or involve the employment of laborers or mechanics (see FAR 22.300), shall not require or permit any such laborers or mechanics, in any workweek in which the individuals are employed on such Work, to work in excess of 40 hours in such workweek, unless such laborers or mechanics receive compensation at a rate not less than 1.5 times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- b. Violation, Liability for Unpaid Wages, and Liquidated Damages
In the event of any violation of the provisions set forth in Paragraph 1 of this Article, Subcontractor and any lower-tier subcontractor responsible for the violation shall be liable for the unpaid wages. In addition, Subcontractor and such lower-tier subcontractor(s) shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provision set forth in Paragraph 1 of this Article, in the sum of \$10 for each calendar day on which each such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in Paragraph 1 of this Article.
- c. Withholding, Liability for Unpaid Wages, and Liquidated Damages
Contractor may, upon its own action or upon written request of an authorized representative of the contracting office or the United States Department of Labor withhold, or cause to be withheld, from any amounts payable on account of Work performed by Subcontractor or lower-tier subcontractor under this Subcontract or any other Federal Contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liability of Subcontractor or lower-tier subcontractor for unpaid wages and liquidated damages as set forth in Paragraph 2 of this Article.
- d. Payroll and Basic Records
 1. Subcontractor and its lower-tier subcontractor(s) shall maintain payrolls and basic payroll records during the course of Work, and shall preserve them for a period of three years from the completion of this Subcontract for all laborers and mechanics working on this Subcontract. Such records shall contain the name and address of each such employee, social security number, correct classification, hourly rate of wages paid daily and weekly number of hours worked, deductions made, and actual wages paid. Nothing in this Paragraph shall require the duplication of records required to be maintained for construction work by the Department of Labor regulations at 29 CFR 5.5(a)(3).
 2. The records to be maintained under subparagraph 4.a. of this Article shall be made available by Subcontractor or lower-tier subcontractor for inspection, copying, or transcription by authorized representatives of the Contractor, Department of Energy or the Department of Labor. Subcontractor and its lower-tier subcontractor(s) shall permit such

representatives to interview employees during working hours on the job.

- e. Subcontracts
Subcontractor and its lower-tier subcontractor(s) shall insert in any subcontracts the provisions set forth in Paragraphs 1 through 5 of this Article. The Contractor in each such subcontract must be responsible for compliance by its subcontractors, at the next lower tier, with the provisions of this Article.

A.19 WALSH-HEALY PUBLIC CONTRACTS ACT (>\$10,000)

If this Subcontract is for the manufacture or furnishing of materials, supplies, articles or equipment in an amount that exceeds or may exceed \$10,000 and is subject to the Walsh-Healy Public Contracts Act, as amended (41 U.S.C. 35-45), the following terms and conditions apply:

- a. All representations and stipulations required by the Act and regulations issued by the Secretary of Labor (41 CFR Chapter 50) are incorporated by reference. These representations and stipulations are subject to all applicable rulings and interpretations of the Secretary of labor that are now, or may hereafter, be in effect.
- b. All employees whose work relates to this Subcontract shall be paid not less than the minimum wage prescribed by regulations issued by the Secretary of Labor (41 CFR 50-202.2). Learners, student learners, apprentices, and handicapped workers may be employed at less than the prescribed minimum wage (see 41 CFR 50-202.3) to the same extent that such employment is permitted under Section 14 of the Fair Labor Standards Act (41 U.S.C. 40).

A.20 ADDITIONAL TECHNICAL DATA REQUIREMENTS

- a. In addition to the technical data specified elsewhere in this Subcontract to be delivered, the Contractor may at any time during this Subcontract performance or within one year after final payment call for Subcontractor to deliver any technical data first produced or specifically used in the performance of this Subcontract, except technical data pertaining to items of standard commercial design.
- b. The provisions of FAR 52.227-14, Rights in Data included in this Subcontract are applicable to all technical data called for under this Additional Technical Data Requirements Article. Accordingly, nothing contained in this Article shall require Subcontractor to actually deliver any technical data, the delivery of which is excused by the Rights in Data FAR Clause.
- c. When technical data are to be delivered under this Article, Subcontractor will be compensated for appropriate costs for converting such data into the prescribed form for reproduction and for delivery.

A.21 QUALITY ASSURANCE PROGRAM

The services provided under this Subcontract shall be provided in accordance with the Subcontractor's Quality Assurance system, which have been evaluated and approved in writing by Contractor. The Subcontractor's Quality Assurance system must meet the requirements for nuclear facilities that satisfy the requirements of 10 CFR Part 830.120 and DOE Subcontract 414.1A. Work related to spent nuclear fuel activities associated with disposal at the monitored geologic repository must comply with the quality assurance requirements specified in DOE/RWW-0333P, Office of Civilian Radioactive Waste Management (RW) QA Requirements and Description.

A.22 DEFENSE NUCLEAR FACILITIES SAFETY BOARD (DNFSB)

The Subcontractor shall cooperate with the Contractor in preparation of responses to DNFSB (if required). The Subcontractor shall fully cooperate with DNFSB and provide access to such work areas, personnel, and information as necessary. If the Contractor direction to provide DNFSB

support causes an increase or decrease in the cost of performance of any work under this Subcontract, Subcontractor may request an equitable adjustment pursuant to the Changes clause.

A.23 PRICE-ANDERSON AMENDMENTS ACT

- a. The Department of Energy has promulgated Nuclear Safety Rules in implementation of the Price-Anderson Amendments Act (PAAA) of 1988, Public Law 100-408, August 20, 1988. These rules govern the conduct of persons involved in DOE nuclear activities, and, in particular, are designed to achieve compliance with DOE nuclear safety requirements. Violation of the applicable rules may provide a basis for the assessment of civil and criminal penalties under the PAAA. Nuclear Safety Rules subject to enforcement under PAAA are, 10 CFR 820, Procedural Rules for DOE Nuclear Activities, 10 CFR 830, Nuclear Safety Management, Subpart A, Quality Assurance Requirements, and 10 CFR 835, Occupational Radiation Protection. This Subcontract is subject to the requirements of the above rules.
- b. The Subcontractor shall indemnify Contractor for any civil penalties levied against Contractor, pursuant to Section 234A of the Atomic Energy Act of 1954, as amended, for any violations of applicable DOE nuclear-related rules, regulations, or orders arising out of or in connection with Subcontractor's or its lower-tier subcontractors' and suppliers' performance of this Subcontract.

A.24 NOTICE OF CIVIL PENALTIES FOR VIOLATION OF SECURITY OF DOE CLASSIFIED OR SENSITIVE INFORMATION OR DATA

The Subcontractor shall comply with PL 107-197 relating to the safeguarding and security of restricted data, 42, U.S.C.A. 2282b. Any person who has entered into a contract or agreement with DOE, or a subcontract or sub-agreement thereto, and who violates (or whose employee violates) any applicable rule, regulation, or order prescribed or otherwise issued by the Secretary pursuant to this chapter relating to the safeguarding or security of Restricted Data or other classified or sensitive information shall be subject to a civil penalty of not to exceed \$100,000 for each such violation.

A.25 NON-WAIVER

Failure by Contractor in any instance to insist upon observance or performance by Subcontractor of all terms, conditions and requirements of this Subcontract shall not be deemed a waiver by Contractor. No waiver shall be binding upon Contractor unless in writing, signed by Contractor, and shall then be for the particular instance only. Payment of any sum by Contractor to Subcontractor, with or without the knowledge of any breach, shall not be deemed to be a waiver of any requirement of this Subcontract, nor shall such payment constitute an acceptance of work not in compliance with this Subcontract nor relieve Subcontractor of its obligations hereunder.

A.26 DELIVERY AND PAYMENT

- a. Subcontractor shall work such hours, including night shifts and overtime operations, as may be necessary to meet this Subcontract delivery date(s), or any authorized extensions thereof, at no increase in the price of this Subcontract, unless duly authorized in the Subcontract.
- b. Unless otherwise specified in this Subcontract, a separate invoice shall be issued upon each delivery of supplies or completion of services, and shall be payable by Contractor, in accordance with the cash terms of this Subcontract, following receipt and acceptance of supplies or completion and acceptance of services and receipt by Contractor of a correct invoice therefore. If applicable, credit and discount periods shall be computed from the date such invoice is payable to the date Contractor's check is mailed or issued by direct deposit. Unless freight and other charges are itemized, the discount will be taken on the full amount of the invoice.

- c. All claims for money due or to become due from Contractor to Subcontractor pursuant to this Subcontract shall be subject to deduction or set-off by Contractor against any monies owed by Subcontractor to Contractor as a result of this Subcontract or any other transaction between Contractor and Subcontractor.

A.27 FEDERAL, STATE, AND LOCAL TAXES

Except as may be otherwise provided in this Subcontract, the Subcontract prices include all applicable federal, state, and local taxes and duties. Premier Technology, Inc. is exempt under Idaho law from the payment of certain sales or use taxes for any tangible personal property. The Subcontract price shall not include sales or use tax for any tangible personal property purchased hereunder.

A.28 RIGHT TO CANCEL

Contractor reserves the right to cancel this Subcontract, or any part hereof. In the event of such cancellation, the Subcontractor shall immediately stop all work and notify its affected suppliers and lower-tier suppliers/subcontractors to cease work. Subject to the terms of this Subcontract, the Subcontractor shall be paid for work performed prior to the notice of cancellation, plus reasonable charges that the Subcontractor can demonstrate to the satisfaction of the Contractor have resulted from the cancellation. The Subcontractor shall not be paid for any work performed or costs incurred that reasonably could have been avoided or mitigated.

A.29 PASSAGE OF TITLE AND LIENS

- a. Title to deliverables shall pass at the place of delivery to Contractor. If purchased F.O.B. origin, delivery to the carrier shall be deemed to be delivery to Contractor.
- b. Seller agrees to furnish deliverables free and clear of all liens, claims, and encumbrances. Seller agrees to hold Contractor and the Government harmless from all liens, claims, or demands in connection with the Work.

A.30 DOMESTIC MANUFACTURER / NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS-SENSE OF CONGRESS

- a. It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.
- b. FAR 52.225-11, BUY AMERICAN ACT - CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS applies to materials in support of construction activities for use in a U. S. Government-owned facility. The Contractor must approve in writing, material from countries not listed in FAR 52.225-11 prior to shipment.

A.31 LOBBYING RESTRICTION

The Seller agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate with Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

A.32 ASBESTOS CONTAINING MATERIALS

Subcontractor shall not use asbestos-containing materials (ACM), as defined in 29 CFR 1910.1001, in the connection with this Subcontract in any form. By entering into this Subcontract, Subcontractor certifies that the item(s) provided will not contain any ACM.

A.33 CERTIFICATIONS AND OTHER STATEMENTS OF THE OFFEROR

Representations, Certifications, and/or other Statements of the Offeror submitted with the offer for this Subcontract are, by

reference, hereby incorporated in and made a part of this Subcontract.

A.34 GOVERNING LAW AND COMPLIANCE WITH LAWS

- a. This subcontract shall be governed by, interpreted and enforced in accordance with the laws of the State of Idaho without regard to its conflicts of laws principles.
- b. Subcontractor agrees to comply with all applicable Federal, State, and local laws.

A.35 INDEMNIFICATION AND LIMITATION OF LIABILITY

- a. To the fullest extent permitted by applicable law Subcontractor shall indemnify and hold harmless the Contractor, Owner and their successors, assigns, customers, subsidiaries, affiliates and their agents and employees from and against all claims, damages, losses and expenses including but not limited to attorney's fees, arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense (a) is attributed to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting there from, and (b) is caused whole or in part by any negligent act or omission of the Subcontractor, any lower-tier subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder to the extent that such claim damage, loss or expense is not otherwise covered by insurance coverage. Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity, which would otherwise exist as to any party herein.
- b. No cost or expenses paid or incurred for which Subcontractor is responsible hereunder shall be reimbursable.
- c. Upon completion of the Services or cancellation of the Subcontract, provisions relating to indemnity, waivers, limitations of remedies and limitations of liability, including, but not limited to, this Clause shall remain in full force and effect.

A.36 AUDIT RIGHTS

At any time during the term of this Subcontract and for a period of three years thereafter, the Contractor may review the records of Subcontractor. Any such review shall occur only during normal business hours and shall be limited to records related to the performance of the Services or Suppliers.

A.37 NONDISCLOSURE

- a. Unless provided to the contrary elsewhere in the Subcontract, Subcontractor and the Contractor agree that during the term of this Subcontract, including any revisions or renewal(s) neither party may disclose to any third party, or use other than in connection with this Subcontract, proprietary or confidential information of the other party, provided that (a) such information is marked as proprietary or confidential or the receiving party is notified that such information is proprietary or confidential, and (b) such information is not in the public domain or is previously known to the receiving party.
- b. The restrictions on the use and disclosure of proprietary or confidential information shall survive any expiration or cancellation hereof.
- c. In addition to this Clause, parties may be required to sign additional Nondisclosure and/or Confidential Agreements.

A. 38 EXPEDITING

- a. Time is of the essence. Products or services, including all warranty work, shall be subject to expediting by Contractor. Contractor's representatives shall be afforded free access during working hours to

Subcontractor's plants and/or offices, and Subcontractor agrees to procure a similar right for Contractor, for expediting purposes, with respect to Subcontractor's suppliers/lower-tier subcontractors. As required by Contractor, Subcontractor shall supply schedules, progress reports and unpriced Purchase Orders and Subcontracts for Contractor's use in expediting.

- b. Subcontractor shall notify Contractor in writing of any actual or anticipated delays immediately upon discovery. Such notice shall include an estimated period of delay, cause, and corrective actions being taken, if applicable to Subcontractor caused delays. Slippage in Subcontractor's schedule may be deemed to be reasonable grounds for insecurity in which event Contractor may demand in writing that Subcontractor provide adequate assurances that Subcontractor will perform on time.
- c. Contractor shall have the right to withdraw this Subcontract without any liability to Contractor under the "Right to Cancel" clause whenever there shall be Subcontractor caused delays in the delivery of products or services. Subcontractor may be liable for any costs or damages incurred by Contractor as a result of such Subcontractor-caused delays.

A.39 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT

- a. Except as provided in (b) below, the Subcontractor shall not enter into any agreement with an actual or prospective lower-tier subcontractor(s), nor otherwise act in any manner, which has or may have the effect of restricting sales by such lower-tier subcontractor(s) directly to the Government of any item or process (including computer software) made or furnished by the lower-tier subcontractor for this Subcontract or under any follow-on production order.
- b. The prohibition on (a) does not preclude the Subcontractor from asserting rights that are otherwise authorized by law or regulation.

A.40 DISPOSITION OF INTELLECTUAL PROPERTY – FAILURE TO COMPLETE (SPECIAL)

- a. In the event of a termination, default, or failure to complete by the Subcontractor, Contractor may take possession of all technical information, including limited rights data and data obtained from lower-tier subcontractors, licensors, and licensees, necessary for, but not limited to, design, analysis, construction, or operation, subject to the Rights in Data Article of this Subcontract. Technical information includes, but is not limited to, designs, analyses, operation manuals, flowcharts, software, work, progress reports, and any other information necessary. Contractor's exercise of its right to have data transferred under this paragraph shall not be dependent on final payment by Contractor.
- b. Upon request the Subcontractor agrees to grant to the Contractor/Government an irrevocable, non-exclusive, paid-up license to any intellectual property, including any technical information and limited rights data, which are owned and controlled by the Subcontractor, at any time through completion or termination of this Subcontract and which are necessary for the continued performance by alternate means. The acceptance or exercise by the Contractor of the aforesaid rights shall not prevent the Contractor at any time from contesting the enforceability, validity, or scope of, or title to, any rights or patents or to other intellectual property herein licensed.
- c. In addition, the Subcontractor shall take all necessary steps to assign permits, authorizations, and any licenses in any third party intellectual property as Contractor/Government may designate.

A.41 INSURANCE REQUIREMENTS

- a. Subcontractor shall at all times maintain insurance of such nature and in such amounts as would be maintained

by a prudent and profitable business person operating in Subcontractor's industry, which in no event shall be less comprehensive than is customary in the industry. If requested, Subcontractor shall provide to Contractor a certificate of such insurance from its insurance provider.

- b. Notwithstanding the content in (a), at a minimum during the term(s) of this Subcontract, Subcontractor shall maintain at its sole cost and Subcontractor shall require that all affiliates and lower-tier subcontractors that provide services under this Subcontract shall maintain at their sole cost and expense: 1) Worker's Compensation insurance as required under Idaho law (if services are provided at Contractor's location(s), 2) commercial general liability insurance with limits of \$1,000,000 per occurrence / \$1,000,000 in the annual aggregate; and 3) professional liability/errors and omissions liability coverage with limits of not less than \$1,000,000 per occurrence / \$3,000,000 in the annual aggregate.
- c. It is expressly understood by and between the parties hereto that all insurance required hereunder shall be deemed primary insurance and shall not be deemed excess to any insurance now in effect or in the future, which covers Contractor, its facilities, its agents, or employees. In addition, all insurance required by this clause must be written on either an "occurrence" or "claims made with prepaid tail" basis. Contractor is to be notified at least thirty (30) days prior to the cancellation or material modification of such insurance. Contractor shall be listed as an additional insured on Subcontractor's certificate of insurance.

A.42 SUSPECT / COUNTERDEIT ITEMS (S/CI)

- a. SCIs may pose immediate and potential threats to the safety of the Department of Energy (DOE), Premier's government customers and their workers, the public and the environment. Failure of a safety or mission critical system due to an S/CI could also have security implications at DOE facilities.
- b. To help identify S/CIs, the S/CI Awareness Training Manual developed by the DOE Health, Safety and Security Office Corporate Safety Analysis can be accessed at: <http://www.hss.energy.gov/CSA/CSP/sci/SCIAwarenessTrainingManual062007.pdf>
- c. Subcontractor shall assure that all products delivered on this contract do not contain S/CI parts. If S/CI parts are discovered, notify Premier for further direction. All discrepant part(s) / product(s) will be replaced at the Subcontractor's expense.

END OF SECTION A

SECTION B (Applies When Price is Greater Than \$100,000)

B.1 INCORPORATED BY REFERENCE

- a. FAR 52.203-5 Covenant Against Contingent Fees
- b. FAR 52.203-6 Restrictions on Subcontractor Sales to the Government
- c. FAR 52.203-7 Anti-Kickback Procedures
- d. FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
- e. FAR 52.204-4 Printing/Copying Double Sided on Recycled Paper
- f. FAR 52.215-2 Audit and Records – Negotiation (Applies if Cost or Pricing data is required)
- g. FAR 52.223-6 Drug-Free Workplace
- h. FAR 52.223-14 Toxic Chemical Release Reporting
- i. FAR 52.228-1 Authorization and Consent
- j. FAR 52.227-3 Patent Indemnity

B.2 EXAMINATION OF RECORDS BY THE COMPTROLLER GENERAL (Applies if FAR 52.215-2, Audit and Records – Negotiation and subsequent Cost or Pricing data is required)

The Subcontractor agrees that the Comptroller General or a duly authorized representative from the General Accounting

Office shall, until three years after final payment under this Subcontract, or for any shorter period specified in FAR Subpart 4.7, Contractor's Records Retention, have access to, and the right to examine, any of the Subcontractor's directly pertinent books, documents, papers, or other records involving transactions related to this Subcontract.

END OF SECTION B

SECTION C (Applies When Price is Greater Than \$500,000 unless otherwise noted)

C.1 INCORPORATED BY REFERENCE

(Applies if Cost or Pricing data is required.)

- a. FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data (>\$650,000)
 - b. FAR 52.215-11 Price Reduction for Defective Cost or Pricing Data – Modifications (>\$650,000)
 - c. FAR 52.215-12 Subcontractor Cost or Pricing Data (>\$650,000)
 - d. FAR 52.215-13 Subcontractor Cost or Pricing Data – Modifications (>\$650,000)
- (Large business only)
- e. FAR 52.230-2 Cost Accounting Standards
 - f. FAR 52.230-6 Administration of Cost Accounting Standards—General

C.2 DISPLACED EMPLOYEE HIRING PREFERENCE and DEAR 970.5226-02 Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for FY 1993

- a. **Definition.** "Eligible employee" means a current or former employee of a contractor or subcontractor employed at a Department of Energy Defense Nuclear Facility:
 - 1. Whose position of employment has been, or will be, involuntarily terminated (except if terminated for cause);
 - 2. Who has also met the eligibility criteria contained in the Department of Energy guidance for contractor work force restructuring, as may be amended or supplemented from time to time; and
 - 3. Who is qualified for a particular job vacancy at the time the particular position is available.
- b. Consistent with Department of Energy guidance for contractor work force restructuring, as may be amended or supplemented from time to time, the Subcontractor agrees that it will provide a preference in hiring to an eligible employee, to the extent practicable, for work performed under this Subcontract.

C.3 LIABILITY FOR INCREASED COSTS OR INTEREST (Large Business Only)

The Subcontractor is liable to the Government for any increased costs or interest resulting from Subcontractor's failure to comply with FAR 52.230-2 "Cost Accounting Standards" or FAR 52.230-6 "Administration of Cost Accounting Standards-General." The subcontract price is subject to adjustment by the Contractor to cover any increased costs or interest resulting from such failure.

END OF SECTION C

End of Document