SANDIA CORPORATION
SF 6432-CN (07/2013)
Section II

STANDARD TERMS AND CONDITIONS FOR FIRM-FIXED PRICE COMMERCIAL CONSTRUCTION CONTRACTS

THE FOLLOWING CLAUSES APPLY TO THIS CONTRACT AS INDICATED UNLESS SPECIFICALLY DELETED, OR EXCEPT TO THE EXTENT THEY ARE SPECIFICALLY SUPPLEMENTED OR AMENDED IN WRITING IN THE COVER PAGE OR SECTION I. (CTRL+CLICK ON A LINK BELOW TO ADVANCE DIRECTLY TO THAT SECTION)

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APPLY TO CONTRACTS EXCEEDING $30,000
APPLY TO CONTRACTS EXCEEDING $100,000
APPLY TO CONTRACTS EXCEEDING $150,000
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APPLY TO CONTRACTS EXCEEDING $1,500,000 Awarded to Large Business
APPLY TO CONTRACTS EXCEEDING $5,000,000
APPLY TO ALL CONTRACTS THAT MAY INVOLVE ACCESS TO CLASSIFIED INFORMATION
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WARRANTY OF CONSTRUCTION

ACCEPTANCE OF TERMS AND CONDITIONS (Ts&Cs)

Contractor, by signing this contract and/or delivering items or services ordered under this contract, agrees to comply with all the Ts&Cs and all specifications and other documents that this contract incorporated by reference or attachment. Sandia hereby objects to any Ts&Cs contained in any acknowledgment of this contract that are different from or in addition to those mentioned in this document. Failure of Sandia or Contractor to enforce any of the provisions of this contract shall not be construed as evidence to interpret the requirements of this contract, nor a

waiver of any requirement, nor of the right of Sandia or Contractor to enforce each and every provision. All rights and obligations shall survive final performance of this contract.

APPLICABLE LAW

The rights and obligations of the parties hereto shall be governed by this contract and construed in accordance with the law of the state of delivery, except for Federal Acquisition Regulation (FAR) and FAR supplement clauses which shall be in accordance with federal law. The parties agree to jurisdiction in the Federal District Court, with venue in the district closest to the delivery point of the items or services giving rise to the claim. In the event the requirements for jurisdiction in Federal District Court are not present, such litigation shall be brought in the State Court closest to the delivery point of the items or services giving rise to the claim.

ASSIGNMENT

Contractor shall not assign rights or obligations to third parties without the prior written consent of Sandia. However, the Contractor may assign rights to be paid amounts due or to become due if Sandia is promptly furnished an executed Assignment of Payments form. Administration of this contract may be transferred from Sandia to the U.S. Department of Energy/National Nuclear Security Administration (DOE/NNSA) or its designee, and in case of such transfer and notice thereof to the Contractor, Sandia shall have no further responsibilities hereunder.

AUTHORIZED DISTRIBUTORS

Unless specifically authorized in this contract, in writing, the Contractor shall only furnish items/components provided by authorized distributors and not independent distributors.

Any item/components furnished from an independent distributor shall meet all Original Equipment Manufacturer specifications and industry standards.

BANKRUPTCY

If the Contractor enters into any proceeding relating to bankruptcy, it shall give written notice via certified mail to the Sandia Contracting Representative (SCR) responsible for this contract within five (5) days of initiation of the proceedings. The notification shall include the date on which the proceeding was filed, the identity and location of the court and a listing of the agreement numbers for which final payment has not been made.

CANCELLATION OR TERMINATION FOR CONVENIENCE

(a) Sandia may cancel this contract, in whole or in part, if the Contractor fails to comply with any of the terms of this contract, or fails to provide adequate assurance of future performance. In that event, Sandia shall not

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be liable for any amount for items and/or services not yet accepted by Sandia. **(b)** Sandia may terminate for the convenience of Sandia or the government this contract, in whole or in part, for any items and/or services not yet accepted by Sandia. In that event Sandia shall be liable for the purchase price of items and/or services already completed or identified to this contract but not yet accepted by Sandia. **(c)** Contractor shall not be liable for delays in performance occasioned by causes beyond Contractor's reasonable control and without Contractor's fault or negligence. **(d)** The rights and remedies of Sandia in this clause are in addition to any other rights and remedies provided by law or under this contract.

CHANGES

The SCR may at any time, by written notice, make changes within the general scope of this contract in any one or more of the following: (1) description of the services to be performed; (2) place of performance; and (3) the amount of services to be furnished. If any such change causes a difference in the cost of, or the time required for performance, an equitable adjustment shall be made in the price and/or delivery schedule and other affected provisions. Such adjustment shall be made by written revision to this contract signed by both parties. Any claim for adjustment by Contractor must be made within twenty (20) days from the date of receipt of Sandia's change notice, although Sandia in its sole discretion may receive and act upon any claim for adjustment at any time before final payment. Nothing in this clause, including any disagreement with Sandia about the equitable adjustment, shall excuse Contractor from proceeding with the contract as changed.

COMPLIANCE WITH LAWS

Contractor shall procure all necessary permits or licenses and abide by all applicable foreign, federal, state and local laws, ordinances, or regulations, in which any work under this contract is performed which are in any way applicable to the Statement of Work (SOW) of this contract.

DEFINITIONS

The following terms shall have the meanings set forth below for all purposes of this contract.

(a) AUTHORIZED DISTRIBUTORS – distributors who have contractual agreements with manufacturer to represent them in the sales of their parts

(b) CONTRACT means Purchase Order, Contract, Price Agreement, Subcontract, Ordering Agreement, or modifications thereof.

(c) CONTRACTOR means the person or organization that has entered into this contract to sell something to Sandia.

(d) CONTRACTOR-DIRECTED WORK means work under a contract for which the Contractor is accountable for the outcome of the work

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performed and routinely provides work direction to the Contractor's work force.

(e) GOVERNMENT means the United States of America and includes the United States (U.S.) DOE/NNSA or any duly authorized representative thereof.

(f) Independent distributors (often called brokers) – distributors who buy and sell parts (note: they have no contractual agreement with manufacturers and get parts where they can)

(g) ITEM means commercial items, commercial services, and commercial components as defined in FAR 52.202-1.

(h) SANDIA means Sandia Corporation, the management and operating Contractor for the Sandia National Laboratories under Contract No. DE-AC04-94AL85000 with the U.S. DOE/NNSA.

(i) SANDIA-DIRECTED WORK means work under a contract for which Sandia retains accountability for the outcome of the work performed and routinely provides work direction to the Contractor's work force.

(j) SCR means Sandia Contracting Representative, the only person authorized to execute and/or administer this contract for Sandia.

(k) SDR means Sandia Delegated Representative. The SCR may delegate personnel as authorized representatives for such purposes as and to the extent specified in the delegation. Such delegation shall be in writing to the Contractor, and shall designate by name the personnel so delegated as authorized representatives. The SDR shall exercise no supervision over the Contractor's employees. THE SDR's AUTHORITY IS LIMITED SOLELY TO THE AUTHORITY ENUMERATED IN SUCH WRITTEN DELEGATION. THE SDR HAS NO AUTHORITY TO CHANGE ANY TERM OR CONDITION CONTAINED IN THIS CONTRACT.

(l) SUBCONTRACT means any lower tier contract under this contract.

DIFFERING SITE CONDITIONS

The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the SCR of: (1) subsurface or latent physical conditions at the site which differ materially from those indicated in this contract; or (2) unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the contract. The SCR shall investigate the site conditions promptly after receiving the notice. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the work under this contract, whether or not changed as a result of the conditions, an equitable adjustment shall be made under this clause and the contract modified in writing accordingly. No request by the Contractor for an equitable adjustment to the contract under this clause shall be allowed, unless the Contractor has given the written notice required; provided, that the time prescribed above for giving written notice may be extended by the SCR. No request by the Contractor

for an equitable adjustment to the contract for different site conditions shall be allowed if made after final payment under this contract.

DISPUTES

Any claim of Contractor for any sum of money or other remedial action shall be handled in accordance with the provisions of this clause prior to commencing any form of litigation. A claim by the Contractor shall be made in writing and submitted to the SCR within six (6) years of the associated performance, or within one (1) year after the completion of the contract, whichever comes first. The Contractor shall provide the certification specified below when submitting any claim exceeding $100,000. The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data is accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes Sandia is liable; and that I am duly authorized to certify the claim on behalf of the Contractor." The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim. For Contractor claims of $100,000 or less, the SCR must, if requested in writing by the Contractor, render a decision within sixty (60) days of the request. For Contractor-certified claims over $100,000, the SCR must, within sixty (60) days, decide the claim or notify the Contractor of the date by which the decision will be made. The SCR's decision shall be final unless the Contractor appeals the SCR decision in writing to the SCR.

If the Contractor appeals the SCR decision, the SCR shall have sixty (60) days to reach a mutual agreement with the Contractor on a form of alternate dispute resolution that will be employed. If the parties fail to reach an agreement within the sixty (60) days after written appeal, the SCR's decision stands unless the Contractor shall commence litigation in a court of competent jurisdiction. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the SCR pending any final resolution.

EXCUSABLE DELAYS

(a) Except for defaults of subcontractors at any tier, the Contractor shall not be in default because of any failure to perform this contract under its terms if the failure arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of these causes are (1) acts of God or of the public enemy, (2) acts of Sandia, (3) acts of the Government in either its sovereign or contractual capacity, (4) fires, (5) floods, (6) epidemics, (7) quarantine restrictions, (8) strikes, (9) freight embargoes, and (10) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or

negligence of the Contractor. "Default" includes failure to make progress in the work so as to endanger performance.
(b) If the failure to perform is caused by the failure of a subcontractor at any tier to perform or make progress, and if the cause of the failure was beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be deemed to be in default, unless- (1) The subcontracted supplies or services were obtainable from other sources; (2) The SCR ordered the Contractor in writing to purchase these supplies or services from the other source; and (3) The Contractor failed to comply reasonably with this order.
(c) Upon request of the Contractor, the SCR shall ascertain the facts and extent of the failure. If the SCR determines that any failure to perform results from one or more of the causes above, the delivery schedule shall be revised, subject to the rights of Sandia or the Government under the Termination Clause of this contract.

EXPORT CONTROL

(a) Any item, technical data, or software furnished by Sandia in connection with this purchase order/contract is supplied for use in the U.S. only. Contractor agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S. Code (USC) 2751 - 2794, including the International Traffic in Arms Regulation (ITAR), 22 Code of Federal Regulations (CFR) 120 - 130; the Export Administration Act, 50 USC app. 2401 - 2420, including the Export Administration Regulations (EAR), 15 CFR 730 - 774; and including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, Contractor agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to Contractor or Contractor's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception. Contractor shall immediately notify the SCR if it transfers any export controlled item, data, or services to foreign persons. Diversion contrary to U.S. export laws and regulations is prohibited.

(b) Contractor shall immediately notify the SCR if Contractor is, or becomes, listed in any Denied Parties List or if Contractor's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.

(c) If Contractor is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Contractor represents that it is registered with the Directorate of Defense Trade Controls, as required by the ITAR, and it

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maintains an effective export/import compliance program in accordance with the ITAR.

The Contractor shall flow down the requirements of this clause to all subcontracts.

GOVERNMENT PROPERTY MATERIAL AND EQUIPMENT

Except as provided for in Section I, Contractor must list the government material/equipment Contractor will use in the performance of the SOW in this contract and provide details concerning its use. Identification, inspection, maintenance, protection, and disposition of government property shall conform with the policies and principles of FAR Part 45, 48 CFR Department of Energy Acquisition Regulation (DEAR) 945, the Federal Property Management Regulations 41 CFR 101, the DOE Property Management Regulations 41 CFR 109, and DEAR 970.5245-1 Property.

NOTICE OF POTENTIAL DELAY

Whenever the Contractor has knowledge of any actual or potential delay or threatened delay in the timely performance of this contract, the Contractor shall immediately give notice thereof, confirmed in writing, including all relevant information with respect thereto, to Sandia. Such notice shall not relieve the Contractor from compliance from of all the requirements of the contract.

OPERATIONS, DISMANTLED EQUIPMENT AND MATERIAL, UTILITIES AND STORAGE AREAS

(a) Operations. The Contractor shall confine all operations (including storage of materials) on Sandia-controlled or Government-controlled premises to areas authorized or approved by the SDR/Sandia. The Contractor shall hold and save Sandia and the government, their officers and agents, free and harmless from liability of any nature occasioned by the Contractor's performance. **(b)** Storage Areas. Temporary buildings (e.g., storage sheds, shops, offices, sanitation facilities) and utilities may be erected by the Contractor only with the approval of the SDR and shall be built with labor and material furnished by the Contractor without expense to Sandia. The temporary buildings and utilities shall remain the property of the Contractor and shall be removed by the Contractor at its expense upon completion of the work. With the written consent of the SDR, the buildings and utilities may be abandoned and need not be removed. **(c)** Use of Roadways. The Contractor shall, under regulations prescribed by the SDR, use only established roadways, or use temporary roadways constructed by the Contractor when and as authorized by the SCR. The Contractor may close streets and remove signs and other material and structures when expressly authorized by the SDR. The Contractor shall provide and keep in place barricades, signs, markers,

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flares, and other devices required by the SDR or Government site for traffic control and safety. When materials are transported in prosecuting the work, vehicles shall not be loaded beyond the loading capacity recommended by the manufacturer of the vehicle or prescribed by any federal, state, or local law or regulation. When it is necessary to cross curbs or sidewalks, the Contractor shall protect them from damage. The Contractor shall repair or pay for the repair of any damaged curbs, sidewalks, or roads. **(d)** Utilities. The Contractor shall provide all necessary utilities at the work site unless use of existing utilities at the work site is approved in advance by the SDR. **(e)** Dismantled Equipment and Material. Dismantled equipment and material removed from the work site shall remain the property of the government. If the dismantled equipment and material is not reused in the performance of this contract, the Contractor shall: (i) label or tag large items and package small items; (ii) prepare an inventory in triplicate on Sandia-furnished forms; and (iii) deliver the dismantled equipment and material to a location designated by the SDR. **(f)** Clean Up. The Contractor shall at all times keep the work area, including storage areas, free from accumulations of waste materials. Before completing the work, the Contractor shall remove from the work area and premises any rubbish, tools, scaffolding, equipment, and materials that are not the property of Sandia or the government. If the contract requires the modification of areas within buildings or the movement or relocation of furniture or equipment, the Contractor will vacuum and/or sweep and wet mop the area before moving in furniture or equipment and after the move is complete. Upon completing the work, the Contractor shall leave the work area in a clean, neat, and orderly condition satisfactory to the SCR or the SDR.

ORDER OF PRECEDENCE

Any inconsistencies shall be resolved in accordance with the following descending order of precedence:

(1) Section I;
(2) SF 6432-CN, Section II,
(3) specifications,
(4) Construction drawings (descending order of precedence)

- Sandia standard detail drawings,
- Architecture and Engineering supplied detail drawing,
- Schematics
- Key notes, and
- General notes,

(5) incorporated by reference provisions of Section II,
(6) other documents if any incorporated into this Contract.

OTHER CONTRACTS

Sandia or the government may undertake or award other contracts for additional work at or near the site of the work under this contract. The

Contractor shall fully cooperate with the other Contractors and with Sandia or government employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the SCR. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other Contractor or by Sandia or government employees

PAYMENT

FIRM FIXED PRICE: Contractor agrees to provide invoices within sixty (60) calendar days of completion of work and hereby waives any amounts that are not invoiced within calendar sixty (60) days of the completion of work on the contract. Unless otherwise provided, terms of payment shall be net calendar thirty (30) days from the latter of (1) receipt of Contractor's proper invoice, if required, or (2) delivery of items/completion of work. Invoices or vouchers requesting payment for item(s) of government property as defined in DEAR 970.5245-1 Property shall be separately listed on such invoices or vouchers. Any offered discount shall be taken if payment is made within the discount period that the Contractor indicates. Payments may be made either by check or electronic funds transfer, at the option of Sandia. Payment shall be deemed to have been made as of the date of mailing or the date on which an electronic funds transfer was made.

TIME & MATERIALS:

(a) Hourly Rate. Subject to approval by the SCR of individual invoices or vouchers, and pursuant to FAR Part 31 as supplemented by DEAR Part 931 in effect on the date of this contract, the Contractor shall be paid as follows: (1) The amounts computed by multiplying the appropriate hourly rate, or rates, set forth in Section I by the number of direct labor hours performed, which rates shall include wages, indirect cost, general and administrative expense and profit; provided, however, that the fractional parts of an hour shall be payable on a prorated basis. Invoices or vouchers may be submitted once each month (or at more frequent intervals, if approved by the SCR), to the SCR or SCR's designee. Unless otherwise specified in this contract, the hourly rate applies to both employees of the Contractor and to employees of subcontractors within the stated labor categories only. Other employees of the subcontractor are invoiced per (b) below. (2) Total time paid for all of Contractor's personnel chargeable to Sandia in those occupational classifications set forth in the clause of Section I of this contract entitled "Allowable Charges," shall be recorded on readily auditable and certified correct time records. Each time record shall bear the name of the individual, occupational classification, dates and hours worked, and shall segregate total hours worked between: (1) those hours worked hereunder, identified by reference to this contract, and (2) each suborder, if any, issued hereunder, and those hours worked

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on all other contracts. In addition, when work is performed on Sandia-controlled premises, the time involved shall be recorded on Sandia's form (or equivalent Contractor-supplied form acceptable to the SCR) which shall be certified by Contractor's representative and approved by a delegated Sandia representative as authorized by the SCR, and (3) Unless provisions of Section I hereof otherwise specify, the hourly rate or rates set forth in Section I shall not be varied by virtue of the Contractor having performed work on an overtime basis. If Section I provides rates for overtime work, the overtime work will be reimbursable at over-time rates only to the extent the overtime work is authorized in writing by the SCR or his/her delegate and any unauthorized overtime work will be reimbursable at the standard time rates.

(b) Materials (Including Subcontracts). Subject to approval by the SCR of individual invoices or vouchers, and pursuant to FAR Part 31 as supplemented by DEAR Subpart 931 in effect on the date of this contract, the Contractor shall be paid as follows: (1) Net invoice cost or charges for direct materials as provided in this contract. The Contractor shall maintain records which will support all material costs claimed by paid invoices or storeroom requisitions, or by other substantiation acceptable to Sandia. Direct materials as referenced by this clause are defined as those materials which enter directly into the end product, or which are used or consumed directly in connection with the furnishing of such product. Reasonable and allocable material handling costs may be included in the charge for material to the extent they are clearly excluded from the hourly rate. Material handling costs are comprised of indirect costs, including when appropriate, general and administrative expense, allocated to direct materials. (2) The cost of subcontracts which are authorized pursuant to the "Subcontracts" clause hereof shall be reimbursable costs hereunder, provided such costs are consistent with subparagraph (3) below. Reimbursable cost in connection with subcontracts shall be limited to the amounts actually required to be paid by the Contractor to the subcontractor and shall not include any costs arising from the letting, administration, or supervision of performance of the subcontract if the costs are included in the hourly rates payable under (a) (1) above. The term "subcontracts" does not include the purchase of raw material or commercial stock items. Cost for items of capital property as defined herein if applicable, shall be separately listed in invoices. (3) The Contractor shall, to the extent of its ability, procure materials at the most advantageous prices available with due regard to securing prompt delivery of satisfactory materials, and take all cash and trade discounts, rebates, allowances, credits, salvage, commissions, and other benefits. When unable to take advantage of such benefits, it shall promptly notify the SCR to that effect, and give the reason therefore. Credit shall be given to Sandia for cash and trade discounts, rebates, allowances, credits, salvage, the value of resulting scrap when the amount of such scrap is appreciable, commissions, and other amounts which have been accrued

to the benefit of the Contractor, or would have so accrued except for the fault or neglect of the Contractor. Such benefits lost through no fault or neglect on the part of the Contractor, or lost through fault of Sandia or the government, shall not be deducted from gross costs. (4) When the nature of the work to be performed requires the Contractor to furnish material which is regularly sold to the general public in the normal course of business by the Contractor, the price to be paid for such material, notwithstanding (b) (1), above, shall be on the basis of an established catalog or list price in effect when the material is furnished, less all applicable discounts to Sandia or the government. (5) Where under the clause of Section I entitled "Allowable Charges," any equipment usage time is chargeable to this contract, the Contractor shall record the total working time of such equipment on readily auditable and certified correct time records. Each time record shall identify the equipment, shall show dates and time used, and shall segregate total usage time between that used hereunder, identified by reference to this contract and applicable suborder number or numbers, and all other usage.

(c) Notice of Cost Approaching Ceiling Price. It is estimated that the total cost to Sandia for the performance of this contract will not exceed the ceiling price set forth in Section I and the Contractor agrees to use its best efforts to perform the work specified in Section I and all obligations under this contract within such ceiling price. If at any time the Contractor has reason to believe the hourly rate payments and material costs which will accrue in the performance of this contract in the next succeeding thirty (30) days, when added to all other payments and costs previously accrued, will exceed seventy-five (75) percent of the ceiling price then set forth in Section 1, the Contractor shall notify the SCR to that effect giving its revised estimate of the total price to Sandia for the performance of this contract, together with supporting reasons and documentation. If at any time during the performance of this contract, the Contractor has reason to believe that the total price to Sandia for the performance of this contract will be substantially greater or less than the then-stated ceiling price, the Contractor shall so notify the SCR, giving its revised estimate of the total price for the performance of this contract, together with supporting reasons and documentation. If at any time during the performance of this contract, Sandia has reason to believe that the work to be required in the performance of this contract will be substantially greater or less than the stated ceiling price, the SCR, will so advise the Contractor, giving the then-revised estimate of the total amount of effort to be required under the contract and the ceiling amount shall be revised accordingly.

(d) Limitation of Obligation. Sandia shall not be obligated to pay the Contractor any amount in excess of the ceiling price set forth in Section I and the Contractor shall not be obligated to continue performance if to do so would exceed the ceiling price set forth in Section I, unless and until the SCR shall have notified the Contractor in writing that such ceiling price has been increased and shall have specified in such notice a revised

ceiling which shall thereupon constitute the ceiling price for performance under this contract. When and to the extent that the ceiling price set forth in Section I has been increased, any hours expended and material costs incurred by the Contractor in excess of the ceiling price prior to the increase shall be allowable to the same extent as if such hours expended and material costs had been incurred after such increase in the ceiling price.

(e) Audit of Invoices or Vouchers. At anytime or times, as deemed necessary by the SCR, but not later than three (3) years after final payment under this contract, Sandia may perform an audit of the invoices or vouchers submitted for labor, material, travel, and any other charges. Each payment theretofore made shall be subject to reduction to the of amounts which are found by Sandia not to have been properly payable, and shall also be subject to reduction for overpayments, or to increase for underpayments, on preceding invoices or vouchers. Prior to final payment under this contract, the Contractor shall execute and deliver to Sandia a release in form and substance satisfactory to the SCR, discharging Sandia and the government, their officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, other than claims in stated amounts as may be specifically excepted by the Contractor from the operation of the release. Sandia may, at its own discretion, perform an administrative close of contracts upon completion of the period of performance; such an action does not relieve either party of any rights or responsibilities with respect to final audit activities and settlements.

(f) Reports. The Contractor shall furnish such progress reports and schedules, and such other reports concerning the work under this contract as the SCR may from time to time require.

(g) Method of Payments. Payments may be made either by check or electronic funds transfer, at the option of Sandia. Payment shall be deemed to have been made as of the date of mailing or the date on which an electronic funds transfer was made.

(h) Prompt Payment Discounts. Sandia may take contract or invoice prompt payment discount. Discount time will be computed from the date correct invoice or voucher is received in the office specified in the contract, or date of completion of work under this contract, whichever is later. Payment is deemed to be made, for the purpose of earning the discount, on the date of mailing of Sandia's check or the date on which the electronic funds transfer was made.

(i) Travel and Other Direct Costs. The Contractor shall be paid net invoice cost or charge for travel and other direct cost as provided in this contract subject to approval by the SCR of individual invoices or vouchers and pursuant to FAR Part 31 as supplemented by DEAR Part 931 in effect on the date of this contract.
(j) Contracts exceeding $100K are subject to FAR 52.215-23 Limitations on Pass-Through Charges.

PAYROLLS AND BASIC RECORDS
(a) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of work and preserved for a period of three (3) years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found, under paragraph (d) of the clause entitled Davis-Bacon Act, that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. **(b) (1)** The Contractor shall submit a copy of all payrolls weekly, including the payrolls of all subcontractors, to the Electronic Certified Payroll Administrator. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under paragraph (a) of this clause. This information must be submitted electronically in accordance with section I clause titled Davis Bacon Certified Payroll and Compliance Statement. **(2)** Each payroll submitted shall be accompanied by a "Statement of Compliance," electronically signed by the Contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify: (I) That the payroll for the payroll period contains the information required to be maintained under paragraph (a) of this clause and that such information is correct and complete; (ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the

payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in the Regulations, 29 CFR Part 3; and (iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract. **(3)** The falsification of any of the certifications in this clause may subject the Contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 3729 of Title 31 of the USC. **(c)** The Contractor or subcontractor shall make the records required under paragraph (a) of this clause available for inspection, copying, or transcription by the SCR or authorized representatives of the SCR or the Department of Labor. The Contractor or subcontractor shall permit the SCR or representatives of the SCR or the Department of Labor to interview employees during working hours on the job. If the Contractor or subcontractor fails to submit required records or to make them available, the SCR may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payments. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

PROTECTION OF EXISTING VEGETATION, STRUCTURES, EQUIPMENT, UTILITIES, IMPROVEMENTS, MATERIALS, AND WORK

(a) The Contractor shall preserve and protect all structures, equipment, traffic signs, and vegetation (such as trees, shrubs, and grass) on or adjacent to the work site, which are not to be removed and which do not unreasonably interfere with the work required under this contract. The Contractor shall only remove trees when specifically authorized to do so, and shall avoid damaging vegetation that will remain in place. **(b)** The Contractor shall protect from damage or interruption of service all existing improvements and utilities, including underground property or underground utilities the location of which are properly indicated in the specifications and/or drawings, or the existence of which is otherwise made known to the Contractor by written notice signed by the SCR, or the locations of which should be known by the Contractor, (1) at or near the work site and (2) on adjacent property of a third party. The Contractor shall repair any damage to those facilities, including those that are the property of a third party, resulting from failure to comply with the requirements of this contract or failure to exercise reasonable care in performing the work. If the Contractor fails or refuses to repair the damage promptly, the SCR may have the necessary work performed and charge the cost to the Contractor. **(c)** Contractor shall preserve and protect all work performed under this contract, materials, supplies, and equipment of every description, including property which may be Sandia-furnished or

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government-owned. **(d)** Contractor immediately shall repair all damage, caused by Contractor's work under this contract, to any utilities, the existence of which (1) is not made known by written notice signed by the SCR, (2) is not indicated in the specifications and/or drawings, or (3) could not reasonably have been known by the Contractor. Contractor shall submit a claim for and enter into good faith negotiations to arrive at a fair price for such repair work. Upon written request of the Contractor, the SCR shall determine the extent that contract performance was delayed to make the required repairs, and the SCR shall modify the contract performance date accordingly.

PERFORMANCE EVALUATION PROGRAM

In keeping with Sandia's goals of continuous improvement, and promoting and creating an environment for superior Contractor performance, Sandia has established a collaborative feedback process through the Sandia Contractor Review and Evaluation (SCORE) program. This program is intended to create an environment, which fosters dialog, provides feedback, and improves communication. Any contract awarded by Sandia is a candidate for evaluation under this program.

PRICING OF CONTRACT AND SUBCONTRACT MODIFICATIONS

The cost principles and procedures set forth in FAR Part 31 as modified by DEAR Part 931 shall be used to price contract and subcontract modifications, if any, whenever cost analysis is performed to negotiate the price of any such modification.

RECYCLED AND/OR NEW MATERIALS

Unless otherwise specified in this contract, all Items delivered shall consist of recycled and/or new materials. New is defined as previously unused which may include residual inventory or unused former government surplus property. Contractor shall give preference to the use of recycled materials in support of Sandia's Sustainable Acquisition Program as set forth in DEAR 970.5223-7 Sustainable Acquisition Program.

RELEASES VOID

Sandia's and the government's representatives shall not be required to waive or release any personal rights in connection with any visits to Contractor's premises and Contractor agrees that no such waiver or release shall be pleaded by Contractor in any action or proceeding.

RELEASE OF INFORMATION

(a) No invention, export control or classified information relating to this contract shall be released other than to Contractor's employees or those of Contractor's subcontractors requiring the information for performance of the SOW of this contract without advance written approval of the SCR. In no event shall the interest of Sandia or the DOE/NNSA or the government

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in this contract be indicated in any advertising or publicity without advance written approval of the SCR. This shall not be construed to prohibit Contractor from fulfilling routine internal or external reporting of its activities, including the disclosure of the existence and nature of this contract as required by law. External reporting as used in this clause refers to reports submitted to state or federal government offices. **(b)** The Contractor shall closely coordinate with the SCR regarding any proposed scientific, technical, or professional publication of the results of the work performed or any data developed under this contract. The Contractor shall provide Sandia an opportunity to review any proposed manuscripts describing, in whole or in part, the results of the work performed or any data developed under this contract at least forty-five (45) days prior to their submission for publication. Sandia will review the proposed publication and provide comments. A response shall be provided to the Contractor within forty-five (45) days; otherwise, the Contractor may assume that Sandia has no comments. Subject to the security requirements of this contract, the Contractor agrees to address any concerns or issues identified by Sandia prior to submission for publication. **(c)** The Contractor may acknowledge the Contractor and government sponsorship of the work as appropriate. **(d)** The Contractor shall insure that the recipient of any information provided by the Contractor complies with the provisions of this clause.

RISK OF LOSS

If Sandia is responsible for the risk of loss during transportation of compliant items, Sandia shall compensate Contractor the lesser of (1) the agreed price of such items, or (2) the Contractor's cost of replacing such items; and such loss shall entitle the Contractor to an equitable adjustment in delivery schedule obligations.

SANDIA PROVIDED INFORMATION

Any and all physical forms of designs, design data, drawings, specifications, technical, scientific data, and other information furnished by Sandia to the Contractor shall remain the property of the government and shall be protected from unauthorized use, reproduction, and disclosure. Contractor shall protect the information at least to the same extent it would use to protect its own most valuable and proprietary information. Dissemination or use of such information is limited to such of its employees and Contractors, if any, whose job performance for this specific contract requires the information and only for those purposes. No other dissemination or use is permitted without prior written approval of the SCR/SDR. Any and all such information provided by Sandia to the Contractor shall be used only for the purpose of enabling performance of this contract and the Contractor shall use its best efforts to prevent disclosure to others except when necessary in the performance of this contract.

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SUBCONTRACTS
All subcontracts shall be made in the name of the Contractor and shall not bind nor purport to bind Sandia or shall not relieve Contractor of any obligation under this purchase order/contract. If Contractor subcontracts any work in the performance of this contract, Contractor shall incorporate into every such contract an appropriate set of Sandia Ts&Cs found at: http://www.sandia.gov/working_with_sandia/procurement/current_suppliers/contractor_bidder/ or may use the latest revision of SF6432-CI for the purchase of Commercial Items that are products or SF 6432-CS for commercial services, into any such subcontract.

SUBSTITUTIONS
Written authorization of the SCR is required, for inclusion in the work, of items proposed to be substituted in lieu of those specified or referenced in the contract. When requesting approval, the Contractor shall furnish to the SCR:

- the name of the manufacturer,
- the model number,
- any other information concerning the performance, capacity, nature and rating of the machinery,
- the specifications of any other equipment being substituted.

When directed to do so, the Contractor shall submit samples for approval at the Contractor's expense, with all shipping charges prepaid. Machinery, equipment, material, and articles that do not have the required approval shall be installed or used at the risk of subsequent rejection.

At Sandia's discretion, Sandia may make an equitable adjustment and revise the contract in writing for any increase or decrease in the Contractor's cost of, or the time required for the performance of any part of the work under this contract, whether or not changed by any such order, as a result of any substitution,. No proposal by the Contractor for an equitable adjustment, as a result of a substitution shall be allowed if asserted after final payment under this contract.

SUSPECT/COUNTERFEIT ITEMS (S/CI)
Suspect/counterfeit items or services are a serious concern to Sandia because they present a potential threat to personal safety, equipment and system reliability and/or compliance with regulatory environmental standards. Failure of a safety or mission critical system due to an S/CI could also have security implications at DOE facilities. Notwithstanding other warranty provisions of this Contract, Contractor expressly warrants that all items provided under this Contract are suitable for the intended or specified use and that no suspect or suspect counterfeit items, component parts or materials have been furnished or delivered to Sandia under this

Contract. Unless otherwise specified in this contract the contractor shall purchase directly from product manufacturers or authorized manufacturer distributors.

Contractor's warranty also extends to labels and/or trademarks or logos affixed, or designed to be affixed, to items supplied or delivered to the Sandia. In the event that a suspect or suspect counterfeit item, as defined herein, is identified and/or delivered to Sandia, Contractor agrees to comply with all requirements stated in this Clause.

Definitions

Suspect Item: A suspect item is an item in which there is an indication by visual inspection, testing, or other verifiable information, that the item may not conform to established U.S. Government or industry-accepted specifications and national consensus standards.

Counterfeit Item: A counterfeit item is one that has been copied or substituted without legal right or authority or whose material, performance, or characteristics have been misrepresented by the vendor, supplier, distributor, or manufacturer.

Contractor shall only provide items and services that meet or exceed all requirements specified in this Contract including verifiable compliance with all applicable quality, safety and manufacturing standards including all U.S. Government or industry-accepted specifications and national consensus standards. Examples of such standards include, but are not limited to: Underwriter's Laboratory (UL) Listing, National Fire Protection Association (NFPA), Standard of Mechanical Engineers (ASME), Institute of Electrical and Electronics Engineers (IEEE), Occupational Safety and Health Act (OSHA), American Society for Testing Material (ASTM), Nationally Recognized Testing Laboratory (NRTL), etc.

Types of material, parts, and components known to have been misrepresented include (but are not limited to) semiconductors and other electronic components, fasteners, hoisting, rigging, and lifting equipment; cranes, hoists, valves, pipe and fittings, electrical equipment and devices, plate, bar, shapes, channel members, and other heat treated materials and structural items, welding rod and electrodes. Additional detailed information is available at the DOE Training Manual on Suspect/Counterfeit Awareness http://www.hss.doe.gov/sesa/corporatesafety/sci/trainingmanual.html.

Contractor is responsible to have a quality assurance program that detects and prevents suspect/counterfeit items from being furnished or used in the performance of work under this Contract. If requested by Sandia, Contractor shall furnish a certificate of compliance with delivery stating that all items fully comply with all requirements of this Contract.

In the event that the Contractor identifies or suspects that a suspect/counterfeit item may have been delivered under this Contract, Contractor shall immediately notify the SCR and the Sandia end-user or delegated representative identified in the Contract. Contractor shall

document and provide all available information regarding any item or service furnished under this Contract that is suspected to be a suspect/counterfeit item, component, subcomponent part or material. Sandia shall impound the item(s) and notify the local DOE and will comply with all other applicable notification and reporting requirements. The Contractor may be required to replace such item(s) with item(s) acceptable to Sandia and shall be liable for all costs relating to the impoundment, removal, and replacement of the item(s). Contractor shall indemnify Sandia, its agents, and third parties for any financial loss, injury, or property damage resulting directly or indirectly from material, components, or parts that are not genuine, original, and unused, or not otherwise suitable for the intended purpose. This includes, but is not limited to, materials that are defective, suspect, or counterfeit; materials that have been provided under false pretenses; and materials or items that are materially altered, damaged, deteriorated, degraded, or result in product failure.

Detection of any suspect or suspect/counterfeit item(s) leading to evidence of deliberate misrepresentation of any supplied item(s), including components, subcomponent parts or materials used in the item(s), may result in an investigation into the validity of certification, fraud, and/or forgery. Because falsification of information or documentation may constitute criminal conduct, Sandia will notify cognizant DOE officials and the Office of the Inspector General.

Note: If this Contract provides for the use of credit cards, their use in no way relieves the Contractor from complying with all requirements of this Clause.

Note: If this Contract provides for the use of credit cards, their use in no way relieves the Contractor from complying with all requirements of this Clause.

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION (PII)

In performing this contract the Contractor may be provided with PII relating to Sandia employees, contractor employees, and any other individuals related to the work under this contract. The Contractor agrees that the Contractor will take all reasonable steps and precautions to ensure this provided PII is adequately controlled, protected and only used to perform work called for under this contract. For the purposes of this agreement PII is defined as: Any of the information listed below that can be used to distinguish or trace an individual's identity, is collected and maintained for the purpose of conducting official Sandia business, and is not solely comprised of information that is available to the general public: social security number, driver's license number, passport number, other federal- or state-issued identification card number, bank account number (with or without routing number, access code, or Personal Identification Number [PIN]), financial or benefit account number in combination with any required code permitting access, background information or verification

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reports or credit report, including consumer reports, medical or health information, including biometric, biomonitoring, or genetic information, employment history including ratings, salary, wage, deduction information, and disciplinary actions, security clearance history or related information, criminal history, date of birth or age, place of birth, mother's maiden name, race or ethnicity.

Notes:

One means of distinguishing or tracing an individual's identity is to include the first name or the first initial and last name of an individual in combination with any information listed above. PII does not include information that is on Sandia computing resources as a result of incidental personal use of computing and information resources or other assets.

Loss of Control of PII: If the Contractor becomes aware or suspects that any Sandia provided Personally identifiable Information, has been inappropriately, taken, used, disclosed, and/or released or that the controls for access to the information have been compromised, the Contractor will immediately take steps to prohibit further disclosure and will give verbal notice to Sandia's Security Incident Management Program (SIMP) by calling and reporting the incident at either at (505) 283-SIMP (7467) or for contracts issued in California call (925) 294-3238 (these are manned 7 days a week 24 hours a day). After notifying SIMP, also verbally notify the SCR and SDR (if one is identified in this contract). In addition to the immediate verbal notifications, written notification will be provided to the SCR and SDR (if one is identified in the contract,) within 72 hours of the Contractor's learning of the situation. The Contractor will cooperate with Sandia and provide information needed to allow Sandia to evaluate the nature and extent of the release or loss of control.

The provisions of this clause shall survive and continue in force following the completion of work under this agreement until such time that any provided PII is either destroyed in its entirety in a manner that ensures it is not readable or decipherable through any means, or that the information including all copies is returned to Sandia. The Contractor shall ensure that these provisions shall be made applicable to any subcontractor or non-governmental third party who receives PII provided through this agreement.

TITLE AND ADMINISTRATION

All property rights and interests resulting from this contract shall pass directly from the seller to the government.

TRANSPORTATION

All transportation shall be "FOB Job Site" unless otherwise specified in this contract. If transportation is specified "FOB Origin," (a) no insurance cost shall be allowed unless authorized in writing and (b) the bill of lading shall indicate that transportation is for DOE/NNSA and the actual total transportation charges paid to the carrier(s) shall be reimbursed by the

government pursuant to Contract No. DE-AC04-94-AL85000. Confirmation will be made by Sandia National Laboratories.

WORK FOR HIRE

Contractor hereby acknowledges that all duties performed hereunder are specifically ordered or commissioned by Sandia Corporation ("Work"); that Contractor has required all of its employees who will do the Work to assign all intellectual property generated in the course of employment to the Contractor; that the Work constitutes and shall constitute a work-made-for-hire as defined in the United States Copyright Act of 1976; that Sandia Corporation is and shall be the author of said work-made-for-hire and the owner of all rights in and to the Work. To the extent that the Work is not recognized as a work-made-for-hire, Contractor hereby assigns, transfers, and conveys to Sandia Corporation, without reservation, all of Contractor's rights, title and interest in the Work, including, without limitation, all rights of copyright and copyright renewal in said Work or any part thereof. Contractor agrees to execute all papers and to perform such other proper acts as Sandia Corporation may deem necessary to secure for Sandia Corporation the rights herein assigned.

ADDITIONAL TERMS AND CONDITIONS

This contract incorporates by reference with the same force and effect as if they were given in full text, the following cited FAR clauses and DEAR clauses. The full text of these clauses may be found at Title 48 of the CFR at http://www.ecfr.gov or at the FARSite at http://farsite.hill.af.mil under regs - FAR or DEARS. Where the FAR/DEAR clauses refer to Government and Contracting Officer, substitute Sandia and SCR.

APPLY TO CONTRACTS AT ANY VALUE FAR 52.208-8 Required Sources for Helium and Helium Usage Data

FAR 52.222-21 Prohibition of Segregated Facilities
FAR 52.222-26 Equal Opportunity (E.O. 11246)
FAR 52.222-29 Notification of Visa Denial
FAR 52.222-50 Combating Trafficking in Persons
FAR 52.225-9 Buy American Act – Construction Materials
FAR 52.225-13 Restrictions on Certain Foreign Purchases
FAR 52.227-3 Patent Indemnity
FAR 52.227-4 Patent Indemnity - Construction Contracts
FAR 52.227-14 Rights in Data-General is modified in accordance with DEAR 927.409(a) and including Alternate V.
FAR 52-227-16 Additional Data Requirements
FAR 52.227-23 Rights to Proposal Data (Technical). This clause applies only in any subcontract awarded based on consideration of a technical proposal.
FAR 52.242-14 Suspension of Work
FAR 52.244-6 Subcontracts for Commercial Items
FAR 52.246-12 Inspection of Construction
FAR 52.247-63 Preference for U.S. Flag Air Carriers
FAR 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels
DEAR 952.211-71 Priorities and Allocations (Atomic Energy). This clause applies only if Section I designates a government priority.
DEAR 970.5227-8 Refund of Royalties
DEAR 952.250-70 Nuclear Hazards Indemnity Agreement (This clause is applicable to any subcontract which may involve the risk of public liability, as that term is defined in the Act and further described in paragraph (d)(2) of the clause. However, this clause is not applicable to contracts in which the Contractor is subject to Nuclear Regulatory Commission (NRC) financial protection requirements under section 170b. of the Act or NRC agreements of indemnification under section 170c. or k. of the Act for the activities under this contract)
DEAR 970.5204-2 Laws, Regulations, and DOE Directives (Deviation)
DEAR 970.5243-1 Changes
DEAR 970.5208-1 Printing

APPLY TO CONTRACTS EXCEEDING $2,000
FAR 52.222-6 Davis Bacon Act
FAR 52.222-7 Withholding of Funds
FAR 52.222-8 -- Payrolls and Basic Records
FAR 52.222-9 -- Apprentices and Trainees
FAR 52.222-10 Compliance with Copeland Act Requirements
FAR 52.222-11 Subcontracts (Labor Standards)
FAR 52.222-12 Contract Termination-Debarment
FAR 52.222-13 Compliance with Davis-Bacon and Related Act Regulations
FAR 52.222-14 Disputes Concerning Labor Standards

FAR 52.222-15 Certification of Eligibility

APPLY TO CONTRACTS EXCEEDING $3,000
FAR 52.222-54 Employment Eligibility Verification

APPLY TO CONTRACTS EXCEEDING $10,000
FAR 52.222-20 Walsh Healy Public Contracts Act
FAR 52.222-27 Affirmative Action Compliance Requirements for Construction
FAR 52.222-36 Affirmative Action for Workers With Disabilities
FAR 52.222-40 Notification of Employee Rights under the National Labor Relations Act

APPLY TO CONTRACTS IF $25,000 OR MORE
DEAR 970.5223-4 Workplace Substance Abuse Programs at DOE Sites

APPLY TO CONTRACTS EXCEEDING $30,000
FAR 52.209-6 Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment

APPLY TO CONTRACTS EXCEEDING $100,000
FAR 52.222-35 Equal Opportunity for Veterans
FAR 52.222-37 Employment Reports on Veterans
DEAR 970.5227-4 Authorization and Consent
DEAR 970.5227-5 Notice of Assistance Regarding Patent and Copyright Infringement

APPLY TO CONTRACTS EXCEEDING $150,000
FAR 52.203-6 Restrictions on Subcontractor Sales to the Government
FAR 52.203-7 Anti-Kickback Procedures excluding Paragraph (c)(1)
FAR 52.203-10 Price or Fee Adjustment for Illegal of Improper Activity
FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
FAR 52.228-15 Performance and Payment Bonds – Construction
FAR 52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation
FAR 52.219-8 Utilization of Small Business Concerns
FAR 52.244-5 Competition in Subcontracting
FAR 52.249-10 Default (Fixed-Priced Construction)

APPLY TO CONTRACTS EXCEEDING $500,000
FAR 52.219-14 Limitations on Subcontracting (applicable only if any portion of the contract is set-aside)
DEAR 952.226-74 Displaced Employee Hiring Preference
DEAR 970.5226-2 Workforce Restructuring under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993

APPLY TO CONTRACTS EXCEEDING $650,000
FAR 52.215-15 Pension Adjustments and Asset Reversions
FAR 52.230-2 Cost Accounting Standards
FAR 52.230-6 Administration of Cost Accounting Standards

Compliance with Cost Accounting Standards

In accordance with DEAR 970.5232-5 Liability With Respect To Cost Accounting Standards the Contractor shall be liable to the government for increased costs or interest resulting from the subcontractor's failure to comply with the clauses at FAR 52.230-2, "Cost Accounting Standards," and FAR 52.230-6, "Administration of Cost Accounting Standards".

APPLY TO CONTRACTS EXCEEDING $700,000
FAR 52.215-12 Subcontractor Certified Cost or Pricing Data
FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data

APPLY TO CONTRACTS EXCEEDING $1,500,000 Awarded to Large Business
FAR 52.219-9 Small Business Subcontracting Plan Alternative II FAR 19.708
FAR 52.219-14 Limitations on Subcontracting
FAR 52.219-16 Liquidated Damages - Subcontracting Plan

APPLY TO CONTRACTS EXCEEDING $5,000,000
FAR 52.203-13 Contractor Code of Business Ethics and Conduct, applies when POP is 120 days or more.

APPLY TO ALL CONTRACTS THAT MAY INVOLVE ACCESS TO CLASSIFIED INFORMATION
DEAR 952.204-2 Security
DEAR 952.204-70 Classification/Declassification
DEAR 970.5204-1 Counterintelligence

APPLIES TO ANY WORK PERFORMED ON A GOVERNMENT SITE UNDER THIS CONTRACT
DEAR 952.203-70 Whistleblower Protection for Contractor Employees
DEAR 970.5222-1 Collective Bargaining Agreement M&O Contracts
DEAR 970.5223-1 Integration of Environment, Safety, and Health into Work Planning and Execution

THE REMAINING CLAUSES APPLY TO ALL CONTRACTS WHERE ANY WORK WILL BE PERFORMED ON A GOVERNMENT SITE

CITIZENSHIP STATUS

All personnel of the Contractor and its subcontractors who require access must be U.S. citizens, or foreign nationals who are legal aliens or have the required authorization to perform work in the Unites States and must meet rules of the site for access to the work areas in place at the time of performance of this contract.

CONTRACTOR OR SUBCONTRACTOR USE OF GOVERNMENT-OWNED VEHICLES

The following provisions apply if work under this contract requires Contractor or subcontractor personnel to operate government-owned vehicles either on or off government sites. Contractor shall maintain, at Contractor's expense, during the period of performance of work under this contract, third-party vehicle liability insurance which shall cover the use of such government-owned vehicles with limits of at least $200,000/$500,000 public liability and $20,000 property damage. Medical payments coverage, comprehensive and collision insurance, uninsured motorist, and personal injury protection will not be required under this clause unless required by state statute. All Contractor's agents, employees and subcontractors of any tier shall obey all rules and regulations pertaining to the use of government-owned vehicles. In the event of a motor vehicle accident, the Contractor shall submit a completed Motor Vehicle Accident Reporting Form SF 91 to the SCR together with any additional supplemental forms required by instructions given on the General Services Agreement (GSA) Form Packet 1627. A GSA Form Packet 1627 normally is located either in the headliner or glove box of the GSA vehicle. Contractor's personnel shall assure that a GSA Form Packet 1627 is available in a GSA vehicle prior to accepting and driving a GSA vehicle.

ENVIRONMENTAL SAFETY AND HEALTH (ES&H) REQUIREMENTS

(a) Service Providers. Sandia-directed work, Sandia shall provide those workers with any and all necessary safety authorization documents, personal protective equipment, industrial hygiene monitoring, medical surveillance, and radiation protection services. For Contractor employees performing Contractor-directed work, Contractor shall provide its workers with all ES&H services, with the exception of Contractor employees performing Contractor-directed work on government sites for whom Sandia shall provide radiation dosimetry services and survey of record, as appropriate.

(b) Training Requirements. Any Contractor personnel who will enter a government site to perform work shall have completed all of the ES&H training required by the SOW or Government site where work is to be performed, prior to any attempts to enter a government site as shown by written records of such training furnished to the SDR or to the Requester if no SDR is named in Section I of this contract. Contractor shall certify to Sandia completion of all required training on the Completion Record for Contractor Administered Training form. This Form is located on the Web

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at
http://www.sandia.gov/working_with_sandia/procurement/current_suppliers/contractor_bidder/ under the tab titled "Forms" or obtained from the SDR. Contractor shall provide the completion record form for the initial ESH100 training to the SDR on the first day of work. Contractor shall provide the completion records for any other training required above to the SDR before starting the affected work activity. Any person not having completed all ES&H training requirements may be denied access to any government site and Contractor may be terminated for default of this contract as well as every other contract the Contractor has with Sandia.

HAZARDOUS MATERIALS (a) Handling Requirements. **For contracts that require the performance of work on government sites, the Contractor shall coordinate with the SDR all activities associated with the acquisition (including reporting hazardous materials used on government sites), handling, storage, accidental spills, and/or disposal of hazardous materials and/or waste. The Contractor shall notify the SDR of all hazardous and/or radioactive waste generated during performance of work. Such materials become Sandia-owned waste and the Contractor shall notify the SDR for proper disposal by Sandia. Contractor's assistance in disposal may be required by Sandia.** (b) Removal Requirements. **Those hazardous materials brought onto Sandia-controlled premises by the Contractor which are job-related consumables and have not been removed from their original packaging and which have not been purchased by Sandia, shall remain the property of the Contractor and shall be removed from Sandia after completion of the work. Hazardous materials in the original, labeled container are not hazardous waste if the material is usable and the full or partially full container is intact and properly closed. Those scrap items which are not hazardous and which have not become hazardous through co-mingling with hazardous items are owned by the Contractor and shall also be removed.**

PROTECTION OF GOVERNMENT PROPERTY
All Sandia National Laboratories information, information technologies and information systems are U.S. government property. Please read the notice at:http://www.sandia.gov/working_with_sandia/procurement/current_suppliers/contractor_bidder/ under the tab titled "Policies". All facilities, personal property, existing vegetation, structures, equipment, utilities, improvements, materials and work at Sandia National Laboratories are U.S. government property. Acts of theft, improper use and/or unlawful destruction of U.S. government property are punishable under one or more Federal Criminal Laws.

REQUIREMENTS FOR ACCESS

(a) Government Sites. The Contractor agrees and shall ensure that all personnel entering Government sites for any activity related to this agreement shall at all times be subject to and shall comply with all laws, regulations, policies, and site access rules/policies for the site including but not limited to all ES&H and Security requirements. For work performed at Sandia, many, but not all, of the Security and ES&H requirements are outlined in Sandia's ES&H Manual (located at http://www.sandia.gov/working_with_sandia/procurement/current_suppliers/contractor_bidder/ under the tab titled "ES&H", and Security Manual (obtain from the SDR). For work performed elsewhere, the Security and ES&H requirements are available from the SDR. The government requirements include but are not limited to, all of the requirements set forth in this clause for any work to be performed on a government site. To obtain access to such premises, the Contractor shall write a letter to the SDR or the SCR stating the company designation to be used by the Contractor and each subcontractor and furnishing the following information on each individual requiring access to such premises: name, date of birth, and citizenship status, completed ES&H training requirements set forth in the SOW. Access will be granted for the period of performance of the work only.

Contractor shall withdraw and replace any individual, including any subcontractor employee, assigned to perform work under this contract, who in the judgment of Sandia or the Government, is to be denied access to any government site. Contractor shall submit to the SDR or the SCR any proposed working schedules for its personnel and the personnel of each of its subcontractors that deviate from the site or Sandia's normal workday or work week schedule. The schedules will show proposed daily working hours and proposed work weeks. Schedules that deviate from Sandia's or the site's normal work day or work week must be approved by the responsible SDR or SCR. In the absence of a written authorization from the SCR or DOE/NNSA, use of government sites by the Contractor and its subcontractors of any tier, pursuant to access granted under this clause, shall be limited to work required by this contract to be performed on such premises. **THE USE OF THE ACCESS PRIVILEGE FOR ANY PURPOSE OTHER THAN TO PERFORM WORK UNDER THIS CONTRACT IS PROHIBITED AND MAY BE GROUNDS FOR TERMINATING THIS CONTRACT DEFAULT OR FOR FINDING THAT AN INDIVIDUAL IS UNACCEPTABLE FOR FUTURE ACCESS. (b) Sandia Sites.** The organizations listed below are responsible for coordinating and administering the provisions of visitor access and control for work performed at Sandia sites as listed. Sandia National Laboratories, Albuquerque, New Mexico – Badge Office, Sandia Corporation, Innovation Parkway Office Center (IPOC). Sandia National Laboratories, Livermore, California - Visitor Control and Administration Section, Sandia Corporation, Building 911. Tonopah Test Range, Tonopah, Nevada - Office of the Tonopah Test Range Manager. **(c)** Contractor will ensure that

its personnel and the personnel of each of its subcontractors assigned to work on Sandia's or Government premises comply with all applicable site policies. In addition, the Contractor, its personnel and personnel of each of its subcontractors, shall:
1) not bring weapons of any kind onto the premises;
2) not manufacture, sell, distribute, possess, use or be under the influence of controlled substances or alcoholic beverages while on the premises;
3) not possess hazardous materials of any kind on the premises without proper authorization;
4) remain in authorized areas only;
5) not conduct any non-Sandia related business activities (such as interviews, hires, dismissals or personal solicitations) on the premises;
6) not send or receive non-Sandia related mail through Sandia's or Government's mail systems; and
7) not sell, advertise or market any products or memberships, distribute printed, written or graphic materials on the premises without the SCR's written permission or as permitted by law.
(d) All persons, property, and vehicles entering or leaving Sandia's KAFB or Government's premises are subject to search. **(e)** Contractor will promptly notify Sandia and provide a report of any accidents or security incidents involving loss of or misuse or damage to Sandia's or Government's intellectual or physical assets, and all physical altercations, assaults, or harassment.

Contractors working on Government sites other than Sandia or DOE sites must surrender to the site security organization any badge, base decal or any other access documents within five (5) days of termination or reassignment.

VEHICLE INSURANCE
All vehicles, owned or operated by the Contractor, subcontractors or their agents and employees, having access to government sites shall be covered by at least $200,000/$500,000 public liability and $20,000 property damage insurance.

VEHICLE MARKINGS
All vehicles used by either the Contractor or its subcontractors shall be marked clearly to indicate company name of user. Vehicles which do not bear permanent markings may be temporarily marked as follows:(1) Signs, no longer than the vehicle door is wide, with a white or lighter background, showing the Contractor's name in one inch high, or larger, dark colored letters, may be made from sheet metal, cardboard or other suitable material and temporarily attached to the vehicle's front door panels so that the signs appear in the approximate center of each door panel. Words such as "Company," "Corporation" or "Division" may be

abbreviated. (2) No signs shall be attached to the vehicle's glass area for safety reasons.

WARRANTY OF CONSTRUCTION

(a) In addition to any other warranties in this contract, the Contractor warrants, except as provided in paragraph (j) of this clause, that work performed under this contract conforms to the contract requirements and is free of any defect in equipment, material, or design furnished, or workmanship performed by the Contractor or any subcontractor or supplier at any tier.

(b) This warranty shall continue for a period of 1 year from date of final acceptance of the work. If Sandia or the Government takes possession of any part of the work before final acceptance, this warranty shall continue for a period of 1 year from the date Sandia takes possession.

(c) The Contractor shall remedy at the Contractor's expense any failure to conform, or any defect. In addition, the Contractor shall remedy at the personal property, when that damage is the result of:

(1) The Contractor's failure to conform to contract requirements; or

(2) Any defect of equipment, material, workmanship, or design furnished.

(d) The Contractor shall restore any work damaged in fulfilling the terms and conditions of this clause. The Contractor's warranty with respect to work repaired or replaced will run for 1 year from the date of repair or replacement.

(e) Sandia shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage.

(f) If the Contractor fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice, Sandia shall have the right to replace, repair, or otherwise remedy the failure, defect, or damage at the Contractor's expense.

(g) With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this contract, the Contractor shall:

(1) Obtain all warranties that would be given in normal commercial practice;

(2) Require all warranties to be executed, in writing, for the benefit of the Government, if directed by Sandia; and

(3) Enforce all warranties for the benefit of the Government, if directed by Sandia.

(h) In the event the Contractor's warranty under paragraph (b) of this clause has expired, the Government or Sandia may bring suit at its expense to enforce a subcontractor's, manufacturer's, or supplier's warranty.

(i) Unless a defect is caused by the negligence of the Contractor or subcontractor or supplier at any tier, the Contractor shall not be liable for the repair of any defects of material or design furnished by Sandia nor for

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the repair of any damage that results from any defect in Government-furnished material or design.

(j) This warranty shall not limit Sandia's rights under the "Inspection and Acceptance" clause of this contract with respect to latent defects, gross mistakes, or fraud.

(k) Defects in design or manufacture of equipment specified by Sandia on a "brand name and model" basis, shall not be included in this warranty. In this event, the Contractor shall require any subcontractors, manufacturers, or suppliers thereof to execute their warranties, in writing, directly to Sandia.

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