SANDIA CORPORATION
SF 6432-El (12-04)
SECTION II

STANDARD TERMS AND CONDITIONS FOR ALL COST-REIMBURSEMENT OR ORDERING AGREEMENTS WITH EDUCATIONAL INSTITUTIONS

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.

EI01 - ACCEPTANCE OF TERMS AND CONDITIONS (Ts&Cs) Contractor, by signing this contract and/or delivering item 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.

EI02 - ALLOWABLE COSTS **(a)** Payment for allowable cost as hereinafter defined, shall constitute full and complete compensation for the performance of the work under this contract. **(b)** "Allowable cost" of performing the work under this contract shall be the costs and expenses that are actually incurred by the Contractor, which are applicable and properly chargeable, either as directly incident or as allocable through appropriate distribution or apportionment, to the performance of the contract work in accordance with its terms, and are determined by the Sandia Contracting Representative (SCR) to be allowable pursuant to this contract, including the additional provisions, if any, contained elsewhere in this contract relating to Advance Understanding on Particular Cost Items, and pursuant to Federal Acquisition Regulation (FAR) Part 31 as supplemented by Department of Energy Acquisition Regulations (DEAR) Part 931 of the in effect on the effective date of this contract and OMB Circular A21, subject to the following: (1) With respect to billing for indirect cost, Contractor shall bill for indirect cost at rates as close as possible to costs being experienced during contract performance. Contractor understands that contract overruns, due to under recovered indirect cost, may not be reimbursed by Sandia; and, over recoveries of indirect cost shall be payable upon demand, at any time, by the SCR. Contractor may, with the SCR's approval, bill at predetermined overhead and General and Administrative (G&A) rates applied to bases agreed upon by any government agency, which are determined in accordance with FAR Part 31 as supplemented by the DEAR in effect on the effective date of this contract; provided, however, that the Contractor shall adjust the indirect billing to conform to actual cost within sixty (60) days or the Contractor's normal monthly accounting cycle, whichever is earlier. (2) In the absence of predetermined overhead rates as provided for in subparagraph (1) above, if at any time prior to the final determination of costs hereunder there exists a rate or rates established by any government agency, based on audit of actual costs for the period of performance of the work hereunder or any substantial portion thereof, such rate or rates may, at the SCR's option, be used (after adjustment by Sandia if deemed appropriate, to

reflect the application of cost principles contained in this Allowable Costs Clause and the DEAR and FAR subparts referred to above) in determining allowable indirect costs hereunder. (3) In the absence of predetermined overhead rates as provided for in subparagraph (1) above and in the absence of a rate or rates acceptable to Sandia as provided for in subparagraph (2) above, indirect cost shall be determined in accordance with FAR Part 31 as supplemented by DEAR Part 931 by a Sandia audit. (4) No overtime premium costs, shift differential, holiday, or other premium pay for time worked on direct labor are authorized as direct charges to this contract except when paid for work: necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns, of production equipment, or occasional production bottlenecks of a sporadic nature; by indirect labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting; in the performance of tests, industrial processes, laboratory procedures, loading or unloading of transportation media, and operations in flight or afloat, which are continuous in nature and cannot reasonably be interrupted or otherwise completed; or which will result in lower cost to Sandia. (5) As used in FAR Part 31 and DEAR Part 931 the words: "Contracting Officer" or "Field Office Manager" shall mean the SCR, "Department of Energy/National Nuclear Security Administration (DOE/NNSA)" or "Sponsoring Agency" shall mean Sandia; "Federal Government" or "government," in connection with government agencies or government property, shall mean the United States of America. (6) Each individual Contractor employee salary amounting to $100,000 or more annually is subject to advance approval of the SCR where fifty percent (50%) or more of such salary is to be reimbursed under DOE/NNSA cost-type contracts for on-site (Sandia/DOE/NNSA premises) services.

EI03 - 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 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 item or services giving rise to the claim.

EI04 - 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 DOE/NNSA or its designee, and in case of such transfer and notice thereof to the Contractor, Sandia shall have no further responsibilities hereunder.

EI05 - BREACH OF CONTRACT Any Contractor personnel who personally violate any requirements of this contract may be denied access to any government site and Contractor may be terminated for default of this contract. Should one or more other contracts, now or hereafter, exist between Sandia and the Contractor or with any affiliated corporation or company of the Contractor, then a breach by the Contractor of any contract, may, at the option of Sandia, be considered a breach of all contracts; and in that event Sandia may terminate any or all of the contracts, or may withhold monies due or to become due on any such contracts, and apply the same toward payment of any

damages suffered on that or any other existing contract between Sandia and the Contractor

EI06 - 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.

EI07 - CONTRACTOR'S INFORMATION No specifications, drawings, sketches, models, samples, tools, technical information or data, written, oral or otherwise, furnished by Contractor to Sandia hereunder, or in contemplation hereof, shall be considered to be proprietary information of Contractor.

EI08 - DEFINITIONS The following terms shall have the meanings set forth below for all purposes of this contract:
(a) CONTRACT means Purchase Order (PO), Contract, Price Agreement, Subcontract, Ordering Agreement (OA), or modifications thereof.
(b) CONTRACTOR means the person or organization that has entered into this contract to sell something to Sandia.
(c) CONTRACTOR-DIRECTED WORK means work under a contract for which the Contractor is accountable for the outcome of the work performed and routinely provides work direction to the Contractor's work force.
(d) GOVERNMENT means the United States of America and includes the U.S. Department of Energy (DOE)/National Nuclear Security Administration (NNSA) or any duly authorized representative thereof.
(e) ITEM means commercial items, commercial services and commercial components as defined in FAR 52.202-1.
(f) SANDIA means Sandia Corporation, the Management and Operating (M&O) Contractor for the Sandia National Laboratories under Contract No. DE-ACO4-94AL-85000 with the U.S. Department of Energy/National Nuclear Security Adminstration.
(g) 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.
(h) SCR means Sandia Contracting Representative, the only person authorized to execute and/or administer this contract for Sandia.
(i) 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.**
(j) SUBCONTRACT means any lower tier contract under this contract.

EI09 - DISPUTES Contractor and Sandia agree to use the Sandia Acquisition Conflict Resolution Process set forth at: http://www.sandia.gov/policy/58g.pdf for resolving any and all disputes arising

from this contract.

EI10 - ESTIMATES OF COST AND LIMITATION OF OBLIGATION, IF APPLICABLE
(a) Initial Estimate of Cost and Obligation of Funds. The presently estimated cost and the obligation of funds for the work under this Contract are set forth in Section 1, if applicable.
(b) Revised Estimates of Cost. The presently estimated cost for the work under this contract may be increased unilaterally by the SCR by written notice to the Contractor and may be increased or decreased by written agreement of the parties.
(c) Limitation of Obligation. Payments on account of costs shall not in the aggregate exceed the amount of funds presently obligated hereunder.
(d) Notice of Costs Approaching Funds Obligated - Contractor Excused Pending Increase When Obligation is Reached. Whenever the Contractor has reason to believe that the total cost of the work under this contract will be greater or substantially less than the presently estimated cost of the work, the Contractor shall promptly notify the SCR in writing. The Contractor shall also notify the SCR in writing when the aggregate of expenditures, liabilities, and outstanding commitments allowable under this contract is equal to seventy-five percent (75%) (or such other percentage as the SCR may from time-to-time establish by notice to the Contractor) of the amount of funds presently obligated hereunder. When such expenditures and outstanding commitments equal one hundred percent (100%) of such amount, the Contractor shall make no further commitments or expenditures (except to meet existing commitments) and shall be excused from further performance of the work unless and until the SCR thereafter shall have notified the Contractor in writing that such amount has been increased. No notice, communication or representation in any other form or from any person other than the SCR or the person delegated in this contract shall affect the estimated cost or funds obligated hereunder. In the absence of the specified notice, Sandia shall not be obligated to reimburse the Contractor for any costs in excess of the funds obligated hereunder, whether those excess costs were incurred during the course of the contract or as a result of termination. In the event the Contractor incurs cost in excess of the funds obligated hereunder without receiving a prior notice from the SCR increasing such funds, the funds obligated hereunder may be increased at the sole discretion of the SCR to permit the Contractor to be reimbursed for all or a portion of such costs. However the SCR is not obligated to increase funding due to an after-the-fact indirect rate adjustment determined by a government audit agency. When and to the extent that the funds obligated hereunder have been increased, any costs incurred by the Contractor in excess of the funds obligated hereunder prior to such increase shall be allowable to the same extent as if such costs had been incurred after such increase, unless the SCR issues a termination notice and directs that the increase is solely for the purpose of covering termination expenses. In the event this contract is terminated or the funds obligated hereunder are not increased enough to cover all costs, the government shall be entitled to all property produced or purchased under the contract except that property which the Contractor shall demonstrate to have been produced or purchased solely with Contractor's funds in excess of the funds obligated hereunder and which can be severed from the government property without damage thereto.
(e) Sandia's Right to Terminate Not Affected. The giving of any notice by either party under this clause shall not be construed to waive or impair any right of Sandia to terminate this contract under the provisions of the clause entitled "Termination."
(f) Cost Information. The Contractor shall maintain current actual cost information adequate to reflect the cost of performing the work under this contract at all times while the work is in progress, and shall prepare and furnish to Sandia such written estimates of cost and information in support

thereof as the SCR may request.
(g) Correctness of Estimates Not Guaranteed. Neither Sandia nor the Contractor guarantees the correctness of any estimate of cost for performance of the work under this contract, and Contractor shall invoice Sandia at actual cost unless Section I of this contract provides otherwise.

EI11 - EXCESS FREIGHT CHARGES When Sandia pays any amounts for freight charges in connection with this contract, Contractor is responsible for and shall pay to Sandia the amount of any excess freight charges if the routing specified in writing by the SCR is not used. If the specified routing cannot be used, Contractor shall promptly notify the SCR before shipment, and obtain new routing directions from the SCR.

EI12 - FREIGHT CHARGE (a) Freight and Parcel Bills. The Contractor shall transmit to the SCR, each calendar quarter, a legible copy of paid freight and parcel bills covering property transported to the Contractor for Sandia's account and for which Sandia will assume the freight or parcel charges under the direct cost provisions of this contract. However, the following paid bills shall not be submitted to the SCR but shall be retained by the Contractor: rail freight forwarder, air, steamship, motor truck, and parcel bills amounting to less than $500. All bills shall be marked on the face, "This shipment is for the U.S. Department of Energy. It is subject to the Ts&Cs of the U.S. Government Bill of Lading form and to any available special rates or charges." **(b) Excess Freights Charges.** When Sandia pays any amounts for freight charges in connection with this contract, Contractor is responsible for and shall pay to Sandia the amount of any excess freight charges if the routing specified in writing by the SCR is not used. If the specified routing cannot be used, Contractor shall promptly notify the SCR before shipment, and obtain new routing directions from the SCR.

EI13 - 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 (DEAR) 945, the Federal Property Management Regulations 41 CFR 10 1, the DOE Property Management Regulations 41 CFR 109, and DEAR 970.5245-1 Property (Alternate).

EI14 - ORDER OF PRECEDENCE This contract is subject only to the Ts&Cs set forth in the following documents: Cover Page, Section I, and Section II of this contract, and the specifications and drawings or other documents, if any, referenced therein. In case of conflict or inconsistency between or among one or more provisions of the above documents, the provisions of each document shall take precedence over the provisions of the other documents in the following order of priority: Section I, Cover Page, Section II, specifications, drawings, and other documents, if any incorporated into this contract by reference thereto.

EI15 - PAYMENTS (a) Payments on Account of Allowable Costs. Once each month (or at more frequent intervals, if approved by the SCR) the Contractor may submit to Sandia, Accounts Payable Department, in such form and reasonable detail as may be required by the SCR, an invoice or voucher supported by a statement of costs incurred by the Contractor in the performance of this contract and claimed to constitute allowable costs. "Allowable costs" includes, but is not limited to, actual indirect

rate cost experience during the period of performance unless Section I of this contract indicates otherwise. Promptly after receipt of each invoice or voucher Sandia shall, subject to the provisions of (b) below, make payment thereon in accordance with contract provisions. 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. Costs for items of Capital Property (defined in FAR 52.245-5 - Government Property) if applicable, shall be separately listed in invoices. 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 date on which an electronic funds transfer was made. Sandia may take contract or invoice prompt payment discount. Any travel outside the United States by Contractor personnel, in connection with work under this contract, requires advance written approval by the SCR.

(b) Audit Adjustments. At any time or times prior to settlement under this contract the SCR may have invoices or vouchers and statements of cost audited. Each payment there to for made shall be subject to reduction for amounts included in the related invoice or voucher which are found by the SCR, on the basis of such audit, not to constitute allowable cost. Any payment may be reduced for overpayments, or increased for underpayments, on preceding invoices or vouchers.

(c) Completion Voucher. On receipt and approval of the invoice or voucher designated by the Contractor as the "completion invoice" or "completion voucher" and upon compliance by the Contractor with all the provisions of this contract (including, without limitation, the provisions relating to patents and provisions of (e) below) Sandia shall promptly pay to the Contractor any balance of allowable cost. The completion invoice or voucher shall be submitted by the Contractor promptly following completion of the work under this contract but in no event later than sixty (60) days (unless the SCR grants a further specific period of time) from the date of such completion.

(d) Applicable Credits. The Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor or any assignee under this contract shall be paid by the Contractor to Sandia to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by Sandia under this contract. Reasonable expenses incurred by the Contractor for the purpose of securing such refunds, rebates, credits, or other amounts shall be allowable costs hereunder when approved by the SCR.

(e) Financial Settlement. Prior to final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment under this contract shall execute and deliver: (1) an assignment to Sandia in form and substance satisfactory to the SCR of refunds, rebates, credits or other amounts (including any interest thereon) properly allocable to costs for which the Contractor has been reimbursed by Sandia under this contract; and (2) a release discharging Sandia and the government, their officers, agents and employees from all liabilities, obligations, and claims arising out of or under this contract, subject only to the following exceptions: (i) specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor; (ii) claims, together with reasonable expenses incidental thereto, based upon liabilities of the Contractor to third parties arising out of performance of this contract; provided that such claims are not known to the Contractor on the date of the execution of the release; and provided further that the Contractor gives notice of such claims in writing to the SCR not more than three (3) years after the date of the release or the date of any notice to the Contractor that Sandia is prepared to make final payment, whichever is earlier; and (iii) claims for reimbursement of costs (other than expenses of the

Contractor by reason of any indemnification of Sandia or the government against patent liability), including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of this contract relating to patents. The Contractor and each such assignee hereby agree that the failure to execute and deliver the aforesaid assignment and release within sixty (60) days of a written request therefore by the SCR shall be deemed to be and shall have the same effect as a release as set forth above in Item (2), including a release of all claims set forth in sub Items (i) and (iii) of Item (2).

EI16 - 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 Performance Evaluation 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. Details on the evaluation program can be viewed at http://www.sandia.gov/supplier/contracts/prequal/performeval.htm

EI17 - 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.

EI18 - PRICE-ANDERSON AMENDMENTS ACT (PAAA) (a) Regulatory Liability. If the item(s) or service(s) required by the Purchase Order (PO) is related to nuclear or radiological safety, then the item(s) or service(s) are regulated by the DOE/NNSA under the provisions of Federal Regulations 10 CFR 820, 10 CFR 830, and 10 CFR 835 (Price-Anderson Amendments Act – 1988). The supplier shall incorporate all applicable PO requirements into all supplier-issued procurement documents. Flow-down of PO requirements shall be verbatim, i.e., without change or modification. Lower-tier subcontracting requires flow-down of all applicable requirements to each supplier at any tier. **(b) Occupational Radiation Protection.** The Contractor shall comply with applicable requirements in Sandia's Radiation Protection Procedures Manual (RPPM) unless the Contractor's activities specified in the SOW shall be regulated through a license by the Nuclear Regulatory Commission or a state under an agreement with the Nuclear Regulatory Commission. (Upon request the Sandia Contracting Representative (SCR) will make the RPPM available.)

EI19 - QUALITY ASSURANCE PROGRAM If Section I of this contract includes Standard Clause 109-QSP- Quality Significant Purchase, the Contractor shall have a Quality Assurance (QA) program which provides for control of activities affecting quality of the item(s) or service(s) specified in the SOW to an extent consistent with their importance. Such program shall be documented by written policies, procedures, or instructions and shall be carried out by the Contractor in accordance with those policies, procedures, or instructions. The Contractor's QA program shall be in accordance with 10 CFR 830 and DOE O 414.1A located at http://www.directives.doe.gov

EI20 - RECYCLED OR NEW MATERIALS Except as otherwise provided in the SOW or Contractor's quotation, the quoter certifies that any products to be furnished are new (not used or reconditioned) and not of such age or so deteriorated as to impair their usefulness or safety.

EI21 - 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 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.

EI22 - 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.

EI23 - REPORTS REQUIRED BY THIS CONTRACT Final reports following completion of the work required by this contract and interim reports as may be required by this contract constitute deliverables under this contract and shall be submitted in an electronic format such as Microsoft Word or other format commonly used at Sandia along with any paper format required by this contract and shall be submitted on 3.5 inch floppy disk, CD ROM or other media requested by the SDR .

EI24 - RIGHTS AND INTERESTS All rights and interests resulting from this contract shall pass directly from the Contractor to the government. FAR 52.227-17 applies to all deliverables which are copyrightable works produced as part of the performances of this contract.

EI25 - RISK OF LOSS If Sandia is responsible for the risk of loss during transportation of compliant item, Sandia shall compensate Contractor the lesser of: (1) the agreed price of such item, or (2) the Contractor's cost of replacing such item, and such loss shall entitle the Contractor to an equitable adjustment in delivery schedule obligations.

EI26 - SANDIA PROVIDED INFORMATION Any and all physical forms of designs, design data, specifications, technical, scientific data, and other information furnished by Sandia to the Contractor shall remain the property of the government. 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.

EI27 - SUBCONTRACTS If Contractor subcontracts any work in the performance of this contract, Contractor shall incorporate into very such contract the appropriate set of Ts&Cs found at: http://www.sandia.gov/supplier/terms/ or use the SF 6432-CI for the purchase of commercial items.

EI28 - TAXES By reason of Sandia's Nontaxable Transaction Certificate, the Contractor should not incur nor include in the price any state and local taxes. If performance occurs in New Mexico the clauses at DEAR 970.5204-4 New Mexico Gross Receipts and Compensating Tax and FAR 52.229-10 State of New Mexico Gross Receipts and Compensating Tax are applicable. Sandia holds California Contractor's Permit Number OH-98033576. Purchases made under this contract are exempt from California Sales and Use Taxes if performance occurs in California.

EI29 - TRANSPORTATION All transportation shall be "FOB Origin" 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-ACO4-94-AL-85000. Confirmation will be made by Sandia National Laboratories.

EI30 - 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 and DEAR clauses. The full text of the clauses may be accessed electronically at http://www.arnet.gov/far/ Where the FAR/DEAR clauses refer to government and Contracting Officer, substitute Sandia and Sandia Contracting Representative (SCR). Upon request the SCR will make the full text available.

EI31 - The following clauses are applicable TO ALL subcontracts UNLESS OTHERWISE INDICATED BELOW:
DEAR 952.204-71 Sensitive Foreign Nations Controls. Applies if the subcontract is for unclassified research involving nuclear technology.
FAR 52.216-7 Allowable Cost and Payment. Substitute 31.3 in subcontracts with educational institutions and 31.7 in subcontracts with nonprofit organizations for 31.2 in Paragraph (a).
FAR 52.216-15 Predetermined Indirect Costs Rates
FAR 52.222-21 Prohibition of Segregated Facilities
FAR 52.222-26 Equal Opportunity
FAR 52.223-3 Hazardous Material Identification and Material Safety Data Sheets and Alternate I. Applies only if subcontract involves delivery of hazardous materials.
FAR 52.225-13 Restrictions on Certain Foreign Purchases
DEAR 970.5227-4 Authorization and Consent Paragraph (a)
DEAR 952.227-9 Refund of Royalties. Applies if "royalties" of more than $250 are paid by a subcontractor at any tier.
DEAR 952.227-11 Patent Rights – Retention by the Contractor (Short Form). Applies only if subcontractor is a nonprofit organization as set forth in 48 CFR 27.301. If subcontractor does not qualify in accordance with 48 CFR 27.301, it may request a patent waiver pursuant to 10 CFR 784.

FAR 52.227-14 Rights in Data-General with ALTERNATE V and DEAR 927.409 Paragraphs (a) and (d)(3). Applies if the contract is for development work, or for basic and applied research where computer software is specified as a deliverable in the SOW or other special circumstances apply as specified in the contract. Rights In Data-General (Jun 1987) with ALTERNATE IV, Subparagraph (c)(1) and DEAR 927.409, subparagraph (a) Definitions. Applies if the contract is for basic or applied research and computer software is not specified as a deliverable in the SOW, and no other special circumstances apply per DEAR 927.409.
FAR 52.227-23 Rights to Proposal Data (Technical) . Applies if the contract is based upon a technical proposal.
FAR 52.229-10 State of New Mexico Gross Receipts and Compensating Tax. Applies if any part of this subcontract is to be performed in the State of New Mexico.
FAR 52.242-15 Stop-Work Order with Alternate I
FAR 52.243-2 Changes – Cost-Reimbursement with Alternate V
FAR 52.244-2 Subcontracts with Alternate II. Insert in Paragraph (e): "Any subcontract or Purchase Order for other than "commercial items" exceeding the simplified acquisition threshold. ("Commercial item" has the meaning contained in FAR 52.202-1, Definitions.)"
FAR 52.245-5 Government Property (Cost-Reimbursement, Time-And-Materials, Or Labor-Hour Contracts with Alternate I . (Paragraphs (e)(1) and (e)(2) insert, "and DOE Acquisition Regulations Subpart 945.5," after the reference to FAR Subpart 45.5.)
FAR 52.246-9 Inspection of Research and Development (Short Form)
FAR 52.247-63 Preference for U. S. Flag Air Carriers . Applies if the Subcontract involves international air transportation.
FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels
DEAR 952.247-70 Foreign Travel
FAR 52.249-5 Termination for Convenience of the Government (Educational and Other Nonprofit Institutions)
DEAR 952.217-70 Acquisition of Real Property . Applies if the Subcontract involves leased space that is reimbursed.
DEAR 970.5232-3 Accounts, Records, and Inspection (Dec 2000)
FAR 52.229-10 State of New Mexico Gross Receipts and Compensating Tax. Applies if any part of this subcontract is to be performed in the State of New Mexico.
FAR 52.242-15 Stop-Work Order (AUG 1989) with Alternate I

EI32 - APPLY TO CONTRACTS EXCEEDING $2,500 if Section I indicates that this a contract for services under the Services Contract Act
FAR 52.222-41 Service Contract Act of 1965 as Amended

EI33 - APPLY TOCONTRACTS FOR $10,000 OR MORE

FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans
FAR 52.222-36 Affirmative Action for Workers With Disabilities
FAR 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans

EI34 – APPLY TO CONTRACTS EXCEEDING $100,000

FAR 52.203-5 Covenant Against Contingent Fees
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 or Improper Activity
FAR 52.203-12 Limitation On Payments to Influence Certain Federal Transactions
FAR 52.219-8 Utilization of Small Business Concerns
FAR 52.222-4 Contract Work Hours and Safety Standards Act – Overtime Compensation
DEAR 970.5227-5 Notice and Assistance Regarding Patent and Copyright Infringement

EI35 – APPLY TO CONTRACTS EXCEEDING $500,000

FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data, if subcontract exceeds $550,000
FAR 52.215-11 Price Reduction for Defective Cost or Pricing Data –Modifications, not used when 52.215-10 is included. In subcontracts greater than $550,000
FAR 52.215-12 Subcontractor Cost Pricing Data (Oct 1997). Applies if 52.215-10 applies.
FAR 52.215-13 Subcontractor Cost or Pricing Data -Modifications (Oct 1997). Applies if 52.215-11 applies.
FAR 52.219-9 Small Business Subcontracting Plan (JAN 2002). Applies unless there are no subcontracting possibilities.
FAR 52.227-16 Additional Data Requirements (June 1987)
FAR 52.230-2 Cost Accounting Standards (Apr 1998), excluding Paragraph (b). Applies to nonprofit organizations if they are subject to full CAS coverage as set forth in 48 CFR Chapter 99, Subpart 9903.201-2 (FAR Appendix B).
FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices (Apr 1998), excluding paragraph (b). Applies to nonprofit organizations if they are subject to modified CAS coverage as set forth in 48 CFR Chapter 99, Subpart 9903.201-2 (FAR Appendix B).
FAR 52.230-5 Cost Accounting Standards – Educational Institution (Apr 1998), excluding Paragraph (b).
FAR 52.230-6 Administration of Cost Accounting Standards (Nov 1999)

EI36 - 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

EI37 - APPLY TO ALL CONTRACTS WHERE ANY WORK WILL BE PERFORMED ON A GOVERNMENT SITE

DEAR 970.5223-1 Integration of Environment, Safety, and Health Into Work Planning and Execution
DEAR 970.5204-79 Access t and Ownership of Records
DEAR 970.5204-26 Nuclear Facility Safety
DEAR 970.5223-3 Workplace Substance Abuse Programs at Government Sites
DEAR 970.5223-04 Whistleblower Protection

CLAUSES EI38THROUGH EI47 APPLY TO ALL CONTRACTS WHERE ANY WORK WILL PERFORMED ON A GOVERNMENT SITE

EI38-- CITIZENSHIP STATUS All personnel of the Contractor and its subcontractors who require access must be United States 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.

EI39 - 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 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.

EI40 – 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 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 at http://www.sandia.gov/supplier/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.

EI41- 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.

EI42 - PROTECTION OF GOVERNMENT PROPERTY All Sandia National Laboratories information, information technologies and information systems are United States government property. Please read the notice at: http://www.sandia.gov/supplier/docindex.htm . All facilities, personal property, existing vegetation, structures, equipment, utilities, improvements, materials, and work at Sandia National Laboratories are United States government property. Acts of theft, improper use and/or unlawful destruction of United States government property are punishable under one or more Federal Criminal Laws.

EI43 - REQUIREMENTS FOR ACCESS TO GOVERNMENT SITES Permission to enter government sites shall at all times be subject to all laws, regulations, and site access rules for the site. The government requirements include but are not limited to, all of the requirements set forth in this section 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 POP 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 DOE/NNSA, is to be denied access to any government site. Contractor shall submit to the SDR or the SCR proposed working schedules for its personnel and the personnel of each of its subcontractors. The schedules will show proposed daily working hours and proposed work weeks. Schedules that deviate from Sandia's normal work day or work week must be approved by the responsible SDR. 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.

EI44 - TERMINATION OR REASSIGNMENT OF PERSONNEL The Contractor shall: (i) notify immediately the SCR and the Sandia Badge Office at Albuquerque (Sandia Physical Security Division at Livermore; Tonopah Test Range Manager at Tonopah) if any Contractor employees assigned to work under this contract are terminated for any reason or are assigned to other Contractor non-Sandia work and will not work under this contract in the future, and (ii) ensure that any Contractor employees identified under this paragraph surrender to the Sandia Badge Office (Sandia Physical Security Division at Livermore; Tonopah Test Range Manager at Tonopah) any Sandia badge, Kirtland Air Force Base decals or other access documents within five days of termination or reassignment.

EI45 - 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.

EI46 - 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.

EI47 - VISITOR ACCESS TO GOVERNMENT SITES The organizations listed below are responsible for coordinating and administering the provisions of visitor access and control for the sites as listed. Sandia National Laboratories, Albuquerque, New Mexico – Badge Office, Sandia Corporation, Building 800/BO, 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.