

**SANDIA CORPORATION
SF 6432-CS (02/2016)
SECTION II**

STANDARD TERMS AND CONDITIONS FOR COMMERCIAL SERVICES

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 \$15,000
APPLY TO CONTRACTS IF \$25,000 OR MORE
APPLY TO CONTRACTS IF \$150,000 OR MORE
APPLY TO CONTRACTS EXCEEDING \$150,000
APPLY TO CONTRACTS EXCEEDING \$700,000
APPLY TO CONTRACTS EXCEEDING \$5,500,000
APPLY TO ALL CONTRACTS THAT MAY INVOLVE ACCESS TO
CLASSIFIED INFORMATION
APPLY TO ALL WORK PERFORMED ON A GOVERNMENT SITE UNDER
THIS CONTRACT
APPLY TO CONTRACTS TO BE PERFORMED ON A GOVERNMENT SITE
WHENEVER THE WORK (1) COULD RESULT IN POTENTIAL EXPOSURE
TO: (A) RADIOACTIVE MATERIALS; (B) BERYLLIUM; OR (C) ASBESTOS
OR (2) INVOLVES A RISK ASSOCIATED WITH CHRONIC OR ACUTE
EXPOSURE TO TOXIC CHEMICALS OR SUBSTANCES OR OTHER
HAZARDOUS MATERIALS THAT CAN CAUSE ADVERSE HEALTH
IMPACTS, IN ACCORDANCE WITH 10CFR PART 851
CERTIFICATE OF INSURANCE
CITIZENSHIP STATUS
CONTRACTOR OR SUBCONTRACTOR USE OF GOVERNMENT-OWNED
VEHICLES
ENVIRONMENTAL, SAFETY, AND HEALTH (ES&H) REQUIREMENTS
HAZARDOUS MATERIALS
PROTECTION OF GOVERNMENT PROPERTY
REQUIREMENTS FOR ACCESS
VEHICLE INSURANCE
VEHICLE MARKINGS

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

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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, 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 United States (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.

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 contract 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 be liable for any amount for items 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 or services not yet accepted by Sandia. In that event Sandia shall be liable for the purchase price of items 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 subject to the Disputes clause of 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

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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 comply with all applicable federal, state, and local laws and ordinances and all pertinent lawful orders, rules, and regulations and such compliance shall be a material requirement of this contract.

DEFINITIONS

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

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

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

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

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

(e) SANDIA means Sandia National Laboratories, operated by Sandia Corporation under Contract No. DE-AC04-94AL85000 with the U.S. DOE/NNSA.

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

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

(h) 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.

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

DISPUTES

Contractor and Sandia agree to use the Sandia Acquisition Conflict Resolution Process set forth at

http://www.sandia.gov/working_with_sandia/procurement/current_suppliers/contract_or_bidder/ under "Policies" for resolving any and all disputes arising from this contract.

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

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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 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.

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INDEPENDENT CONTRACTOR RELATIONSHIP

(a) Contractor is an independent contractor in all its operations and activities related to this contract. The employees used by Contractor to perform Work under this Contract shall be Contractor's employees without any relation whatsoever to Sandia Corporation.

(b) Contractor shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expenses of litigation and/or settlement, and court costs, arising from any act or omission of Contractor, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this Contract.

(c) Contractor shall indemnify and hold harmless Sandia from and against any actual or alleged liability, loss, costs, damages, fees of attorneys, and other expenses which Sandia may sustain or incur in consequence of:

(i) Contractor's failure to pay any employee for the Work rendered under this Contract, or

(ii) any claims made by Contractor's personnel against Sandia.

The Contractor shall flow down the requirements of this clause to any applicable subcontracts for services.

INFORMATION SECURITY

Official Use Only (OUO) and Sandia Proprietary Information (SPI)

Contractor shall ensure Sandia information utilized in the performance of this contract is not used or disseminated for any other purpose. Contractor shall protect OUO and SPI information from unauthorized dissemination (e.g. to persons who do not require the information to perform work under this contract) and shall follow all requirements for OUO and SPI documents specified below.

Definition: OUO and SPI information are unclassified with the potential to damage government, commercial or private interests if disseminated to persons who do not have a need-to-know the information.

(a) Protection in Use: Precautions shall be taken by the contractor to prevent access to documents marked as containing OUO information by persons who do not require the information to perform their jobs or other DOE-authorized activities.

(b) Protection in Storage: Documents marked as containing OUO information shall be stored in a locked room or other locked receptacle (e.g., a locked file cabinet, desk).

(c) Reproduction: Documents marked as containing OUO information shall be reproduced to the minimum extent necessary in performance of the contract. All copies of Sandia OUO and SPI (including 3-D print prototypes) shall be protected, accessed, stored, marked, transmitted and destroyed in the same manner as the originals.

(d) Destruction: Disks shall be overwritten using approved software and destroyed. Hard copy OUO or SPI documentation shall be destroyed by using an approved shredder (strips no more than ¼ inch wide).

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ORDER OF PRECEDENCE

Any inconsistencies shall be resolved in accordance with the following descending order of precedence: (1) Section I; (2) SF 6432-CS, Section II.

PAYMENT

(a) Firm-Fixed Price Contract. Unless otherwise provided, terms of payment shall be Net 30 days from the latter of: (1) receipt of Seller's proper invoice, if required, or (2) delivery of Items/completion of work. Any offered discount shall be taken if payment is made within the discount period that the Seller indicates. Payments will be made by electronic funds transfer. Payment shall be deemed to have been made as of the date on which an electronic funds transfer was made.

(b) Fixed-Rate Contract. Upon submittal of individual invoices or vouchers, and pursuant to the Allowable Charges Clause in Section I of the contract the Contractor shall be paid as follows: (1) The amounts computed by multiplying the appropriate fixed-rate, or rates, set forth in Section I by the number units performed. The fixed rates shall include wages, indirect cost, general and administrative expense and profit; provided; however, that the fractional parts of a unit 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 fixed rate only applies to employees of the Contractor and not to employees of subcontractors performing subcontracts. For the purposes of this clause, employees of the Contractor are defined as individuals who are treated as its employees with respect to federal or state income or employment taxes to the extent such individuals are so employed and are so treated.

(2) Total time paid for Contractor's personnel chargeable to Sandia in those occupational classifications set forth in the clause of Section I of this contract entitled "Allowable Charges," and shall be recorded on readily verifiable 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 those hours worked hereunder, identified by reference to this contract and each suborder, if any, issued hereunder, and those hours worked 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 SDR as authorized by the SCR. (3) Unless provisions of Section I hereof otherwise specify, the fixed 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 overtime rates only to the extent the overtime work is authorized in writing by the SCR and any nonauthorized overtime work will be reimbursable at the standard time rates. (4) 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

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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 percent (75%) of the ceiling price then set forth in Section I, 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. (5) Limitation of Obligation (LO). Sandia shall not be obligated to pay the Contractor any amount in excess of the LO ceiling price set forth in Section I and the Contractor shall not be obligated to continue performance if to do so would exceed the LO ceiling price set forth in Section I, unless and until the SCR shall have notified the Contractor in writing that such LO ceiling price has been increased and shall have specified in such notice a revised LO ceiling which shall thereupon constitute the LO ceiling price for performance under this contract. When and to the extent that the LO ceiling price set forth in Section I has been increased, any hours expended and material costs incurred by the Contractor in excess of the LO 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 LO ceiling price. (6) 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. (7) Sandia may take contract or invoice prompt payment discount. (8) 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. (9) 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 the Department of Energy Acquisition Regulation (DEAR) Part 931 in effect on the date of this contract. (10) At any time or times, as deemed necessary by the SCR or his designee but not later than three years after final payment under this contract, Sandia may validate the invoices or vouchers billed for labor, material travel and any other charges identified in the allowable charges clause of Section I of the contract. 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

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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.

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. Please contact your buying representative for additional information.

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.

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 performance of this contract.

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

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performance of this contract.

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/contract_or_bidder/terms-conditions.html 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.

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 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 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

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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.

Additional detailed information is available at the Department of Energy (DOE) Training Manual on [Suspect/Counterfeit Awareness](#).

Contractor shall 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.

The Contractor may choose to identify to Sandia National Laboratories certifications held to applicable standards such as ISO/IEC 20243, *Mitigating Maliciously Tainted and Counterfeit products* or other similar standards, to satisfy this contract requirement. This can be completed by sending the certification to the Suspect/Counterfeit Items Program Coordinator at sqasci@sandia.gov.

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 Sandia Contracting Representative. 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). 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 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 Department of Energy 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.

For questions or to report suspect or counterfeit items or materials email the Sandia

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National Laboratories Suspect/Counterfeit Items Program Coordinator at sqasci@sandia.gov.

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 shall 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 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 PII, has been inappropriately, taken, used, disclosed, and/or released or that the controls for access to the information have been compromised, the Contractor shall 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 shall 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

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applicable to any subcontractor or non-governmental third party who receives PII provided through this agreement.

TAXES

For many purchases, Sandia can provide Transaction Exemption Certificates for both New Mexico and California, and certificates for other states may also be available. Direct any request for Transaction Exception Certificates to taxes@sandia.gov. 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. Prices include all applicable federal taxes.

TRANSPORTATION

If transportation is specified "Freight on Board (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.

WARRANTY

Contractor expressly warrants that no counterfeit items or components in items shall be delivered to Sandia on this contract. Contractor expressly warrants that all items provided under this contract shall have a rightful transfer of good title thereto and are delivered free of any rightful claims of any third person by way of infringement of any intellectual property right. The warranty shall begin upon receipt of conforming items and extend for a period of: (1) the manufacturer's warranty period or six (6) months, whichever is longer, if the Contractor is not the manufacturer and has not modified the item, or (2) one (1) year or the manufacturer's warranty period, whichever is longer, if the Contractor is the manufacturer of the item or had modified it. If any nonconformity with item appears within that time, Contractor shall promptly repair, replace, or reperform such items at Contractor's election. Transportation of replacement items and return of nonconforming items and repeat performance of services shall be at Contractor's expense. Sandia shall notify Contractor of such nonconformity within a reasonable time after discovery, and Contractor shall notify Sandia of whether it chooses to make repairs or replacements within three (3) working days after Sandia's notice of nonconformity. If repair or replacement or reperformance of services is not timely, Sandia may elect to return the nonconforming items or repair or replace them or reprocur the services at Contractor's expense.

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 U.S. Copyright Act of

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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 52.203-99 Prohibition on Contracting with Entities that Require Certain Internal Confidentiality Agreements (DEVIATION 2015-02)
FAR 52.208-8 Required Sources for Helium and Helium Usage Data
FAR 52.222-50 Combating Trafficking in Persons
FAR 52.223-17 Affirmative Procurement of EPA-Designated Items in Service and Construction Contracts
FAR 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving
FAR 52.232-39 Unenforceability of Unauthorized Obligations
FAR 52.232-40 Providing Accelerated Payments to Small Business Subcontractors
FAR 52.242-15 Stop Work Order
FAR 52.244-6 Subcontracts for Commercial Items
FAR 52.245-1 Government Property
FAR 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels
DEAR 952.204-77 Computer Security
DEAR 952.211-71 Priorities and Allocations (Atomic Energy)
DEAR 952.217-70 Acquisition of Real Property
DEAR 952.247-70 Foreign Travel

APPLY TO CONTRACTS EXCEEDING \$2,500

FAR 52.222-41 Service Contract Labor Standards

APPLY TO CONTRACTS EXCEEDING \$10,000

FAR 52.222-20 Contracts for Materials, Supplies, Articles and Equipment Exceeding \$10,000
FAR 52.222-21 Prohibition of Segregated Facilities
FAR 52.222-26 Equal Opportunity

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APPLY TO CONTRACTS EXCEEDING \$15,000

FAR 52.222-36 Equal Opportunity for Workers with Disabilities

APPLY TO CONTRACTS IF \$25,000 OR MORE

DEAR 970.5223-4 Workplace Substance Abuse Programs at DOE Sites

APPLY TO CONTRACTS IF \$150,000 OR MORE

FAR 52.203-6 Restrictions on Subcontractor Sales to the Government Alternate I

FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions

FAR 52.222-35 Equal Opportunity for Veterans

FAR 52.222-37 Employment Reports on Veterans

FAR 52.222-40 Notification of Employee Rights under the National Labor Relations Act

APPLY TO CONTRACTS EXCEEDING \$150,000

FAR 52.203-17 Contactor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights

FAR 52.219-8 Utilization of Small Business Concerns

FAR 52.222-17 Nondisplacement of Qualified Workers

FAR 52.222-54 Employment Eligibility Verification

FAR 52.246-2 Inspection of Supplies - Fixed Price

FAR 52.246-4 Inspection of Services - Fixed Price

APPLY TO CONTRACTS EXCEEDING \$700,000

FAR 52.219-9 Small Business Subcontracting Plan Alternate II

APPLY TO CONTRACTS EXCEEDING \$5,500,000

FAR 52.203-13 Contractor Code of Business Ethics and Conduct

APPLY TO ALL CONTRACTS THAT MAY INVOLVE ACCESS TO CLASSIFIED INFORMATION

DEAR 952.204-2 Security Requirements

DEAR 952.204-70 Classification/Declassification

DEAR 970.5204-1 Counterintelligence

APPLY TO ALL WORK PERFORMED ON A GOVERNMENT SITE UNDER THIS CONTRACT

DEAR 952.203-70 Whistleblower Protection for Contractor Employees

DEAR 970.5222-1 Collective Bargaining Agreements-Management and Operating Contracts

DEAR 970.5223-1 Integration of Environment, Safety, and Health into Work Planning and Execution

APPLY TO CONTRACTS TO BE PERFORMED ON A GOVERNMENT SITE WHENEVER THE WORK (1) COULD RESULT IN POTENTIAL EXPOSURE TO:

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(A) RADIOACTIVE MATERIALS; (B) BERYLLIUM; OR (C) ASBESTOS OR (2) INVOLVES A RISK ASSOCIATED WITH CHRONIC OR ACUTE EXPOSURE TO TOXIC CHEMICALS OR SUBSTANCES OR OTHER HAZARDOUS MATERIALS THAT CAN CAUSE ADVERSE HEALTH IMPACTS, IN ACCORDANCE WITH 10CFR PART 851

DEAR 970.5204-3 Access to and Ownership of Records (OCT 2014) (DEVIATION)

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

CERTIFICATE OF INSURANCE

For all contracts where some portion of the work is to be conducted on a government site, and contract value including the sum of any options or releases equals or exceeds \$150,000, the Contractor shall provide a Certificate of Insurance evidencing the following insurance coverage that will be provided to the SCR prior to the commencement of work:

1. Commercial General Liability Insurance (ISO policy form or equivalent) with limits of liability of not less than \$1,000,000 each occurrence and in the aggregate for bodily injury, property damage, personal injury and contractual liability and will include Sandia Corporation as an additional insured.
2. Workers' Compensation and Employers' Liability Insurance covering all employees performing work on the government site with Employers' Liability limits not less than \$1,000,000.
3. Business Automobile Liability Insurance (ISO policy form or equivalent) with coverage for owned, leased and hired autos) with limits of not less than \$1,000,000 each accident for bodily injury and property damage if the on-site work contemplates the use of automobiles.

Onsite visits for deliveries and status meetings are exempt from this requirement.

Sandia Corporation reserves the right to amend these insurance requirements which may include, but not be limited to, requiring additional limits and or coverages depending on the nature and scope of work being performed.

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 U.S. 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

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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 Service 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 Statement of Work (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/working_with_sandia/procurement/current_suppliers/contract_or_bidder/ under "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

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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/contract_or_bidder/ under "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 for the site including but not limited to all ES&H and Security requirements. For work performed at Sandia and elsewhere, the Security and ES&H requirements can be obtained by contacting 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 DOE/NNSA, 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 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

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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.

(b) Sandia 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, Innovation Parkway Office Complex (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 shall 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 shall 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.

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

Non-government commercial vehicles must be marked in accordance with

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Department of Transportation regulations. Operators of all vehicles must have, in their possession, valid registration, insurance, licensing and related documentation applicable to the vehicle.

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