

<b>Subcontract No.</b>	<b>Prime Contract No.</b>	<b>Type of Agreement</b>
<b>QRI-SC-23-101</b>	<b>HHHHHHH-HH-H-HHHH (TO 2313)</b>	IDIQ
<b>DPAS Rating – DOA4</b>		

Quantum Research International, Inc.  
991 Discovery Drive  
Huntsville, AL 35806  
Attn: Devin Crowe  
Email: rcrowe@quantum-intl.com  
Phone: 256-971-1800, ext. 1261

And

Auburn University  
Attn: Kelley Terry  
Email: terrykl@auburn.edu  
Phone: 334-844-2299

**Witness That:**

This Agreement constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings and agreements. It cannot be changed unless such changes are in writing and duly executed by the authorized representative of both parties as shown above. This agreement is governed by the laws of the State of Alabama.

*By accepting and signing below, the Subcontractor certifies that neither the Subcontractor, or its principals, is debarred, suspended, or proposed for debarment by the Federal Government, and*

*certifies that to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an office or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee or a Member of Congress on its behalf in connection with the awarding of this modification.*

By the signing below by duly authorized representatives, the parties have executed this agreement as of the last signature date.

<b>For Quantum Research International, Inc.:</b>		<b>For: Auburn University</b>	
<b>Signature:</b>		<b>Signature:</b>	
<b>Name:</b>	Jill Raney	<b>Name:</b>	
<b>Title:</b>	Director of Contracts	<b>Title:</b>	
<b>Date:</b>		<b>Date:</b>	

## **Section A. Subcontract**

The maximum value of this Subcontract will be the collective total of all Task Orders (TO's) awarded under this Subcontract.

## **Section B. Supplies or Services and Prices**

### **CONTRACT TYPE**

- a. This is an Indefinite Delivery/Indefinite Quantity (IDIQ) type contract with multiple pricing arrangements available for use in pricing individual TO's. Available arrangements shall include Cost-Plus-Fixed-Fee (CPFF), Time and Material (T&M) or Firm Fixed Price (FFP).
  - b. The Subcontractor, as an independent contractor and not as an agent or employee of Quantum Research International, Inc., shall furnish all necessary labor, services (non-personal), equipment, and /or material (except as specified to be furnished by Quantum or the Government) required to accomplish the work efforts as specifically set forth in each issued TO. All TOs shall be within the general scope of the basic subcontract Performance Work Statement (See Section C below).
  - c. All Supplies or Services will be awarded by individual TO's. All funds will be obligated by individual TO's issued under this basic Subcontract.
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## Section C. Statement of Work

The Subcontractor, as an independent contractor, and not as an agent or employee of Quantum or the government, shall furnish all necessary labor, services, and material (except those labor, services, and material that will be furnished by Quantum or the government and so specified in each individual TO) required to accomplish the specific requirements of each individual TO. Each TO shall be within this Section C PWS to this Subcontract.

In the below PWS, the term “contractor” shall mean “subcontractor,” and the term “contract” shall mean “subcontract.”

**C.1.0 DESCRIPTION OF EFFORT:** This non-personal service PWS establishes requirements for Contractor-provided services to the Program Executive Office (PEO) Missiles and Space (MS). The scope of this PWS consists of requirements for technical services such as Systems Engineering; Test and Evaluation (T&E); Industrial Engineering; Command, Control, Communication; Cybersecurity and Electro- Magnetic Activities (CEMA), technical releases, and integration of complex Foreign Military Sales (FMS) cases, and associated specialized support related to operations, financial management, contracting, strategic analysis, and long-range planning for complex technical requirements for PEO MS managed weapon systems and foreign partners to include cooperative programs throughout the acquisition lifecycle. The effort will require Contractors to provide qualified personnel, equipment, supplies, facilities, transportation, tools, materials, supervision, and other items and non-personal services necessary to perform the services as defined in this PWS. IT and wireless devices (i.e., laptops, docking stations, mobile phones, etc.) will be provided to the Contractor for on-site and telework- eligible performance of this task. This effort will be funded through multiple funding types – Research, Development, Test, and Evaluation (RDT&E), Operations and Maintenance (O&M), Procurement, and Security Assistance/Security Cooperation funds. See Part 3 below for the specific tasks of this PWS.

**Program Executive Office Background:** The U.S. Army Program Executive Office Missiles and Space develops, fields, and sustains defensive and offensive integrated fire capabilities in support of the joint all-domain battlespace. PEO MS is the U.S. Army acquisition agency for the procurement of air and missile defense systems; precision fires rockets and missiles; close-combat missiles; counter unmanned aircraft systems; counter rocket, artillery, and mortar systems; and air-to-ground aviation munitions. PEO MS is on the cutting edge of the Army’s long-range precision fires, air and missile defense, hypersonic, directed energy, counter-unmanned aerial systems, integrated fires mission command, and aviation and ground missiles modernization initiatives. We are an indispensable acquisition leader, enabling U.S. warfighters, our allies and partners to defeat the threats of today and tomorrow. The organization, workforce, and innovative acquisition processes provide a rapid and iterative approach to integrated fires capability development with the objective to reduce cost and acquisition risks, address technological obsolescence, and eliminate duplication of effort. PEO Missiles and Space is aligned to increase the speed of deliver, enable design tradeoffs in the requirements process, expand the role of Warfighters throughout the acquisitions process, and leverage rapid acquisition authorities and non-traditional suppliers. This approach allows for rapid response to changes in the operations environment, provides integrated multi-domain solutions, and complicates our competitors’ abilities to offset our systems. Six project offices manage more than 30 programs of record which leverage state-of-the-art technology to meet full-spectrum operations requirements:

- Integrated Fires Rapid Capabilities Office (IF/RCO)
  - Integrated Fires Mission Command (IFMC)
  - Short and Intermediate Effectors for Layered Defense (SHIELD)
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- Search, Track, Acquire, Radiate, Eliminate (STARE)
- Strategic and Operational Rockets and Missiles (STORM)
- Tactical Aviation and Ground Munitions (TAGM)

PEO Headquarters Functions include

- Chief Information Officer
- Business Management
- International
- Logistics
- Engineering
- Management Support
- Strategic Initiatives
- Facilities

## **C.2.0 SPECIFIC TASK ORDER (TO) REQUIREMENTS**

### **C.2.1 Engineering and Technical Support**

**C.2.1.1 General Technical Support:** The Contractor shall identify and evaluate innovative technologies to increase functionality and performance of PEO MS weapons systems to meet operational needs or user requirements. The contractor shall develop Research, Development, Test, and Evaluation (RDT&E) plans for identifying new technologies, capabilities, and concepts that address emerging requirements as well as urgent operational needs. Each RDT&E plan shall provide a roadmap that addresses technology maturity and recommended further analysis to guide feasibility of the Research and Development (R&D) effort integration into PEO MS products. Furthermore, the Contractor shall prioritize PEO MS Science & Technology (S&T) needs to align with PEO MS program roadmaps and Long-range Investment Requirements Analysis (LIRA), Army S&T funding, and R&D capabilities within Combat Capabilities Development Command (DEVCOM). The Contractor shall identify and protect RDT&E Critical Program Information (CPI) IAW DoDI 5200.39.

**C.2.1.2** The Contractor shall identify and evaluate innovative technologies to increase functionality and performance of PEO MS weapons systems to meet operational needs or user requirements. The contractor shall develop Research, Development, Test, and Evaluation (RDT&E) plans for identifying new technologies, capabilities, and concepts that address emerging requirements as well as urgent operational needs. Each RDT&E plan shall provide a roadmap that addresses technology maturity and recommended further analysis to guide feasibility of the Research and Development (R&D) effort integration into PEO MS products. Furthermore, the Contractor shall prioritize PEO MS Science & Technology (S&T) needs to align with PEO MS program roadmaps and Long-range Investment Requirements Analysis (LIRA), Army S&T funding, and R&D capabilities within Combat Capabilities Development Command (DEVCOM). The Contractor shall identify and protect RDT&E Critical Program Information (CPI) IAW DoDI 5200.39.

**C.2.1.3** The Contractor shall possess an in-depth technical understanding of all phases of the acquisition life-cycle. The contractor shall conduct independent technical reviews and assessments of PEO MS weapons systems' milestone decision entrance and exit criteria, review acquisition documentation, including, but not limited to Systems Engineering Plans (SEP), Test and Evaluation Master Plan (TEMP), Preliminary Design, and Critical Designs. The Contractor shall assess the data that verifies the weapon system architecture, design, and implementation against technical requirements. The Contractor shall

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conduct assessments of technology and manufacturing readiness level review applied research initiatives applicability to PEO MS weapon systems' performance; and conduct Warfighter materiel needs analyses. The contractor shall develop scenarios for PEO MS Cybersecurity and Electro-Magnetic Activities (CEMA) and provide on-site support during execution of exercises and test events. The Contractor shall analyze emerging systems for Defense Exportability Features (DEF) and recommend nomination of systems with strong potential for FMS to the DEF program.

## **C.2.2 Concepts, Architectures, and Capabilities Development**

**C.2.2.1** The Contractor shall identify and evaluate technologies and assess the applicability to the PEO MS weapons systems' near-term and long-term operational needs or user requirements. The contractor shall evaluate and prioritize S&T efforts and assess suitability to meet intended objectives and performance requirements and integration into PEO MS weapons systems. The Contractor shall identify and assess continuous improvement concepts and strategies the applicability to PEO MS weapons systems.

**C.2.4.2** The Contractor shall evaluate the inherent producibility of PEO MS weapons systems technologies, designs, and design changes, and identify and evaluate the associated issues and impacts on economic feasibility of production. The Contractor shall identify improvements in the weapons system that would result in an economically producible design.

**C.2.2.2** The Contractor shall possess an in-depth understanding of Model Based Systems Engineering (MBSE). The contractor shall develop and maintain the PEO MS Digital Enterprise (DE) tools for implementing common, efficient, and effective technical integration processes across the PEO MS portfolio. The contractor shall update and maintain the Integrated Master Schedule (IMS) for execution of the PEO MS activities and Integrated Fires test events. The contractor shall maintain the PEO MS Project Server and provide technical expertise to the PEO MS IMS Integrated Product Team (IPT). The contractor shall provide subject matter expertise in Risk, Issue, and Opportunity Management (RIOM), to include risk analysis/mitigation, identifying opportunities, and monitoring and process planning.

**C.2.2.3** The Contractor shall develop weapons systems' physical, functional, and software architectures, interfaces, and interoperability requirements.

## **C.2.3 Design Engineering**

**C.2.3.1** The Contractor shall conduct research, technical examination, and assessment of the capability requirements, technological needs, and system/sub-system architecture and design of PEO MS weapons systems to develop increased performance against threats in a Multi-Domain Operations (MDO) environment. This research must include, but is not limited to, platform or architecture size, weight, and power constraints, interfaces, integration considerations, input and output limitations, design for exportability, export licensing, requirements verification, and other design constraints.

**C.2.3.2** The Contractor shall define approaches for integration of new technical components into PEO MS weapons systems to increase system functionality or performance, reduce cost, increase survivability or sustainability. The Contractor's analysis must account for design considerations including but not limited to industrial base capabilities, Technology Readiness Level (TRL), and manufacturing challenges, and provide risk analysis and risk mitigation plans in terms of technical complexity, cost, schedule, special material development and alternative technology development paths.

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## **C.2.4 Systems Integration**

**C.2.4.1** The Contractor shall develop the PEO MS Integrated Fires (IF) System-of-Systems (SoS) architecture strategy to include system capability and performance requirements, design constraints, and integration interfaces for U.S. and foreign stakeholders.

**C.2.4.2** The Contractor shall evaluate the inherent producibility of PEO MS weapons systems technologies, designs, and design changes, and identify and evaluate the associated issues and impacts on economic feasibility of production. The Contractor shall identify improvements in the weapons system that would result in an economically producible design.

**C.2.4.3** The Contractor shall evaluate PEO MS weapons systems' operating requirements, design constraints, capabilities, and test data, to define performance metrics with respect to form, fit, function, producibility, and affordability. Areas of evaluation include, but are not limited to survivability, mobility, lethality, protection, Reliability, Availability, and Maintainability (RAM), producibility, energy efficiency, sustainability, performance, operations, cost reduction, and value engineering.

**C.2.4.4** The Contractor shall adhere to all customer-directed training requirements and provide training and exercise support PEO MS to ensure personnel have the needed skills to execute mission requirements. The Contractor shall provide technical services for conducting training and executing PEO MS events.

**C.2.4.5** The Contractor shall design, develop, integrate, test, and deliver high-fidelity prototype virtualizations of critical computing hardware and software components for weapon systems in the PEO MS portfolio. The Contractor shall assist in the development of the required hardware, firmware, software interfaces, and dynamic modeling and simulation (M&S) capabilities to allow for integration of the high-fidelity prototype virtualizations and detection algorithms into existing test beds and/or hardware-in-the-loop (HWIL) test infrastructures to facilitate repetitive, destructive testing and demonstrations. The Contractor shall perform strategic research and analysis on the convergence of Cyber, Electronic Warfare (EW), Electronic Attack (EA), Electronic Protection (EP), and Positioning, Navigation and Timing (PNT) activities into a coherent, enduring Cybersecurity and Electro-Magnetic Activities (CEMA) strategy to prioritize threat analysis and prototype capability development. The Contractor shall conduct weapon system-specific Risk Studies (RS) to determine critical components. The Contractor shall conduct focused Criticality Analyses (CA) involving detailed research, decomposition, and analysis of the Lifecycle Supply Chain Security process, with specific emphasis on Supply Chain Risk Management (SCRM). The Contractor shall develop prototype virtual representations of critical components based on convergence, RS, and CA results. The Contractor shall develop the required hardware and/or software to integrate the prototype virtualizations into the Assessment Environment. The Contractor shall develop and integrate into the weapon systems, and weapon system representations, prototype algorithms for threat detection and discrimination and advanced feature extraction. The Contractor shall plan and conduct CEMA assessments and analysis of weapon system critical computing hardware and software prototypes in operationally relevant environments, including development of any required data collection and analysis sensors, equipment, or tools. The Contractor shall provide reports on task activities including a summary of all analysis/reviews along with system improvement recommendations, strategic plans, system of system releasability, and case development. Contractor cybersecurity efforts shall comply with DoDD 8500.01, DoDI 3222.03, and AR 25-2.

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**C.2.4.6** The Contractor shall evaluate PEO MS weapons systems for Critical Program Information (CPI) and facilitate the design and integration of protective technologies to reduce the risk of unauthorized disclosure or inadvertent transfer of advanced technology or vulnerabilities. The contractor shall protect CPI designated as requiring enhanced security protections by the Original Classification Authority (OCA) through established PEO MS Special Access Programs (SAP) or Alternative Compensatory Control Measures (ACCM) programs. The contractor shall prepare and process program access requests and protect program data and artifacts in accordance with AR 380-381. The contractor shall prepare and conduct annual training for SAP-accessed personnel. The contractor shall prepare and evaluate technical documentation for PEO MS weapons systems in accordance with the applicable Security Classification Guide (SCG) and Program Security Guide (PSG). The Contractor shall ensure disclosure of Classified Military Information, Controlled Unclassified Information, and other sensitive data (Low-Observable/Counter- Low Observable, etc) and systems are consistent with U.S. Government, DoD, and Army disclosure authority and policies, and comply with the International Trafficking in Arms Regulations and export control policies in support of case development.

**C.2.4.7** The Contractor shall conduct SCRM analysis and physical inspection of PEO MS Weapons Systems to design and implementation, and verification of appropriate safeguards and countermeasures to minimize supply chain risk. This will include but is not limited to the identification of susceptibilities, vulnerabilities and threats throughout DoD's supply chain and the development of mitigation strategies to combat those threats whether presented by the supplier, the supplied product and its subcomponents, or the supply chain.

**C.2.4.8** The Contractor shall demonstrate subject matter expertise in Department of Defense (DoD) regulations, Security Assistance Management Manual (SAMM), International Traffic in Arms Regulations (ITAR), the Arms Export Control Act (AECA), Executive Order 13526, National Security Decision Memorandum 119 (NSDM 119), DoD Directive 5230.11 – Disclosure of Classified Military Information to Foreign Governments and International Organizations, National Disclosure Policy (NDP-1) , AR 12-1, AR70-41, AR 380-381 Special Access Programs (SAPs) and Sensitive Activities, DoDM S-5230.28 Low Observable / Counter-Low Observable (LO/CLO), DoD Directives and Instructions 5200 series for Anti-Tamper (AT), Critical Program Information (CPI), and PEO MS policies and guides. The Contractor shall demonstrate successful application of the above-referenced regulations, policies, and directives to include, but not limited to: drafting of Tri-Service Committee Decision Memorandums (TSC DMs), Exceptions to National Disclosure Policy (ENDPs), Yockey waivers, MTCR memorandums, Delegation of Disclosure Letters (DDLs), requests for Exception to National Disclosure Policy (ENDP) packages affecting release of PEO MS systems to partner nations, and Third Party Transfer (TPTs) requests, The Contractor shall maintain working knowledge of Critical Program Information (CPI) assessments and Anti-Tamper Concepts/Plans for all exportable systems within the PEO.

## **C.2.5 Strategic Analysis and Program Planning**

**C.2.5.1** The Contractor shall perform program evaluation, review, and analysis in the areas of program management, planning, programming, budgeting, execution, cost, and schedule for the purpose of ensuring compliance with program goals and objectives are achieved IAW DoDI 5000.01 and provide overarching command guidance for input into command documentation.

**C.2.5.2** The Contractor shall provide quality and timely accounting expertise on resource management systems and those interfacing systems that have a financial impact to ensure that accurate financial

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information is available to customers in the area of responsibility. Interfacing systems may include functional areas such as logistics, budget, payroll, travel, and manpower. Scope may include current automated systems, legacy systems, and enterprise systems utilizing SOMARDS, Logistics Modernization Program (LMP), Procurement Integrated Enterprise Environment (PIEE), Mechanization of Contract Administration Services (MOCAS) and General Fund Enterprise Business System (GFEBS).

**C.2.5.3** The Contractor shall perform data collection, data reduction, and data analysis on accounting and logistical systems in order to provide input and recommendations for budget and execution of funds and to ensure that program requirements are meeting developmental timelines and appropriate funding is utilized throughout program lifecycle.

**C.2.5.4** The Contractor shall analyze events, activities, and schedule data in order to provide evaluations on achieving hardware delivery and case milestones. Schedule data shall be analyzed to address the reasonableness and risks associated with achieving specific completion dates.

**C.2.5.5** The Contractor shall provide proactive and timely coordination of year-end closeout process with external agencies such as higher headquarters, customer, and DFAS. The Contractor shall provide advice concerning guidelines and public law such as the Federal Managers Financial Integrity Act (FMFIA), the Chief Financial Officers (CFO) Act, and other related fiscal guidance and policies. The Contractor shall develop technical, functional, and informational systems or processes to track financial data against performance measurements and policy to ensure compliance with current regulation and policy.

**C.2.5.6** The Contractor shall develop strategic direction and provide expert technical services in the analysis and development of acquisition documentation to meet developmental and production timelines in support of the national defense strategy and Army modernization efforts. Analysis may include or result in draft contract requirements packages, drafting solicitation documents, drafting program budget guidance or program budgets for Title 10 and Title 22 funds, manpower and force management documents, invoice analysis, and other documentation associated with execution of a program. The Contractor shall not perform as an approver on any official government documentation.

**C.2.5.7** The Contractor shall develop an evaluation plan to include a need for Defense Contract Audit Agency support, Technical Evaluation, Defense Contract Management Agency (DCMA) support or DCMA Commercial Item Group review of the prime or major suppliers. The Contractor shall include the assessment of risk used to develop their evaluation plan and the best method of analysis. The Contractor shall participate in Government meetings as needed.

**C.2.5.8** The Contractor shall analyze contractor technical data and manufacturing techniques to assist in the determination of cost/price reasonableness of submitted sole source proposals through cost and price analysis by using accounting and auditing data, forecasting techniques, weighted guidelines, learning curves, and regression analysis in order to recommend pricing objectives to the Government. Analysis will include all aspect of earned value management to ensure R&D efforts are monitored for cost, schedule, and performance against the integrated master schedule and budget of the program or security cooperation effort. The Contractor shall review, analyze, and evaluate cost or pricing data contained in proposals to determine reasonableness of all elements of cost. The analysis shall include results of a Defense Contract Audit Agency Report, Technical Evaluation, Defense Contract Management Agency (DCMA) Report and DCMA Commercial Item Group report of the prime or major suppliers.

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**C.2.5.9** The Contractor shall be required to provide financial analysis and accounting support to help the government achieve audit readiness as well as customer account management. The Contractor shall be required to support the creation and analysis of process mapping initiatives for Title-10 and Title-22 functions; respond to Dormant Account Review-Quarterly; complete, review, correct, and submit audit sample packages via approved systems; and train PEO MS personnel on current audit processes, best practices, or methods to be successful in audit readiness. The contractor will develop best practices, procedures, and command guidance that complies with logistical, business management, and engineering regulations.

**C.2.5.10** The Contractor shall provide statistical and trend analysis on audit tasks, financial error reporting, security assistance performance and deliveries against program schedule, and recommend corrective action to improve PEO MS overall performance. Corrective actions shall include Corrective Action Plans, Review and analysis of Notice of Findings and Recommendations, Standard Operating Procedures, internal testing of audit controls, and training of PEO MS personnel.

**C.2.5.11** The Contractor shall provide consultation services in support of the development of an enterprise-wide strategic plan that incorporates efficiencies in the support, services and solutions provided by this activity or its customer organizations. Strategic enterprise planning should, at a minimum, factor in affordability goals and be consistent with all Department of Defense (DoD) and Army level policies, campaign plans and strategic focus areas. The Contractor shall provide strategic analyses, assessments, and recommendations to this activity and/or its customer organizations.

**C.2.5.12** The Contractor shall be required to develop, evaluate, analyze and update long- range strategy and business plans with the ability to organize the details of multiple and related subjects, issues, and situations to present and recommend solutions in a logical, cohesive format.

## **C.2.6. Non-Technical Tasks**

**C.2.6.1** The Contractor shall successfully manage all ancillary duties and activities in support of all tasks referenced in Section 3. This includes, but not limited to: management of information systems, attendance and participation in relevant meetings, engagements, and conferences, planning, scheduling, and budgeting of program goals and objectives, audits, strategic planning, interagency coordination, and broader U.S. government synchronization, and performing all relevant tasks described in DoD and Army policies, directives, and guidelines governing enhanced security programs and Security Cooperation/Security Assistance activities.

## **C.2.7 Security**

**C.2.7.1** The Contractor and sub-contractors shall provide functional support services that require access to classified information, intelligence information, foreign intelligence information, and For Official Use Only information IAW DoDD 5220.22-M. The Contractor shall be required to have prerequisite personnel security clearance for access to classified information including Special Access Programs (SAP) information and Sensitive Compartmented Information (SCI). Contractors working on SAP shall have as a minimum a final Secret Clearance. Contractors working on SCI shall have as a minimum a final Top Secret clearance. The Contractor shall have access to the Government-classified SIPRNET.

**C.2.7.2** Security requirements will be based upon the latest Security Classification Guide. The contractor and all associated sub-contractors shall develop internal security procedures to protect classified,

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sensitive, unclassified, high dollar value, and hazardous items. The contractor and all associated sub-contractors shall comply with FAR 52.204-2, Security Requirements. Contractors having access to information classified “Confidential”, “Secret”, or “Top Secret” shall comply with - (1) The Security Agreement (DD Form 441), including the National Industrial Security Program Operating Manual (DoD 5220.22-M) and (2) any revisions to DoD 5220.22-M, notice of which has been furnished to the contractor. The contractor shall comply with all security classification requirements IAW the DD Form 254, DoD Contract Security Classification Specification. The contractor shall maintain facilities for storage and discussions of classified materials at the DoD XXXXXXXX level.

## **C.2.8 Cybersecurity**

**C.2.8.1** The Contractor shall adhere to Cyber Security regulations and policies including the National Security Act; Clinger-Cohen Act; Federal Information Security Management Act (FISMA); AR 25-1 Army Information Technology; AR 25-2 Army Cybersecurity; Any applicable DoD 8500 series Directives and/or Instructions and their associated references (Cyber security); National Institute of Standards and Technology (NIST) SP 800 series Special Publications (SP) and their associated references; CNSSI No. 1253 Security Categorization and Control Selection for National Security Systems;

Chairman of the Joint Chiefs of Staff Instruction (CJCSI) and Chairman of the Joint Chiefs of Staff Manual (CJCSM) 6000 Series; National Security Agency (NSA) Guides; Defense Information System Agency (DISA) Security Technical Implementation Guides (STIGs).

## **C.3.0 GENERAL REQUIREMENTS:**

**C.3.1 OVERVIEW OF WORK REQUIRED:** The contractor's technical effort shall be under the direction of a contractor project manager who shall provide the overall contractor management of the TO including personnel, planning, quality control, direction, coordination and reviews necessary to ensure effective contract performance. The contractor shall identify a TO manager to serve as a primary point of contact at the TO level.

**C.3.1.1** The requirements of this TO shall require technical interchange meetings to be scheduled at least monthly.

**C.3.2 Service during Crisis.** None of the work is considered mission-critical.

**C.3.3** On-site performance at Government facilities is anticipated. For all on-site performance, the Government will provide access to facilities, sites, office space and equipment required to perform the TO (as determined to be necessary and available by the Contracting Officer's Representative [COR]).

**C.3.4 Access to Government Property, Equipment, and Information.** Government Furnished Property, Equipment and Information (GFP/GFE/GFI) is not anticipated in support of this TO. If this changes in the future, the listing will be added as an appendix to this PWS via modification.

## **C.3.5 Accident Reporting and Responsibilities**

**C.3.5.1** Accident investigation and reporting to higher command levels will remain with the U.S. Army at the host installation

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**C.3.5.2** The Contractor shall report within one hour of an accident to the COR all available facts relating to each instance of damage to Government property and material or injury to task order personnel.

**C.3.5.3** The Contractor shall immediately secure the accident area and wreckage until released by the accident investigation authority from the host installation. The COR will prepare the notification of release of equipment impacted by the accident or wreckage.

**C.3.5.4** If the Government conducts an investigation of the accident, the Contractor shall cooperate fully with the Government personnel until the investigation is completed.

**C.4.0 SECURITY REQUIREMENTS.** The security requirements shall be in accordance with the following.

**C.4.1. Contractor Security Requirements**

**C.4.1.1** All contractor personnel with an assigned duty location at a Government site shall be U.S. citizens and have, at a minimum, a SECRET clearance at the time of TO award.

**C.4.1.2** The contractor shall perform in accordance with the National Industrial Security Program Operating Manual (NISPOM) (DoD 5220.22M) and ensure that all classified material is handled in accordance with the contract or latest appropriate security classification specifications. Foreign participation will not be allowed at the prime or subcontract level.

**C.4.1.3** The contractor will be required to access the internet, commercial e-mail services and the Secret Internet Protocol Router Network.

**C.4.1.4 Critical Program Information (CPI).** The contractor shall assist the Government in the identification of any inherited and new CPI. As directed by the Government, the contractor shall implement security measures for any identified CPI to prevent unauthorized disclosure. As defined in DoD Instruction 5200.39, Critical Program Information (CPI) Protection Within the Department of Defense, CPI entails elements or components of a research, development, and acquisition program that, if compromised, could cause significant degradation in mission effectiveness; shorten the expected combat-effective life of the system; reduce technological advantage; significantly alter program direction; or enable an adversary to defeat, counter, copy, or reverse engineer the technology or capability. The contractor will be subject to internal and external audits of the implementation of security measures for handling CPI and will provide audit results to USASMDC upon request.

**C.4.2 Anti-Terrorism (AT)/Operational Security (OPSEC) training.** All contractor employees assigned to work in Government facilities must comply with all training and certification requirements applicable to all employees stationed in the same facility. Examples include, but are not limited to, completion of acceptable use policy acknowledgments, safety training, fire extinguisher training, evacuation and shelter-in-place exercises, iWATCH training, etc. Questions regarding whether or not a particular training event or course applies to contractors can be resolved by the COR.

**C.4.2.1 AT Level I Training.** All contractor employees, including subcontractor employees, requiring access to Army installations, facilities, and controlled-access areas shall complete AT Level I awareness training within 30 calendar days after the contract start date or effective date of incorporation of this

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requirement into the contract, whichever is applicable. The contractor shall submit certificates of completion for each affected contractor employee and subcontractor employee, to the COR or to the contracting officer, if a COR is not assigned, within 10 calendar days after completion of training by all employees and subcontractor personnel. AT Level I awareness training is available at the following website: <http://jko.jten.mil>

**C.4.2.2 Access and general protection/security policy and procedures.** Contractor and all associated subcontractors employees shall provide all information required for background checks to meet installation access requirements to be accomplished by installation Provost Marshal Office, Director of Emergency Services or Security Office. Contractor workforce must comply with all personal identity verification requirements (FAR clause 52.204-9, Personal Identity Verification of Contractor Personnel) as directed by DOD, HQDA and/or local policy. In addition to the changes otherwise authorized by the changes clause of this contract, should the Force Protection Condition (FPCON) at any individual facility or installation change, the Government may require changes in contractor security matters or processes.

**C.4.2.2.1 For contractors requiring Common Access Card (CAC).** Before CAC issuance, the contractor employee requires, at a minimum, a favorably adjudicated National Agency Check with Inquiries (NACI) or an equivalent or higher investigation in accordance with Army Directive 2014-05. The contractor employee will be issued a CAC only if duties involve one of the following: (1) Both physical access to a DoD facility and access, via logon, to DoD networks on-site or remotely; (2) Remote access, via logon, to a DoD network using DoD-approved remote access procedures; or (3) Physical access to multiple DoD facilities or multiple non-DoD federally controlled facilities on behalf of the DoD on a recurring basis for a period of 6 months or more. At the discretion of the sponsoring activity, an initial CAC may be issued based on a favorable review of the FBI fingerprint check and a successfully scheduled NACI at the Office of Personnel Management.

**C.4.2.2.2 For contractors that do not require CAC, but require access to a DoD facility or installation.** Contractor and all associated sub-contractors employees shall comply with adjudication standards and procedures using the National Crime Information Center Interstate Identification Index (NCIC-III) and Terrorist Screening Database (TSDB) (Army Directive 2014-05/AR 190-13), applicable installation, facility and area commander installation/facility access and local security policies and procedures (provided by government representative), or, at OCONUS locations, in accordance with status of forces agreements and other theater regulations.

**C.4.2.3 AT Awareness Training for Contractor Personnel Traveling Overseas.**

US based contractor employees and associated sub-contractor employees are required to make available and to receive government provided area of responsibility (AOR) specific AT awareness training as directed by AR 525-13. Specific AOR training content is directed by the combatant commander with the unit Antiterrorism Officer (ATO) being the local point of contact.

**C.4.2.4 iWATCH Training.** The contractor and all associated sub-contractors shall brief all employees on the local iWATCH program (training standards provided by the requiring activity ATO). This local developed training will be used to inform employees of the types of behavior to watch for and instruct employees to report suspicious activity to the COR. This training shall be completed within 30 calendar days of task order award and within 15 calendar days of new employees commencing performance with the results reported to the COR NLT 45 calendar days after task order award.

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**C.4.2.5 Army Training Certification Tracking System (ATCTS) registration for contractor employees who require access to government information systems.** All contractor employees with access to a government info system must be registered in the ATCTS (Army Training Certification Tracking System) at commencement of services, and must successfully complete the DOD Information Assurance Awareness prior to access to the IS and then annually thereafter.

**C.4.2.6 For contracts that require a formal OPSEC program.** The contractor shall develop an OPSEC Standing Operating Procedure (SOP)/Plan within 90 calendar days of task order award, to be reviewed and approved by the responsible Government OPSEC officer. This plan will include a process to identify critical information, where it is located, who is responsible for it, how to protect it and why it needs to be protected. The contractor shall implement OPSEC measures as ordered by the commander. In addition, the contractor shall have an identified certified Level II OPSEC coordinator per AR 530-1. (CDRL A052: OPSEC Plan; A draft of this document shall be provided within 15 business days of the award of this TO and not as part of the initial proposal.)

**C.4.2.7 For contracts that require OPSEC Training.** Per AR 530-1 Operations Security, the contractor employees must complete Level I OPSEC Awareness training. New employees must be trained within 30 calendar days of their reporting for duty and annually thereafter. OPSEC Awareness is available at the following website: <http://cdsetrain.dtic.mil/opsec/index.htm>

**C.4.2.8 For information assurance (IA)/information technology (IT) training.**

All contractor employees and associated sub-contractor employees must complete the DoD IA awareness training before issuance of network access and annually thereafter. All contractor employees working IA/IT functions must comply with DoD and Army training requirements in DoDD 8570.01, DoD 8570.01-M and AR 25-2 within six months of appointment to IA/IT functions.

**C.4.2.9 For information assurance (IA)/information technology (IT) certification.** Per DoD 8570.01-M, DFARS 252.239.7001 and AR 25-2, the contractor employees supporting IA/IT functions shall be appropriately certified upon contract award. The baseline certification as stipulated in DoD 8570.01-M must be completed upon contract award.

**C.4.2.10 For contractors authorized to accompany the force.** DFARS Clause 252.225- 7040, Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States. The clause shall be used in solicitations and contracts that authorize contractor personnel to accompany US Armed Forces deployed outside the US in contingency operations; humanitarian or peacekeeping operations; or other military operations or exercises, when designated by the combatant commander. The clause discusses the following AT/OPSEC related topics: required compliance with laws and regulations, pre-deployment requirements, required training (per combatant command guidance), and personnel data required.

**C.4.2.11 For Contract Requiring Performance or Delivery in a Foreign Country.** DFARS Clause 252.225-7043, Antiterrorism/Force Protection for Defense Contractors Outside the US. The clause shall be used in solicitations and contracts that require performance or delivery in a foreign country. This clause applies to both contingencies and non-contingency support. The key AT requirement is for non-local national contractor personnel to comply with theater clearance requirements and allows the combatant commander to exercise oversight to ensure the contractor's compliance with combatant commander and subordinate task force commander policies and directives.

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**C.4.2.12 Handling or Access to Classified Information.** The contractor shall comply with FAR 52.204-2, Security Requirements (MAR 2021)

**C.4.2.12.1** This clause applies to the extent that this contract involves access to information classified Confidential, Secret, or Top Secret.

**C.4.2.12.2** The Contractor shall comply with (1) the Security Agreement (DD Form 441), including the National Industrial Security Program Operating Manual (32 CFR part 117), and (2) any revisions to that manual, notice of which has been furnished to the Contractor.

**C.4.2.12.3** If, subsequent to the date of this contract, the security classification or security requirements under this contract are changed by the Government and if the changes cause an increase or decrease in security costs or otherwise affect any other term or condition of this contract, the contract shall be subject to an equitable adjustment as if the changes were directed under the Changes clause of this contract.

**C.4.2.12.4** The Contractor agrees to insert terms that conform substantially to the language of this clause, including this paragraph (d) but excluding any reference to the Changes clause of this contract, in all subcontracts under this contract that involve access to classified information.

**C.4.2.13 Threat Awareness Reporting Program.** For all contractors with security clearances. Per AR 381-12 Threat Awareness and Reporting Program (TARP), contractor employees must receive annual TARP training by a CI agent or other trainer as specified in 2-4b of AR 381-12.

**C.4.2.14 Threat Awareness and Reporting Program (TARP) training.** The contractor and any subcontractors over whom they have cognizance must attend live TARP training at least annually and report threat-related incidents, behavioral indicators, and other matters of counterintelligence (CI) interest specified in chapter 3 (Reporting Requirements) of the Army Regulation 381-12, to the facility security officer, the nearest military CI office, the Federal Bureau of Investigation (FBI), or the Defense Security Service. Certificates of completion must be provided to the cognizant COR and KO on an annual basis.

**C.4.2.15 Controlled Unclassified Information (CUI).** The contractor shall comply with the DoDI 5200.48, paragraph 3.6 (b), dated 6 March 2020, mandating every individual at every level, including contractors providing support to the DoD pursuant to contractual requirements, will comply with the requirement for initial and annual refresher CUI training. See Appendix A for training location.

## **C.5.0 PLACE OF PERFORMANCE / DUTY HOURS / TRAVEL.**

**C.5.1** Performance under this TO is anticipated to occur at the contractor's facility as well as Government facilities. For all on-site performance (i.e., Government site), the Government will provide access to facilities, sites, office space and equipment required to perform the TO (as determined to be necessary and available by the Contracting Officers Representative [COR]). Known performance under this TO is to occur at Building 5220/5221 on Redstone Arsenal. Space will be provided for all contractors at this facility. Performance at other Government locations may be required as well.

**C.5.2 Duty Hours.** Unless otherwise stated in this PWS or as directed by the responsible contracting officer, the contractor shall ensure that appropriate technical capability is available to provide responses to specific tasks during a 40-hour work week. The contractor may be required to provide labor hours in

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excess of 40 hours per work week to include holidays, weekends, and/or during irregular times and shifts based upon mission operations and exercises.

**C.5.3 Travel.** Travel may be required in performance of this TO. Specific travel requirements will be identified and funded as the need arises. The contractor has no authority to incur travel costs without explicit written approval of the COR (e-mail is acceptable). Under no

circumstances shall the contractor incur travel costs in excess of the funded amount stated in the TO. Specific times, dates and places of travel shall be identified in the request for approval.

**C.5.3.1** The contractor shall not be reimbursed for local travel.

## **CLAUSES INCORPORATED BY REFERENCE**

52.247-29 F.O.B. Origin FEB 2006

52.247-34 F.O.B. Destination NOV 1991

## **C.6.0 DATA RIGHTS ASSERTION AND INTELLECTUAL PROPERTY**

**C.6.1** The contractor shall identify and assert any restrictions or limitations on the Government's use, release, or disclosure of technical data or computer software pertaining to the requirements of this PWS. These assertions shall be included in any proposals, including responses to any technical directive received from the Government. The contractor shall comply with the Instructions Pertaining to Assertions Regarding Data Rights and Intellectual Property as provided in Exhibit B of the TORP. The contractor's assertions, including the assertions of its subcontractors or suppliers, shall be submitted with the proposal to the Contracting Officer for review. If no assertions are made, the contractor shall state "None," sign, and date.

**C.6.2 Reporting "Subject Inventions."** In accordance with DFARS 252.227-7038 (large business) and FAR 52.227-11/DFARS 252.227-7039 (small business and nonprofit), the contractor shall disclose and report via DD Form 882 any "subject inventions" (as defined in the clauses) to the administrative contracting officer/procuring contracting officer. Additional instructions are provided in Exhibit C in Section J of the basic contract. Annual and final reports (including negative reports) are required of the contractor and its subcontractors.

**C.6.3 Proprietary Markings on Non-Technical Data.** The contractor shall notify the KO of any deliverables/CDRLs that may contain non - "technical data" information (as defined in DFARS 252.227-7013(a)(15)) that the contractor intends to assert and mark as "proprietary." The contractor shall identify the specific information and provide justification for its "proprietary" claim. The contractor and the KO shall agree upon permitted uses and disclosure of such information and the contractor agrees to mark such information with the following legend: "Proprietary – Special License: Use and disclosure is permitted within the Government for Government Purposes (as defined in DFARS 252.227-7013(a)(12)). All other

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use and disclosure requires a non-disclosure agreement.” Note: This also applies to the support contractors.

**C.7.0 MATERIALS / OTHER DIRECT COSTS (ODC) / PRODUCT OWNERSHIP.** All hardware produced and equipment obtained by the contractor in the performance of this PWS shall become the property of the Government and shall be provided to USASMDC.

**C.7.1 Material Costs.** There are no anticipated material costs associated with this TO.

**C.7.2 ODCs.** The contractor shall purchase all material, equipment, hardware, software, etc. required to accomplish each TO unless the item is identified as GFP, GFS, GFE, or GFI. Accountability shall be maintained by the contractor until such property (both Contractor-Acquired Property [CAP] and GFP) is delivered to the Government, or otherwise disposed of in accordance with Government direction. The CAP shall be disposed of per the KO or as directed by the Basic contract or TO.

Regardless of cost, all software End User License Agreements (EULAs), to include Open Source Software (OSS), and vendor Terms and Conditions (T&Cs) must be submitted to the KO for review and approval prior to the purchase being completed. Regarding OSS: If the work to be accomplished is unclassified, the contractor must provide an analysis on how the Prime/Subcontractor and the Federal Government will comply with the disclosure requirements in the software license; and if the work to be accomplished is classified, the Federal Government believes that the classification of this effort negates all disclosure requirements in the public licenses and the contractor must confirm that this is the case. The Federal Government presumes that FAR clause 52.232-39, Unenforceability of Unauthorized Obligations, excludes the Federal Government from any indemnity provisions in the EULAs or T&Cs. All EULAs and T&Cs must be governed by Federal Law.

The Contractor must review any ODC computer hardware and software purchases IAW the Army Computer Hardware Enterprise Software and Solutions (CHESS) Program. If the item is applicable to CHESS and can be purchased through a non-CHESS vendor, then the Contractor shall process an Information Technology Approval System waiver.

**C.8.0 SERVICE CONTRACT REPORTING.** The contractor shall provide details on how it will track information for the Service Contract Report. The contractor shall report ALL contractor labor hours (including subcontractor labor hours) required for performance of services provided under this TO via a secure data collection site. The contractor is required to completely fill in all required data fields using the following web address: <https://www.sam.gov/>. Reporting inputs will be for the labor executed during the period of performance during each Government fiscal year, which runs October 1 through September 30. While inputs may be reported any time during the fiscal year, all data shall be reported no later than October 31 of each calendar year, beginning with 2022. Contractors may direct questions pertaining to the website to the help desk at: <https://www.sam.gov>.

**C.9.0 PERFORMANCE OBJECTIVES/METRICS.** This performance-based service TO incorporates the performance objectives set forth in Performance Requirements Summary (PRS) matrix, Appendix B, of this PWS. The performance objectives in the PRS are derive from the Government’s Quality Assurance Surveillance Plan (QASP), which is for internal use only. It is the contractor’s responsibility to employ the necessary resources to ensure accomplishment of these objectives. The Government’s assessment of the contractor’s performance in achieving these objectives will utilize the performance standards, acceptable quality levels, surveillance methods, and performance evaluation ratings described in the PRS matrix. The performance evaluation ratings will be implemented via the Government’s past performance assessment

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conducted in accordance with FAR Part 42 of the Federal Acquisition Regulation (FAR), as applicable.

**C.10** The contractor is responsible for ensuring adequate marking and security measures are in place to prevent unauthorized access to electronic data. The contractor is not authorized to provide copies of any data on the CDRL to activities who are not specifically identified in the distribution block of the CDRL without written Government approval from the contracting officer.

#### **C.11.0 KEY PERSONNEL**

**C.12.1 Program Manager.** The Government has determined that the Program Manager is Key Personnel. Prior to replacing personnel in this position during contract performance, the contractor shall provide the Contracting Officer not less than thirty (30) days advance notice and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program.

### **Section D. Packaging & Marking**

**D.1** Packing and marking of technical data and deliverables to be delivered pursuant to the requirements of each individual task order shall be in accordance with Contractor's standard commercial practices. Items shipped shall be marked in accordance with the instructions provided with each task order.

### **Section E. Inspection and Acceptance**


**E.1** Inspection and acceptance shall be performed by the Government at destination, unless specified otherwise in individual task orders, via DD Form 250, Material Inspection and Receiving Report. The contractor shall submit a final DD Form 250 upon completion of each task order. Final acceptance of all task orders shall be made by the Contracting Officer.

#### **CLAUSES INCORPORATED BY REFERENCE**

52.246-1 Contractor Inspection Requirements

APR 1984

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52.246-9	Inspection of Research and Development	APR 1984
		
52.246-13	Inspection--Dismantling, Demolition, or Removal of Improvements	AUG 1996
52.246-15	Certificate of Conformance	APR 1984
52.246-16	Responsibility For Supplies	APR 1984
252.246-7000	Material Inspection And Receiving Report	MAR 2008

## Section F. Deliveries or Performance

**F.1 Place of Performance.** The primary place of performance for this contract shall be established by individual task orders. It is anticipated that most task order efforts, except those requiring access to Government SAP and/or SCI facilities, shall be performed at the contractor's site (off-site). Authority for all Government-site (on-site) performance shall clearly be identified in awarded task orders.

### CLAUSES INCORPORATED BY REFERENCE

52.247-29 F.O.B. Origin FEB 2006  
52.247-34 F.O.B. Destination NOV 1991

**F.2 Delivery Information.** Delivery requirements will be specified in each awarded task order.

**F.3 Period of Performance.** This contract will consist of a base ordering period of one (1) year and two (2) optional ordering periods of two (2) years. The period of performance for individual tasks shall be specified in each awarded task order. Task orders will typically be awarded with a performance period not to exceed 60 months, but may contain options for additional periods of performance for continued support as well as "surge" options to provide additional support within a given period. Specific performance periods, exercise periods, and other terms and conditions associated with such options shall be specified in each individually awarded task order. In no event shall any task order performance period, inclusive of all options, extend past 36 months beyond the end of the effective ordering period within which the task order is issued.

### F.5 Delivery of Data:

a. All data shall be delivered in accordance with the terms of each TO. Unless otherwise

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specified in the TO, FAR 52.247-34 F.O.B. Destination shall apply to the delivery of data.

- b. Each TO will specify the deliverables and delivery requirements of the data to be furnished.
- c. The contractor shall furnish the Contracting Officer one copy of all transmittal letters provided with each deliverable identified in each TO.
- d. The extent of the Government's rights in data delivered or otherwise furnished under this contract shall be governed by the special provisions and contract clauses incorporated respectively in Section H and Section I of this contract as well as at the TO level as applicable.
- e. Acceptance by the Government of all items delivered hereunder shall be at destination, unless otherwise stated in the TO.
- a. Electronic media, including e-mail, shall be used to the maximum extent practical. The software and report formats used shall be as required by each TO.

## **Section G. Subcontract Administration**

### **G.1 SUBCONTRACT ADMINISTRATION**

- a. Administration of this Subcontract and all individual TOs will be performed by the Quantum Contracts Manager, or her designated representative. Subject personnel are the only authorized Quantum representatives to negotiate and award Subcontracts, or make modifications such as changes thereto. Direction or changes by anyone other than the Contracts Manager or her designated representative will not be binding on Quantum. All correspondence shall be addressed to the following and contain the Subcontract number and, if applicable, TO number.
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- b. Devin Crowe, Contracts Administrator is the primary point of contact for this Subcontract. He can be reached at 256-971-1800, ext. 1261, or via email at [rcrowe@quantum-intl.com](mailto:rcrowe@quantum-intl.com).
- c. Additional Primary Representative is Amy McGuire, Program Control Analyst. She can be reached at 256-971-1800, ext. 1155, or via email at [amcguire@quantum-intl.com](mailto:amcguire@quantum-intl.com).
- d. Technical Direction will be provided by the Quantum Program Manager, Kevin McGovern. He can be reached at 256-971-1800, ext. 1266, or via email at [kevin.b.mcGovern2.ctr@army.mil](mailto:kevin.b.mcGovern2.ctr@army.mil)

**G.2 Incremental funding.** TO's issued under this Subcontract may be incrementally funded in accordance with FAR 52.232- 22, Limitation of Funds, DFARS 252.232-7007, Limitation of Government's Obligation, and/or appropriate legal authority. Quantum will not be obligated to reimburse the Subcontractor in excess of the amount allotted and funded to a specific contract line item on any given TO, nor any amount in excess of the total obligated funding on any given TO. The Subcontractor is not required to incur costs beyond what has been funded Additionally, allotments of funds will become available only by a modification to any given TO.

**G.3 ACCOUNTING & APPROPRIATIONS.** TO's issued under this Subcontract may be incrementally funded in accordance with FAR 52.232- 22, Limitation of Funds, DFARS 252.232-7007, Limitation of Government's Obligation, and/or appropriate legal authority. Quantum will not be obligated to reimburse the Subcontractor in excess of the amount allotted and funded to a specific contract line item on any given TO, nor any amount in excess of the total obligated funding on any given TO. The Subcontractor is not required to incur costs beyond what has been funded Additionally, allotments of funds will become available only by a modification to any given TO.

**G.4 INVOICING PROCEDURES.** Invoices are to be submitted via email to the Quantum Contracts Administrator at [rcrowe@quantum-intl.com](mailto:rcrowe@quantum-intl.com) and Quantum Program Control Analyst at [amcguire@quantum-intel.com](mailto:amcguire@quantum-intel.com) no more than once monthly and no later than the 7th of each month. Invoices, at a minimum should contain the following information:

1. Subcontract/TO Number
2. TO Period of Performance
3. Period that is being invoiced
4. Current and Cumulative Information
5. Certification that the invoice is correct
6. Supporting documentation shall be maintained for Government audit, if required.
7. Invoices can be Subcontractor format
8. Invoices must contain only one TO per invoice

## **G.5 PAYMENT PROCEDURES**

- a. Payment terms are within 10 days after receipt of payment from the government.
  - b. This clause applies to all TOs, no matter what the type.
  - c. Direct Deposit is the preferred method of payment for invoices. The Direct Deposit Information form is located at Attachment 5. If direct deposit is not selected, check will be sent via USPS.
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## **Section H. Special Contract Requirements**

### **H.1 TASK ORDER PROCEDURES**

- a. The Subcontractor shall incur costs under this Subcontract only in the performance of properly executed TOs and modifications to TOs issued by the Quantum Contracts Manager, in accordance with these procedures. No other expenditures are authorized without the express written consent of the Quantum Contracts Manager.
- b. All TO's are subject to the terms and conditions of the basic subcontract; additional terms and conditions may be applicable to individual TO's. In the event of a conflict between a TO and the basic subcontract, the basic subcontract will take precedence.
- c. All services to be performed under this subcontract will be set forth in individual TO's. In urgent situations, Quantum reserves the right to issue task orders on an undefinitized basis. Any such undefinitized order will be definitized in accordance with DFARS 252.217-7027, Contract Definitization.
- d. TO's will include as a minimum, (i) contract type (ii) a performance-based description of the requirement to be performed, (iii) the required delivery dates or overall periods of performance, (iv) list of Government-furnished property, (v) list of required deliverables, (vi) travel, other direct costs (ODCs) and/or material costs authorized if applicable and (vii) place of performance. Deliverables may consist of but are not limited to equipment, prototypes, technical reports, studies, analyses, charts, reports, briefing notes, tabulations, view graphs, computer software, materials, and presentations, as required by individual TO's. The Subcontractor shall initiate task performance promptly upon the receipt of a fully executed task order or as otherwise directed by the Quantum Contracts Manager at the time of award. The signed TO will incorporate all items agreed upon during TOP discussions and/or negotiations.
- e. Reserved
- f. Reserved
- g. Reserved
- h. Task Order Cost Proposal Format, Submission Instructions, and Minimum Content Requirements:

Task Order Proposals submitted in response to issued TORPs shall be based on the subcontractor's most efficient and effective approach for accomplishing the task's performance requirements in consideration of any other requirements and/or constraints identified by the TORP. All proposals shall be based on the

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categories of labor identified in the Labor Category Descriptions and Minimum Requirements located at Attachment 02 of this contract. Additional labor categories or variations of these categories shall not be proposed. (Note: Subcontractor costs associated with the preparation, submission and/or negotiation of any task order proposal shall not be allowable as a direct charge to the Government. For TORPs requiring support of contingency operations/exercises in areas outside of the continental United States (OCNUS), referred to as the theater of operations, proposed estimated labor cost rates may be increased to incorporate allowances specified by the U.S. Department of State Standardized Regulations (DSSR). The amount and applicability of these allowances (e.g., danger pay and post differentials) shall be governed by, and shall not exceed the limitations of, the current DSSR at the time of task order award. See “Additional OCNUS Deployment Clauses” for additional information. For all such rates proposed, the contractor shall fully delineate the proper application of these allowances. All such rates shall be proposed, evaluated and negotiated on a task order-by-task order basis. The Contracting Officer may require a sealed proprietary package be submitted to the government to evaluate these proposed cost.

The contractor shall propose on-site (Government Site) rates and off-site (Contractor Site) rates in accordance with the Government’s anticipated allocation of performance set forth in individual TORPs.

All proposals shall utilize the categories of labor identified in the D3I Labor Category Descriptions and Minimum Requirements at Attachment 02. Additional labor categories or variations of these categories shall not be proposed.

i. Reserved

j. Reserved

k. Reserved

l. Task Order Options: Pursuant to the clause at FAR 52.217-9, Option to Extend the Term of the Contract, TORPs and resulting task orders issued under this contract may include options to provide additional periods of support and/or “surge” options to provide additional support within a task order’s given performance period.

1. TORPs and resulting task orders containing options shall specify the effort to be performed by the option, the quantities of DPPH to be performed under the option (Term options only), the performance period(s) in which the option(s) will be performed, and the time period in which the option(s) may be exercised by the Government.

2. Estimated costs/proposed prices for all options shall be developed in accordance with the procedures described in subparagraph l above. The Government may unilaterally exercise task order options at its discretion, at the awarded quantities and costs/prices and within the exercise periods specified in the task order. All option exercises shall be executed by written modification to the task order.

3. Surge options may be prices and will be addressed in each individual TORFP.

m. Reserved

## **H2 SUBCONTRACTOR TRAVEL**

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- a. Temporary Duty (TDY)/non-local travel may be required in performance of individual TOs issued under this Subcontract. Specific travel requirements will be identified and funded as such need arises. The Subcontractor has no authority to incur travel costs without explicit written approval from the COR through the Quantum Contracts Manager. Under no circumstance shall Subcontractor incur travel costs in excess of the funded amount stated in the TO.
  - b. Reimbursement for direct travel, subsistence, and lodging costs and applicable indirect rates shall be paid to the Subcontractor to the extent that such costs are necessary and incurred in the performance of specific TOs awarded under this Subcontract. Fee or profit on travel expenses is not an allowable reimbursement. Direct travel costs shall be limited to the maximum rates set forth in the following regulations (See FAR 31.205-46 for additional information regarding travel costs):
    - (1) Federal Travel Regulations (in effect at the time of travel) prescribed by the General Services Administration for travel in the contiguous 48 United States;
    - (2) Joint Travel Regulations Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and the territories and possessions of the United States;
    - (3) Standardized Regulations, (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances in Foreign Areas" prescribed by the Department of State, for travel in areas not covered in (a) and (b) above.
  - c. Quantum will reimburse the Subcontractor for actual transportation fare, limited to "coach" rates unless prior approval of the Quantum Contracts Manager is provided, via the most direct routes between place of origin and destination. Cost for delays enroute (excluding Government caused delays, unavoidable airline schedule delays, and major acts of nature causing an unavoidable delay) will not be reimbursed. Per diem will be paid at Joint Travel Regulation (JTR) rates. To the extent available, suitable Government quarters, messing, and surface transportation facilities may be used.
  - d. When travel is required, the following requirements shall be followed:
    - (1) Subcontractors will schedule flights at least 14 days in advance for known meetings in order to reduce airfare costs. "Emergency" meeting fares will be approved by the COR through Quantum prior to departure.
    - (2) Subcontractors will not send more than 2 employees or consultants to any meeting, unless advance written approval is obtained from the COR through Quantum.
    - (3) All overseas travel will be booked 30 days in advance, and will be approved by the COR through Quantum prior to the booking.
    - (4) All car rentals will be economy cars. Quantum may authorize larger vehicles upon receipt of a justified request (based upon the number of travelers and equipment being carried). All requests will be in advance and submitted through the Quantum Contracts Manager.
    - (5) Air fare will not be authorized for trips less than 200 miles from a home station.
    - (6) Subcontractors are encouraged to negotiate "preferred traveler" arrangements with US flag carriers.
    - (7) Subcontractor's traveling into Theatres of Operation must travel by mil-air unless
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otherwise authorized by the COR through Quantum's Contract Manager.

- (8) Subcontractors are encouraged to take advantage of any discounts (e.g. AAA, Government Rates when available, Corporate Rates) when permitted.
- (9) Video Teleconferences shall be used to the greatest extent possible.
- (10) Requests for travel on other than "coach" rates shall be submitted to the Quantum Contracts Manager for submittal to the COR prior to execution of such travel.
- e. Quantum will not reimburse the Subcontractor or otherwise pay for commercial transportation, lodging, meals, or incidental expenses associated with local travel. Local travel is defined as travel within the area of a 50 mile radius of the primary place of performance. However, subject to the approval by the Contracting Officer through Quantum Contracts Manager, on a case-by-case basis, Subcontractor personnel may be authorized reimbursement or payment for the use of privately-owned vehicles (POV) in the direct performance of TO requirements. Such reimbursement or payment, if authorized, shall be limited to the current government POV mileage rate. In no event shall POV expenditures be claimed or paid for Subcontractor travel to and from the employee's duty location/principle place of performance.
- f. Invitational Travel Orders will NOT be issued by the Government for Subcontractor travel.
- g. Certain TOs may require the temporary deployment of contractor personnel to Outside the Continental United States (OCONUS) locations. It is the Subcontractor's full responsibility to obtain all passports, visas, or other documentation necessary to enter and/or exit any area; to verify and comply with all Status of Forces Agreement (SOFA), or Technical Expert Status Accreditation (TESA) requirement; to register all personnel with the appropriate U.S. Embassy or Consulate; and to comply with all other mandated requirements.

### **H3 KEY PERSONNEL**

- a. The Subcontractor's organization shall be established with authority to effectively accomplish the objectives of the Task Order (TO) award. This organization shall become effective upon award of the Subcontract and its integrity shall be maintained for the duration of the Subcontract effort.
- b. Key Personnel positions will be identified at the Task Order level.
- c. Prior to replacing any key personnel, the contractor shall provide the Quantum Contracts Manager with not less than twenty (20) days advance notice and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No replacement shall be made by the Subcontractor without the written consent of the Quantum Contracts Manager.

### **H4 ORGANIZATIONAL CONFLICTS OF INTEREST**

- a. Definitions:

"Organizational Conflict of Interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the Government, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage. "Person" as used herein

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includes Corporations, Partnerships, Joint Ventures, Teaming Arrangements, and other business enterprises.

The term "contractor" as used in this clause, includes any person, firm or corporation which has a majority or controlling interest in the contractor or in any parent corporation thereof, any person, firm, or corporation in or as to which the contractor (or any parent or subsidiary corporation thereof) has a majority or controlling interest. The term also includes the corporate officers of the contractor, those of any corporation which has a majority or controlling interest in the contractor, and those of any corporation in which the contractor (or any parent or subsidiary corporation thereof) has a majority or controlling interest. All references to the "contractor" as contained in this clause shall apply with equal force to all of these included.

"Contract" and "Task Order" shall be used as applicable to the level at which this clause is being invoked.

b. Impact on Future Agency Contracts and TOs:

The following examples illustrate situations in which questions concerning organizational conflicts of interest may arise. They are not all inclusive, but are intended to help the Contracting Officer apply general guidance to individual contract and TO situations:

1. Unequal access to information. Access to "nonpublic information" as part of the performance of a TO provided under the contract or work performed under a separate government contract could provide the contractor a competitive advantage in a later competition. Such an advantage could easily be perceived as unfair by a competing vendor who is not given similar access to the relevant information. If the requirements of the government procurement anticipate the successful vendor may have access to nonpublic information, the successful vendor should be required to submit and negotiate an acceptable mitigation plan. Alternatively, the "nonpublic information" may be provided to all vendors.
  2. Biased ground rules. A contractor, in the course of performance under a TO or contract, has in some fashion established important "ground rules" for another requirement, where the same contractor may be a competitor. For example, a contractor may have drafted the statement of work, specifications, or evaluation criteria of a future procurement. The primary concern of the government in this case is that a contractor so situated could slant key aspects of procurement in its own favor, to the unfair disadvantage of competing vendors. If the requirements of the government procurement anticipate the contractor may have been in a position to establish important ground rules, including but not limited to those described herein, the contractor should be required to submit and negotiate an acceptable mitigation plan.
  3. Impaired objectivity. A contractor in the course of performance of a TO or contract, is placed in a situation of providing assessment and evaluation findings over itself, or another business division, or subsidiary of the same corporation, or other entity with which it has a significant financial relationship. The concern in this case is that the contractor's ability to render impartial advice to the government could appear to be undermined by the contractor's financial or other business relationship to the entity whose work product is being assessed or evaluated. In these situations, a "walling off" of lines of communication may well be insufficient to remove the perception that the objectivity of the contractor has been tainted. If the requirements of the
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government procurement indicate that the successful vendor may be in a position to provide evaluations and assessments of itself or corporate siblings, or other entity with which it has a significant financial relationship, the affected contractor should provide a mitigation plan that includes recusal by the vendor from the affected contract work. Such recusal might include divestiture of the work to a third party vendor. In order to prevent a future OCI resulting from potential bias, unfair competitive advantage, or impaired objectivity, the contractor shall be subject to the following restrictions:

1. The contractor shall be excluded from competition for, or award of any Government contracts as to which, in the course of performance of this contract, the contractor has received advance procurement information before such information has been made generally available to other persons or firms unless mitigation measures are put in place, to avoid, neutralize, or mitigate an OCI.
2. The contractor shall be excluded from competition for, or award of any Government contract for which the contractor actually assists in the development of the screening information request (SIR), specifications or statements of work unless mitigation measures are put in place to avoid, neutralize or mitigate an OCI.
3. The contractor shall be excluded from competition for or award of any Government contract which calls for the evaluation of system requirements, system definitions, or other products developed by the contractor under this contract or resulting TOs unless mitigation measures are put in place to avoid, neutralize or mitigate and OCI.
4. The contractor shall be excluded from competition for, or award of any Government contract which calls for the construction or fabrication of any system, equipment, hardware, and/or software for which the contractor participated in the development of requirements or definitions pursuant to this contract or resulting TO unless mitigation measures are put in place to avoid, neutralize or mitigate and OCI.

This clause shall not exclude the contractor from performing work under any amendment or modification to this contract or from competing for award for any future contract for work that is the same or similar to work performed under this contract. This clause shall have effect throughout the period of performance of this contract (and any applicable task order performance period that exceeds the basic contract ordering period), any extensions thereto by change order or supplemental agreement, and for three (3) years thereafter.

The agency may in its sole discretion, waive any provisions of this clause if deemed in the best interest of the Government. The exclusions contained in this clause shall apply for the duration of this contract and for three (3) years after completion and acceptance of all work performed hereunder.

If any provision of this clause excludes the contractor from competition for, or award of any contract, the contractor shall not be permitted to serve as a subcontractor, at any tier, on such contract. This clause shall be incorporated into any subcontracts or consultant agreements awarded under this contract unless the Contracting Officer determines otherwise.

c. Affirmative Duties and Responsibilities for Government Contractors:

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The contractor represents that to the best of its knowledge and belief, and except as otherwise set forth in the contract, the contractor does not have any organizational conflict of interest(s) as defined in paragraph a. above. The contractor agrees that, if after award, it discovers an actual or potential organizational conflict of interest at the contract level it shall make immediate and full disclosure in writing to the Contracting Officer. Changes in the contractor's relationships due to mergers, consolidations or any unanticipated circumstances may create an unacceptable organizational conflict of interest which would necessitate such disclosure. The notification shall include a description of the actual or potential organizational conflict of interest, a description of the action that the contractor has taken or proposes to take to avoid, mitigate, or neutralize the conflict, and any other relevant information that would assist the Contracting Officer in making a determination on this matter.

The contractor, upon identification of a potential conflict, shall submit requests to participate in the TO for written approval on a TO-by-TO basis, unless the contractor is aware of multiple TOs that may create the appearance of a conflict, or be an actual conflict. In the case of the later, the contractor shall notify the Contracting Officer as soon as the conflicts/apparent conflicts have been identified. This provision shall be in effect throughout the period of performance of this contract, any extensions thereto by change order or supplemental agreement, and for three years thereafter.

The contractor shall permit a Government audit of internal OCI mitigation procedures for verification purposes. The Government reserves the right to reject a mitigation plan, if in the opinion of the Contracting Officer, such a plan is not in the best interests of the Government.



The Contracting Officer's decision as to the existence or nonexistence of an actual or potential organizational conflict of interest shall be final. The contractor shall include the same provisions as are expressed in this clause, including this paragraph, in all subcontracts awarded for performance of any portion of this requirement. This restriction is applicable throughout the period of performance of the subcontract, and any extensions thereof by change order or supplemental agreement, and for three years thereafter. When the provisions of this clause are included in a subcontract, the term "Contracting Officer" shall represent the head of the contracts office of the prime contract. Any deviations or less restrictive coverage deemed necessary or required by the prime contractor for a particular subcontract must first be submitted to the Contracting Officer for approval. Subcontract restrictions will be limited to the technical area(s) addressed in the specific statements of work in the subcontractor's given task orders.

d. Compliance:

Compliance with this OCI requirement is a material obligation of this contract. The rights and remedies described herein shall not be exclusive and are in addition to other rights and remedies provided by law, including those set forth at FAR Part 9.5, or elsewhere included in this contract. If the contractor takes any action prohibited by this requirement or fails to take action required by this requirement, the Government may terminate this contract for default. For breach of any of the restrictions contained herein, or for nondisclosure or misrepresentation of any relevant facts

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required to be disclosed concerning this contract, the government reserves the right to terminate this contract for default, disqualify the contractor for subsequent related contractual efforts, and to pursue such other remedies as may be available under law. If in compliance with this clause, the contractor discovers and promptly reports an organizational conflict of interest subsequent to contract award, the Contracting Officer may choose to terminate this contract for convenience of the Government, when such termination is deemed to be in the best interest of the Government.

#### OCI AT THE TASK ORDER LEVEL

##### a. OCI / Advisory and Assistance Services Possibilities.

It is recognized by the parties hereto that some of the services identified in the PWS may include (1) incidental advisory and assistance services (2) technical evaluation of other contractor's products and services; (3) surveillance of other contractor's services and work products; and, (4) access to other contractors' proprietary information. Such activities create a significant potential for certain conflicts of interest, as set forth in FAR 9.505-1, FAR 9.505-2, FAR 9.505-3, and FAR 9.505-4.

It is the intention of the parties that the contractor will not engage in any other contractual or other activities which could create an organizational conflict of interest with its position under this contract; which might impair its ability to render unbiased advice and recommendations; or, in which it may derive an unfair competitive advantage as a result of knowledge, information, and experience gained during the performance of this contract. Therefore, the contractor agrees that it will seek the prior written approval of the Contracting Officer before participating in any TO that may involve such a conflict. The contractor agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the government any information provided to the contractor by the Government during or as a result of performance of this TO. Such information includes, but is not limited to, information submitted to the Government on a confidential basis by other persons. Further, the prohibition against release of GFI extends to cover such information whether or not in its original form, where the information has been included in contractor generated work, or where it is discernible from materials incorporating or based upon such information. This prohibition shall not expire after a given period of time.

Whenever performance of this contract requires access to another contractor's proprietary information, the contractor shall (1) enter into a written agreement with the other entities involved, as appropriate, in order to protect such proprietary information from unauthorized use or disclosure for as long as it remains proprietary; and (2) refrain from using such proprietary information other than as agreed to, for example; to provide assistance during technical evaluation of other contractors' offers or products under this contract. An executed copy of all proprietary information agreements by individual personnel or on a corporate basis shall be furnished to the TO Contracting Officer within fifteen (15) calendar days of execution.

The contractor shall promptly notify the Contracting Officer, in writing, if it has been tasked to evaluate or advise the Government concerning its own products or activities or those of a competitor in order to ensure that proper safeguards exist to guarantee objectivity and to protect the Government's interest. In the event that a TO is issued to the contractor that would require activity that would create a potential conflict of interest, the contractor shall:

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1. Notify the Contracting Officer of a potential conflict
2. Recommend to the Government an alternate tasking approach which would avoid the potential conflict, or,
3. Present for approval a conflict of interest mitigation plan that will:
4. Describe in detail the TO requirement that creates the potential conflict of interest; and,
5. Outline in detail the actions to be taken by the contractor or the Government in the performance of the task to mitigate the conflict, division of subcontractor effort, and limited access to information, or other acceptable means.
6. The contractor shall not commence work on a TO related to a potential conflict of interest until specifically notified by the Contracting Officer to proceed
7. If the Contracting Officer determines that it is in the best interest of the Government to issue a TO, notwithstanding a conflict of interest, a request for waiver shall be submitted in accordance with FAR 9.503
8. Conflicts Of Interest Compliance Plan: In the event that a waiver is requested, the Contractor shall submit with the waiver request a Conflicts of Interest (COI) Compliance Plan to the Contracting Officer for approval. The COI Compliance Plan shall address the Contractor's approach for adhering to the Section H. Organizational Conflicts of Interest (OCI) and describe its procedures for aggressively self-identifying and resolving both organizational and employee conflicts of interest. The overall purpose of the COI Compliance Plan is to demonstrate how the Contractor will assure that its operations meet the highest standards of ethical conduct, and how its assistance and advice are impartial and objective. The COI Compliance Plan shall specifically address:
  9. How the Contractor will protect confidential, proprietary, or sensitive information;
  10. Preventing the existence of conflicting roles that might bias a contractor's judgment; and,
  11. Preventing an unfair competitive advantage.

Contractors are invited to review FAR 9.5 "Organizational and Consultant Conflicts of Interest (OCI). " Particular attention is directed to from FAR 9.505-1 thru FAR 9.505-4.

b. Avoidance of OCI.

The policy of the government is to avoid contracting with contractors who have unacceptable organizational conflicts of interest.

It is not the intent of the government to foreclose a vendor from a competitive acquisition due to a perceived OCI. The Contracting Officers are fully empowered to evaluate each potential OCI scenario based upon the applicable facts and circumstances. The final determination of such action may be negotiated between the impaired vendor and the Contracting Officer. The Contracting

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Officer's business judgment and sound discretion in identifying, negotiating, and eliminating OCI scenarios should not adversely affect the government's policy for competition. The government is committed to working with potential vendors to eliminate or mitigate actual and perceived OCI situations, without detriment to the integrity of the competitive process, the mission of the government, or the legitimate business interests of the vendor community.

c. Examples of OCI concerns.

These examples in which OCI issues may arise are not all inclusive, but are intended only to help the TO Contracting Officer apply general guidance to individual contract and TO situations.

1. Unequal Access to Information. Access to "nonpublic information" as part of the performance of a government TO could provide the contractor a competitive advantage in a later competition for another government contract. Such an advantage could easily be perceived as unfair by a competing vendor who is not given similar access to the relevant information. If the requirements of the government procurement anticipate the successful vendor may have access to nonpublic information, all vendors should be required to submit and negotiate an acceptable mitigation plan.
2. Biased Ground Rules. A contractor, in the course of performance of a Government contract, has in some fashion established a "ground rules" for another Government contract, where the same contractor may be a competitor. For example, a contractor may have drafted the statement of work, specifications, or evaluations criteria of future government procurements. The primary concern of the government in this case is that a contractor so situated could slant key aspects of a procurement in its own favor, to the unfair disadvantage of competing vendors. If the requirements of the Government procurement anticipate the successful vendor may be in a position to establish important ground rules, including but not limited to those described herein, the successful vendor should be required to submit and negotiate an acceptable mitigation plan.
3. Impaired objectivity. A contractor in the course of performance of a Government contract, is placed in a situation of providing assessment and evaluation findings over itself, or another business division, or subsidiary of the same corporation, or other entity with which it has a significant financial relationship. The concern in this case is that the contractor's ability to render impartial advice to the government could appear to be undermined by the contractor's financial or other business relationship to the entity whose work product is being assessed or evaluated. In these situations, a "walling off" of lines of communication may well be insufficient to remove the perception that the objectivity of the contractor has been tainted. If the requirements of the government procurement indicate that the successful vendor may be in a position to provide evaluations and assessments of itself or corporate siblings, or other entity with which it has a significant financial relationship, the affected contractor should provide a mitigation plan that includes recusal by the vendor from the affected contract work. Such recusal might include divestiture of the work to a third party vendor.

d. Mitigation plans.

The successful contractor will be required to permit a government audit of internal OCI mitigation

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procedures for verification purposes. The Government reserves the right to reject a mitigation plan, if in the opinion of the Contracting Officer, such a plan is not in the best interests of the Government. Additionally, after award the Government will review and audit OCI mitigation plans as needed, in the event of changes in the vendor community due to mergers, consolidations, or any unanticipated circumstances that may create an unacceptable organizational

## **H5 COOPERATIVE-EDUCATION AND INTERN PROGRAMS**

- a. Definitions for this clause:

Co-Op Program: a partnership among the student, educational institution, and employer, with specified responsibilities structured for each party by the educational institution.

Intern Program: based on a company policy pertaining to the hiring and management of interns, the contractor presents a hands-on learning experience to qualified College/University candidates in a supportive, mentoring environment.

- b. Responsibilities: Under either a Co-Op Program or an Intern Program, the College/University teaches basic facts, theories, and principles while the employer provides the opportunity for a student to apply these facts, theories, and principles to practical work situations and problems. The subcontractor provides the student with assignments of increasing challenge and responsibility. The subcontractor evaluates the work of the student and discusses the results with him or her. The subcontractor is responsible for supervising the work of the student.
- c. Billing: The subcontractor is authorized to establish a Co-Op and/or Intern Program for performing work under this contract. The contractor is authorized to bill the government for Co-Op and/or Interns based on class standing as follows (NOTE: The entry-level category is Level I of the appropriate D3I labor category.):

Freshmen: Not more than 50% of the applicable entry-level estimated labor cost rate.

Sophomore: Not more than 60% of the applicable entry-level estimated labor cost rate.

Junior: Not more than 70% of the applicable entry-level estimated labor cost rate.

Senior: Not more than 80% of the applicable entry-level estimated labor cost rate.

Increases in the percentage billed to the Government are not authorized until enough course work is completed to move the student to the next class standing.

- d. Approval Process: Prior to hiring an Intern and/or Co-Op to perform work under a task order, the subcontractor shall obtain written concurrence from the prime Contracting Officer. The Contracting Officer will consider the level requested, and will also consider the overall mix of levels proposed to ensure a balanced approach to supporting this program.

## **H6 WOUNDED WARRIOR PROGRAM SUPPORT**

- a. The US Army SMDC/ARSTRAT strongly endorses the Army's Wounded Warrior Program and encourages the prime contractor and all subcontractors to emphasize the employment of America's wounded warriors in performance of this contract. A wounded warrior is defined as an individual that suffers from injuries or illnesses incurred in the line of duty after September
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10, 2001, in support of Overseas Contingency Operations since 9/11, and have received or expect to receive an Army Physical Disability Evaluation System rating of 30% or greater in one or more specific categories:

- 1 Blindness/Loss of Vision; 1
- Deafness/Hearing Loss;
- 1 Fatal/Incurable Disease; 1
- Loss of Limb;
- 1 Permanent Disfigurement;
- 1 Post Traumatic Stress Disorder; 1
- Severe Burns;
- 1 Spinal Cord Injury/Paralysis; 1
- Traumatic Brain Injury; and/or
- 1 Any other condition requiring extensive hospitalizations or multiple surgeries

OR, is an individual that has received an Army Physical Disability Evaluation System combined rating equal to or greater than 50% for any other combat or combat related conditions.

#### **H7 PROGRAM STATUS REVIEWS**

Quantum will be required to present Program Status Review annually with the government. It may be necessary for the Subcontractor to provide inputs or be in attendance of the meeting. Quantum will make requests for information or attendance as timely as allowed, based on government schedule.

#### **H8 RESERVED**

#### **H9 RESERVED**

#### **H10 COMPLETION NOTICE**

Within 15 days of physical completion of each TO issued under this Subcontract, the Subcontractor shall submit a notice of completion to the Quantum Contracts Manager specifying the following information:

- a. Contract and TO number;
- b. Identification of any “known” excess funding, by CLIN/SLIN, available for immediate deobligation;
- c. A statement regarding delivery status of all required deliverables and reports;
- d. A statement regarding disposition status of all government-furnished and subcontractor-acquired property;
- e. Delineation of actual DPPH expenditures by labor category.

#### **H11 RESERVED**

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## **H12 PATENTS - REPORTING OF INVENTIONS**

The contractor shall include the clause at DFARS 252.227-7039 in all subcontracts with small businesses and non-profit organizations, regardless of tier, for experimental, developmental, or research work.

## **H13 DISTRIBUTION CONTROL OF TECHNICAL INFORMATION**

a. The following terms applicable to this clause are defined as follows:

1. Technical Document: Any recorded information that conveys scientific and technical information or technical data.
2. Scientific and Technical Information. Communicable knowledge or information resulting from or pertaining to conducting and managing a scientific or engineering research effort.
3. Technical Data. Recorded information related to experimental, developmental, or engineering works that can be used to define an engineering or manufacturing process or to design, procure, produce, support, maintain, operate, repair, or overhaul material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents, or computer printouts. Examples of technical data include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog-item identifications, and related information and computer software documentation.

b. Except as may otherwise be set forth in the Contract Data Requirements List (CDRL), DD Form 1423, (1) the distribution of any technical document prepared under this contract, in any stage of development or completion, is prohibited without the approval of the Contracting Officer and (2) all technical documents prepared under this contract shall initially be marked with the following distribution statement, warning, and destruction notice:

1. DISTRIBUTION STATEMENT F - Further dissemination only as directed by SMDC-IO-P or higher DOD authority.
2. WARNING - This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C., Sec 2751 et seq.) or the Export Administration Act of 1979, as amended, Title 50, U.S.C., app 2401 et seq. Violation of these export laws are subject to severe criminal penalties. Disseminate in accordance with provisions of DOD Directive 5230.25.
3. DESTRUCTION NOTICE - For classified documents, follow the procedures in DOD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM), Chapter 5, Section 7, or DOD 5200.1-R, Information Security Program Regulation, Chapter IX. For unclassified, limited documents, destroy by any method that will prevent disclosure of contents or reconstruction of the document.

c. As a part of the review of preliminary or working draft technical documents, the Government

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will determine if a distribution statement less restrictive than the statement specified above would provide adequate protection. If so, the Government's approval/comments will provide specific instructions on the distribution statement to be marked on the final technical documents before primary distribution.

#### **H14 CRITICAL PROGRAM INFORMATION**

The Subcontractor shall assist the Prime and the Government in the identification of any inherited and new Critical Program Information (CPI). The Subcontractor shall implement security measures, as directed by the Government through Quantum, for any identified CPI to prevent unauthorized disclosure. Critical Program Information, as defined in DoD Instruction 5200.39, Critical Program Information (CPI) Protection Within the Department of Defense, are elements or components of a research, development, and acquisition (RDA) program that, if compromised, could cause significant degradation in mission effectiveness; shorten the expected combat- effective life of the system; reduce technological advantage; significantly alter program direction;

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or enable an adversary to defeat, counter, copy, or reverse engineer the technology or capability. The Subcontractor will be subject to internal and external audits of the implementation of security measures for handling CPI and will provide audit results to the U.S. Army Space and Missile Defense Command/Army Forces Strategic Command (USASMDC/ARSTRAT) upon request. The requirements of this clause applies at the TO level.

## **H15 PUBLIC RELEASE OF INFORMATION**

- a. In accordance with DFARS 252.204-7000, Disclosure of Information, the Subcontractor shall not release to anyone outside the Subcontractor's organization any unclassified information, regardless of medium (e.g., film, tape, document), pertaining to any part of this Subcontract or any program related to this Subcontract, unless the Subcontractor has written approval or the information is otherwise in the public domain before the date of release.
- b. Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The contractor shall submit its request to the Quantum Contracts Manager specified in the Subcontract/TO, at least 60 days before the proposed date for release. All material to be cleared shall be sent by certified mail/return receipt requested to:

Quantum Research International, Inc.  
ATTN: Cynthia Pack  
991 Discovery Drive  
Huntsville, AL 35806

- c. The Subcontractor agrees to include a similar requirement in each authorized 2<sup>nd</sup> tier subcontract under this Subcontract. Subcontractors shall submit requests for authorization to release through the prime contractor.

## **H16 MINIMUM INSURANCE LIABILITY**

**SUBCONTRACTOR IS TO MAINTAIN SELF-INSURANCE COVERAGE  
THROUGHOUT THE DURATION OF THE PERIOD OF CONTRACT PERFORMANCE.**

## **H17 INDEMNITY**

Subcontractor will not use any infringing patented or copyrighted material relating to the work, to the best of its knowledge.

## **H18 DISPUTES**

This subcontract shall be enforced and interpreted by the laws of the state of Alabama. All claims, disputes, or controversies shall be decided as follows:

- a. **GOOD FAITH NEGOTIATIONS.** If any dispute arises under this agreement that is not settled in the ordinary course of business, the parties shall seek to resolve any such dispute between them, first, by negotiating promptly with each other in good faith in face-to-face negotiations, including elevating to higher levels of management within the respective companies. If the parties are unable to resolve the dispute within 20 business days (or such period as the parties shall otherwise agree) through these face-to-face negotiations, then either party may seek legal remedies.
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- b. **EXCLUDED CLAUSES.** If the only dispute relates to unpaid fees, costs, or other charges, the party owed the money may commence legal action in court for outstanding monies due under this Agreement.



## **H19 ASSIGNMENTS**

Neither party shall have the right to assign or otherwise transfer its rights or obligations under this Agreement, in whole or in part without the prior written consent of the other party, but such consent will not be unreasonably withheld.

## **H20 SEVERABILITY**

If any provision of this Subcontract is or becomes void or unenforceable by force or operation of law, the other provisions shall remain valid and enforceable.

## **H21 FORCE MAJEURE**

Neither Party to this Subcontract shall be considered to be in default of its obligations under this Subcontract to the extent that failure to perform any such obligation arises from causes beyond the control and without the fault or negligence of the affected party.

## **H22 CHOICE OF LAW**

This Subcontract shall be interpreted in accordance with the laws of the State of Alabama.

## **H23 LOWER TIER SUBCONTRACTING**

Lower Tier Subcontracting is not allowed without the prior written approval of the Contracts Manager.

## **H24 QUANTUM'S PROPERTY**

- a. All drawings, tools, jigs, dies, fixtures, materials, and other property supplied or paid for by Quantum shall be and remain the property of Quantum regardless of location.
- b. All such items shall be used only in the performance of work under this subcontract unless Quantum consents otherwise in writing.
- c. Goods made in accordance with Quantum's specifications and drawings shall not be furnished or quoted by subcontractor to any other person or concern without Quantum's prior written consent.
- d. Subcontractor shall have the obligation to maintain any and all property furnished by Quantum to Vendor and all property to which Quantum acquires an interest by this Subcontract and shall be responsible for all loss or damage to said property except for normal wear and tear.
- e. Upon request, Subcontractor shall provide Quantum with adequate proof of insurance against such risk of loss or damage.
- f. Subcontractor shall clearly mark, maintain in inventory, and keep segregated or identifiable all of Quantum's property.

## **H25 INFRINGEMENT**

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Subcontractor represents that all goods and services (for purposes of this Section hereinafter “items”), provided by Subcontractor pursuant to this Subcontract, which are not of Quantum’s design, shall be free from claims of infringement (including misappropriation) of third party intellectual property rights and that any use or sale of such items by Quantum or any of Quantum’s customers shall be free from any claims of infringement. However, it is not the intent of this clause to relinquish any of the Subcontractor’s or any third party (Subcontractor’s Subcontractors’) Intellectual Property rights. Subcontractor does not waive any rights or causes of action, and does not agree to indemnify or hold any person or party harmless from any claim. Subcontractor does not waive and specifically reserves all immunities to which it is entitled by the constitution, laws, and statutes of the United States and the State of Alabama, including, without limitation, the immunities contained within Article I, section 14 of the Constitution of Alabama. Any claim against Subcontractor must be made through the Alabama State Board of Adjustment. Venue and jurisdiction of any dispute, arising under or related to this agreement or relationship of these parties, to the extent not barred by immunity or required to be filed before the Alabama State Board of Adjustment, shall lie in the Circuit Court of Madison County, Alabama, or the Federal District Court for the Northern District of Alabama, Northeastern Division. Any provision of the Agreement which may be considered consent to suit or a waiver of immunity by Subcontractor is hereby rendered null and void. Subcontractor may replace or modify infringing items with comparable items acceptable to Quantum of substantially the same form, fit, and function so as to remove the source of infringement, and Subcontractor’s obligations under this Subcontract shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Subcontractor, at no expense to Quantum, shall obtain for Quantum and its customers the right to use and sell said item.

## **H26 PROPRIETARY INFORMATION**

During the term of the Subcontract, Quantum and the Subcontractor may exchange such proprietary and other information of the disclosing party as is required for each to perform its obligations hereunder. Both Quantum and the Subcontractor agree as follows:

- a. To use the proprietary information received from the other party only for the above purpose, to not reproduce, duplicate, copy, distribute, disclose or otherwise disseminate the proprietary information, and to hold in confidence and protect the proprietary information from dissemination to and use by anyone not a party to this Agreement.
- b. To disclose the proprietary information received from the other party only to persons who are employees of the receiving party who have a need to know for the above purpose.

Neither party shall be liable under this Agreement if a disclosure or use of Proprietary Information received hereunder is made when the Proprietary Information:

- a. was known by the receiving party at the time of disclosure without restriction on its use or developed independently without breach of this Agreement by the receiving party's employees; or
  - b. was in the public domain at the time of the disclosure or is subsequently made available to the general public without restriction by the disclosing party; or
  - c. becomes available to the receiving party from a source, other than the disclosing party, who has no obligation of secrecy with respect to the proprietary information; or
  - d. is disclosed with the prior written approval of the disclosing party; or
  - e. is used or disclosed inadvertently despite the exercise of the same degree of care as each party takes to preserve and safeguard its own Proprietary Information (each party shall use
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reasonable care for its own Proprietary Information); or

- f. is disclosed by the disclosing party to a third party without restriction; or
- g. is disclosed pursuant to court order or subpoena.

The receiving party shall not be liable for inadvertent, accidental, unauthorized or mistaken disclosure or use by its employees, of data obtained under this Agreement, provided that:

- a. The receiving party shall use the same degree of care as used to protect its own proprietary information of a similar nature, and
- b. Upon discovery of such disclosure or use, the receiving party shall prevent further disclosure or use and shall notify the other party of any breach of these terms and its procedures to limit the breach.

The protection of proprietary data shall be in effect for the life of the Subcontract and an additional two (2) years after the completion of the subcontract.

## **H27 CERTIFICATIONS, REPRESENTATIONS, AND ACKNOWLEDGMENTS**

All Certifications, Representations, and Acknowledgments provided by the Subcontractor are hereby incorporated by reference into this Subcontract with the same force and effect as if they were included in the Subcontract.

## **H28 EXPORT CONTROL AND FOREIGN DISCLOSURE COMPLIANCE**

- a. The Sub contracting work may require Subcontractor's to support Government projects that involve the export of technical data, defense services, hardware and/or technology governed by the Arms Export Control Act, International Traffic in Arms Regulations, Export Administration Regulations and all other applicable federal laws, executive orders and regulations. Subcontractor shall be required to comply with all such laws, executive orders and regulations and shall be required to furnish evidence of compliance to the Quantum Contracts Manager.
- b. Any potential disclosure regarding defense articles, defense services and/or technical data to a foreign source or foreign party under the resultant contracts, the awardees must comply with the National Disclosure Policy-1 (NDP-1) and National, DOD and Army security regulations.
- c. The Subcontractor shall include the substance of this clause in all approved 2<sup>nd</sup> tier subcontracts.

## **H29 SUBCONTRACT EXCLUSIVITY**

The Subcontractor agrees that when it is being proposed as a Subcontractor with Quantum for a specific TO competition, it will not compete on any other D3I D2 team for that TO.

This restriction does not preclude Subcontractor from being on other D3I D2 prime contractor's team.

## **H30 INTELLECTUAL PROPERTY**

If the Subcontractor determines to use technical data, copyrighted, or patented items protected by intellectual property rights in performance and to be delivered to the Government, the Subcontractor will notify the Contracts Manager as soon as possible.

Upon the Prime's issuance of a Task Order RFP to the Subcontractor, the Subcontractor will review and evaluate any requirements as may pertain to intellectual property ownership or licensing and will

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determine whether or not it will participate in the Prime's proposal response. If the Subcontractor is considered key in the Prime's proposal, the Subcontractor will provide the Prime timely notification upon determining that participation in the proposal response is not in its best interest.

### **H31 RIGHTS IN SPECIAL WORKS**

When the Subcontractor asserts title and rights for technical data under this Subcontract, the Government and/or Quantum will work with the Subcontractor to reach an agreement on its licensing rights.

When the Government and/or Quantum must own or control copyright in all works or portions of work first produced, created, or generated under this Subcontract, the Government and/or Quantum will invoke DFARS 252.227-7020, Rights in Special Works. The Subcontractor shall assign copyright in those works to the Government and/or Quantum and label the work the following notice: "© (Year Date of Delivery) United States Government, as represented by the Secretary of Army. All rights reserved." The Government and/or Quantum will have unlimited rights in the special works, and the Subcontractor grants to the Government and/or Quantum licenses in accordance with the DFARS clause. In addition, the Subcontractor hereby relinquishes any rights to use or disclose such works beyond what is required by the contract.

### **H32 TECHNICAL DATA RIGHTS**

When the Subcontractor asserts title and rights for technical data under this Subcontract, the Government and/or Quantum will invoke DFARS 252.227-7013 and reach an agreement with the Subcontractor on its licensing rights.

### **H33 NON SOLICITATION OF PERSONNEL**

Neither party will solicit for hire employees of the other party during the term of this contract or for a period of one year thereafter without the written consent of the other party. This does not preclude employees of either company from seeking out employment as a result of job fair, job announcements, etc.

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## SECTION I – CLAUSES INCORPORATED BY REFERENCE

In addition to the terms of this Subcontract, the following FAR provisions and DFARS clauses and provisions, shall apply, whether or not required by the terms of Quantum’s prime contract or by operation of law or regulation. Rights and obligations granted by Subcontractor shall first run to Quantum and then to the Government as applicable; Quantum shall receive rights pursuant to these clauses at least in parity to the Government’s rights except as pertains to Intellectual Property or the right to review or audit Subcontractor confidential or proprietary records, in which case reviews will be conducted only by DCAA, DCMA or other authorized Government agency. Nevertheless, all rights and obligations will not exceed those as stated and contained in this Subcontract Agreement. In the event of a conflict between the general terms and conditions of this Subcontract, or the FAR provisions or the DFARS provisions, first the provisions of the DFARS shall control (if applicable), then the FAR provisions (if applicable), then the Subcontract terms and conditions. The following clauses set forth in the FARS and DFARS in effect as of the date of the prime contract are incorporated herein by reference. Any updates, additions or deletions to the FARS and DFARS clauses in this Subcontract Agreement will be by mutual agreement and modification to this Subcontract Agreement. Except as restricted above, in all clauses listed herein, the terms “Government”, “Contracting Officer” and “Contractor” shall be revised to suitably identify the contracting parties under this Subcontract Agreement and effect the proper intent of the provision. “Vendor”, if any, shall mean “Subcontractor” under this Subcontract Agreement. The Subcontractor, by signing its offer, hereby certifies compliance with the following clauses and is, therefore, eligible for award.

CLAUSES MADE INAPPLICABLE TO A TASK ORDER ISSUED UNDER THIS AGREEMENT ARE SELF-DELETING.

Regulatory Cite	Title	Date
52.202-1	Definitions	NOV 2013
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	MAY 2014
52.203-6	Restrictions on Subcontractor Sales to the Government	SEP 2006
52.203-7	Anti-Kickback Procedures	MAY 2014
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	MAY 2014
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	MAY 2014
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	OCT 2010
52.203-13	Contractor Code of Business Ethics and Conduct	OCT 2015
52.203-16	Preventing Personal Conflicts Of Interest	DEC 2011
52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights	APR 2014
52.204-2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on Recycled Paper	MAY 2011
52.204-7	System for Award Management	JUL 2013
52.204-9	Personal Identity Verification of Contractor Personnel	JAN 2011
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	OCT 2015
52.204-19	Incorporation by Reference Representations and Certifications	DEC 2014
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors	OCT 2015
52.209-9	Debarred, Suspended, or Proposed for Debarment	
52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters	JUL 2013
52.209-10	Prohibition on Contracting with Inverted Domestic Corporations	DEC 2014
52.210-1	Market Research	APR 2011
52.211-5	Material Requirements	AUG 2000

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52.211-15	Defense Priority And Allocation Requirements	APR 2008
52.215-2	Audit and Records--Negotiation	OCT 2010
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997

Regulatory Cite	Title	Date
52.215-14	Integrity of Unit Prices	OCT 2009
52.215-16	Facilities Capital Cost of Money	JUN 2003
52.215-17	Waiver of Facilities Capital Cost of Money	OCT 1997
52.215-21	Requirement for Certified Cost and Pricing Data and Data Other than Certified Cost Or Pricing Data--Modifications	OCT 2010
52.215-23	Limitations on Pass-Through Charges	OCT 2009
52.216-8	Fixed Fee	JUN 2011
52.217-5	Evaluations of Operations	JUL 1990
52.219-6	Notice of Total Small Business Set-Aside	NOV 2011
52.219-8	Utilization of Small Business Concerns	OCT 2014
52.219-14	Limitation on Subcontracting	NOV 2011
52.219-27	Notice of Service Disabled Veteran-Owned Small Business Set-Aside	NOV 2011
52.222-3	Convict Labor	JUN 2003
52.222-4	Contract Work Hours and Safety Standards-Overtime Compensation	MAY 2014
52.222-19	Child Labor – Cooperation with Authorities and Remedies	JAN2016
52.222-20	Walsh-Healey Public Contracts Act	OCT 2014
52.222-21	Prohibition Of Segregated Facilities	APR 2015
52.222-22	Previous Contracts and Compliance Reports	FEB 1999
52.222-26	Equal Opportunity	APR 2015
52.222-29	Notification Of Visa Denial	APR 2015
52.222-35	Equal Opportunity For Veterans	OCT 2015
52.222-36	Affirmative Action For Workers With Disabilities	OCT 2010
52.222-37	Employment Reports On Veterans	OCT 2015
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	DEC 2010
52.222-41	Service Contract labor Standards	MAY 2014
52.222-50	Combatting Trafficking in Persons	MAR 2014
52.222-54	Employment Eligibility Verification	OCT 2015
52.223-5	Pollution Prevention and Right-to-Know Information	MAY 2011
52.223-6	Drug-Free Workplace	MAY 2001
52.223-10	Waste Reduction Program	MAY 2011
52.223-12	Refrigeration Equipment and Air Conditioners	MAY 1995
52.223-15	Energy Efficient in Energy Consuming Products	DEC 2007
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving	AUG 2011
52.224-1	Privacy Act Notification	APR 1984
52.224-2	Privacy Act	APR 1984
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
52.227-1 Alt 1	Authorization and Consent (Dec 2007) – Alternate I	APR 1984
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	DEC 2007
52.227-3	Patent Indemnity	APR 1984
52.227-6	Royalty Information	APR 1984
52.227-10	Filing of Patent Applications--Classified Subject Matter	DEC 2007
52.228-3	Worker's Compensation Insurance (Defense Base Act)	JUL 2014
52.228-5	Insurance - Work on a Government Installation	JAN 1997
52.228-7	Insurance – Liability to Third Persons	MAR 1996
52.229-1	State and Local Taxes	APR 1984
52.229-3	Federal, State And Local Taxes	FEB 2013
52.230-6	Administration of Cost Accounting Standards	JUN 2010
52.232-1	Payments	APR 1984
52.232-2	Payments Under Fixed-Price Research and Development Contracts	APR 1984
52.232-8	Discount For Prompt Payment	FEB 2002



52.232-9	Limitation On Withholding OF Payments	APR1984
52.232-11	Extras	APR 1984
52.232-16 Alt I	Progress Payments (Apr 2012) – Alternate I	MAR 2000
52.232-17	Interest	MAY 2014
52.232-18	Availability of Funds	APR 1984
<b>Regulatory Cite</b>	<b>Title</b>	<b>Date</b>
52.232-20	Limitation of Cost	APR 1984
52.232-22	Limitation of Funds	APR 1984
52.232-23	Assignment of Claims	MAY 2014
52.232-25	Prompt Payment	JUL 2013
52.232-33	Payment by Electronic Funds Transfer – System for Award Management	JUL 2013
52.232-39	Unenforceability of Unauthorized Obligations	JUN2 013
52.232-40	Providing Accelerated Payments to Small Business Subcontractors	DEC 2013
52.233-1	Disputes (See also H18)	JUL 2002
52.233-3	Protest After Award	AUG 1996
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.237-2	Protection of Government Buildings, Equipment, And Vegetation	APR 1984
52.237-3	Continuity of Services	JAN 1991
52.239-1	Privacy or Security Safeguards	AUG 1996
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2014
52.242-4	Certification of Final Indirect Costs	JAN 1997
52.242-13	Bankruptcy	JUL 1995
52.242-15	Stop-Work Order	AUG 1989
52.242-15 Alt I	Stop-Work Order (Aug 1989) – Alternate I	APR 1984
52.243-1	Changes—Fixed Price	AUG 1987
52.243-1 Alt V	Changes--Fixed-Price (AUG 1987) - Alternate V	APR 1984
52.243-2	Changes—Cost Reimbursement	AUG 1987
52.243-2 Alt V	Changes—Cost-Reimbursement (Aug 1987) – Alternate V	APR 1984
52.243-6	Change Order Accounting	APR 1984
52.244-5	Competition in Subcontracting	DEC1996
52.244-6	Subcontracts for Commercial Items	DEC 2015
52.245-1	Government Property	APR 2012
52.245-9	Use and Charges	APR 2012
52.246-23	Limitation of Liability	FEB 1997
52.246-25	Limitation of Liability--Services	FEB 1997
52.247-63	Preference for U.S. Flag Air Carriers	JUN 2003
52.249-1	Termination for Convenience of the Government (Fixed Price) (Short Form)	APR 1984
52.249-2	Termination for Convenience of the Government (Fixed-Price)	APR 2012
52.249-4	Termination for Convenience of the Government (Services) (Short Form)	APR 1984
52.249-6	Termination (Cost-Reimbursement)	MAY 2004
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.249-9	Default (Fixed-Priced Research and Development)	APR 1984
52.249-14	Excusable Delays	APR 1984
52.251-1	Government Supply Sources	APR 2012
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7000	Requirements Relating to Compensation of Former DoD Officials	SEP 2011
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2008
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	SEP 2013
252.203-7003	Agency Office of the Inspector General	DEC 2012
252.204-7000	Disclosure Of Information	AUG 2013
252.204-7002	Payment for Subline Items Not Separately Priced	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7005	Oral Attestation of Security Responsibilities	NOV 2001

252.204-7012	Safeguarding Covered Defense Information and Cyber Incident Reporting	DEC 2015
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	OCT 2015
252.211-7005	Substitutions for Military or Federal Specifications and Standards	NOV 2005
<b>Regulatory Cite</b>	<b>Title</b>	<b>Date</b>
252.211-7007	Reporting of Government-Furnished Property	AUG 2012
252.211-7008	Use of Government-Assigned Serial Numbers	SEP 2010
252.219-7003	Small Business Subcontracting Plan (DOD Contracts)	OCT 2014
252.222-7002	Compliance with Local Labor Laws (Overseas)	JUN 1997
252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements	DEC 2010
252.222-7007	Representation Regarding Combating Trafficking in Persons	JAN 2015
252.223-7002	Safety Precautions for Ammunition and Explosives	MAY 1994
252.223-7003	Changes in Place of Performance—Ammunition and Explosives	DEC 1991
252.223-7004	Drug Free Work Force	SEP 1988
252.223-7006	Prohibition On Storage And Disposal Of Toxic And Hazardous Materials	SEPT 2014
252.225-7001	Buy American and Balance of Payments Program – Basic (Nov 2014)	NOV 2014
252.225-7002	Qualifying Country Sources As Subcontractors	DEC 2012
252.225-7004	Reporting of Contract Performance Outside the United States and Canada-- Submission after Award	OCT 2015
252.225-7006	Acquisition of the American Flag	AUG 2015
252.225-7008	Restriction on Acquisition of Specialty Metals	MAR 2013
252.225-7012	Preference For Certain Domestic Commodities	FEB 2013
252.225-7016	Restriction on Acquisition of Ball and Roller Bearings	JUN 2011
252.225-7028	Exclusionary Policies and Practices of Foreign Government	APR 2003
252.225-7041	Correspondence in English	JUN 1997
252.225-7042	Authorization to Perform	APR 2003
252.225-7048	Export-Controlled Items	JUN 2013
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	SEP 2004
252.227-7013	Rights in Technical Data--Noncommercial Items - Government means Government	FEB 2014
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation - Government means Government	FEB 2014
252.227-7015	Technical Data--Commercial Items - Government means Government	FEB 2014
252.227-7016	Rights in Bid or Proposal Information	JAN 2011
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions	JAN 2011
252.227-7019	Validation of Asserted Restrictions--Computer Software	SEP 2011
252.227-7020	Rights In Special Works	JUN 1995
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	MAY 2013
252.227-7026	Deferred Delivery of Technical Data or Computer Software	APR 1988
252.227-7027	Deferred Ordering Of Technical Data Or Computer Software	APR 1988
252.227-7030	Technical Data—Withholding of Payment	MAR 2000
252.227-7037	Validation of Restrictive Markings on Technical Data	JUN 2013
252.227-7039	Patents—Reporting Of Subject Inventions	APR 1990
252.228-7001	Ground and Flight Risk	JUN 2010
252.228-7003	Capture and Detention	DEC 1991
252.228-7005	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	DEC 1991
252.231-7000	Supplemental Cost Principles	DEC 1991
252.232-7002	Progress Payments for Foreign Military Sales Acquisitions	DEC 1991
252.232-7004	DOD Progress Payments Rates	OCT 2014
252.232-7008	Assignment of Claims (Overseas)	JUN 1997
252.232-7010	Levies on Contract Payments	DEC 2006
252.233-7001	Choice of Law (Overseas)	JUN 1997

252.235-7003	Frequency Authorization	MAR 2014
252.235-7011	Final Scientific or Technical Report	JAN 2015
252.239-7000	Protection Against Compromising Information	JUN 2004
252.239-7001	Information Assurance Contractor Training and Certification	JAN 2008
252.242-7004	Material Management and Accounting System	MAY 2011
Regulatory Cite	Title	Date
252.242-7005	Contractor Business Systems	FEB 2012
252.242-7006	Accounting System Administration	FEB 2012
252.243-7001	Pricing Of Contract Modifications	DEC 1991
252.243-7002	Requests for Equitable Adjustment	DEC 2012
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	DEC 2012
252.244-7001	Contractor Purchasing System Administration	MAY 2014
252.245-7001	Tagging, Labeling, and Marking of Government-Furnished Property	APR 2012
252.245-7002	Reporting Loss of Government Property	APR 2012
252.245-7003	Contractor Property Management System Administration	APR 2012
252.245-7004	Reporting, Reutilization, and Disposal	MAR 2015
252.246-7001	Warranty of Data	MAR 2014
252.246-7004	Safety of Facilities, Infrastructure, and Equipment for Military Operations	OCT 2010
252.246-7005	Notice of Warranty Tracking of Serialized Items	JUN2011
252.247-7023	Transportation of Supplies by Sea	APR 2014
252.247-7023 Alt I	Transportation of Supplies by Sea (APR 2014) Alternate I	APR 2014
252.247-7023 Alt II	Transportation of Supplies by Sea (APR 2014) Alternate II	APR 2014
252.247-7024	Notification of Transportation of Supplies by Sea	MAR 2000

#### CLAUSES INCORPORATED BY FULL TEXT

##### 52.216-7 ALLOWABLE COST AND PAYMENT (JUN 2013)

###### (a) Invoicing.

- (1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Federal Acquisition Regulation (FAR) subpart 31. in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.
- (2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.
- (3) The designated payment office will make interim payments for contract financing on the 30th (Contracting Officer insert day as prescribed by agency head; if not prescribed, insert "30th") day after the designated billing office receives a proper payment request.

In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.

- (b) Reimbursing costs. (1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (b)(2) of the clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only--

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

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- (A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made--
- (1) In accordance with the terms and conditions of a subcontract or invoice; and
  - (2) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;
- (B) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;
- (C) Direct labor;
- (D) Direct travel;
- (E) Other direct in-house costs; and
- (F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and
- (iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.
- (2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless--
- (i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and
  - (ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).
- (3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.
- (4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.
- (c) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.
- (d) Final indirect cost rates. (1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.
- (2)(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.
- (ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.
- (iii) An adequate indirect cost rate proposal shall include the following data unless otherwise specified by the cognizant Federal agency official:
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- (A) Summary of all claimed indirect expense rates, including pool, base, and calculated indirect rate.
  - (B) General and Administrative expenses (final indirect cost pool). Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts).
  - (C) Overhead expenses (final indirect cost pool). Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts) for each final indirect cost pool.
  - (D) Occupancy expenses (intermediate indirect cost pool). Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts) and expense reallocation to final indirect cost pools.
  - (E) Claimed allocation bases, by element of cost, used to distribute indirect costs.
  - (F) Facilities capital cost of money factors computation.
  - (G) Reconciliation of books of account (i.e., General Ledger) and claimed direct costs by major cost element.
  - (H) Schedule of direct costs by contract and subcontract and indirect expense applied at claimed rates, as well as a subsidiary schedule of Government participation percentages in each of the allocation base amounts.
  - (I) Schedule of cumulative direct and indirect costs claimed and billed by contract and subcontract.
  - (J) Subcontract information. Listing of subcontracts awarded to companies for which the contractor is the prime or upper-tier contractor (include prime and subcontract numbers; subcontract value and award type; amount claimed during the fiscal year; and the subcontractor name, address, and point of contact information).
  - (K) Summary of each time-and-materials and labor-hour contract information, including labor categories, labor rates, hours, and amounts; direct materials; other direct costs; and, indirect expense applied at claimed rates.
  - (L) Reconciliation of total payroll per IRS form 941 to total labor costs distribution.
  - (M) Listing of decisions/agreements/approvals and description of accounting/organizational changes.
  - (N) Certificate of final indirect costs (see 52.242-4, Certification of Final Indirect Costs).
  - (O) Contract closing information for contracts physically completed in this fiscal year (include contract number, period of performance, contract ceiling amounts, contract fee computations, level of effort, and indicate if the contract is ready to close).
  - (iv) The following supplemental information is not required to determine if a proposal is adequate, but may be required during the audit process:
    - (A) Comparative analysis of indirect expense pools detailed by account to prior fiscal year and budgetary data.
    - (B) General organizational information and limitation on allowability of compensation for certain contractor personnel. See 31.205-6(p). Additional salary reference information is available at [http://www.whitehouse.gov/omb/procurement\\_index\\_exec\\_comp/](http://www.whitehouse.gov/omb/procurement_index_exec_comp/).
    - (C) Identification of prime contracts under which the contractor performs as a subcontractor.
    - (D) Description of accounting system (excludes contractors required to submit a CAS Disclosure Statement or contractors where the description of the accounting system has not changed from the previous year's submission).
    - (E) Procedures for identifying and excluding unallowable costs from the costs claimed and billed (excludes contractors where the procedures have not changed from the previous year's submission).
    - (F) Certified financial statements and other financial data (e.g., trial balance, compilation, review, etc.).
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- (G) Management letter from outside CPAs concerning any internal control weaknesses.
  - (H) Actions that have been and/or will be implemented to correct the weaknesses described in the management letter from subparagraph G) of this section.
  - (I) List of all internal audit reports issued since the last disclosure of internal audit reports to the Government.
  - (J) Annual internal audit plan of scheduled audits to be performed in the fiscal year when the final indirect cost rate submission is made.
  - (K) Federal and State income tax returns.
  - (L) Securities and Exchange Commission 10-K annual report.
  - (M) Minutes from board of directors meetings.
  - (N) Listing of delay claims and termination claims submitted which contain costs relating to the subject fiscal year.
  - (O) Contract briefings, which generally include a synopsis of all pertinent contract provisions, such as: Contract type, contract amount, product or service(s) to be provided, contract performance period, rate ceilings, advance approval requirements, pre-contract cost allowability limitations, and billing limitations.
  - (v) The Contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this section, within 60 days after settlement of final indirect cost rates.
  - (3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.
  - (4) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.
  - (5) Within 120 days (or longer period if approved in writing by the Contracting Officer) after settlement of the final annual indirect cost rates for all years of a physically complete contract, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates. The completion invoice or voucher shall include settled subcontract amounts and rates. The prime contractor is responsible for settling subcontractor amounts and rates included in the completion invoice or voucher and providing status of subcontractor audits to the contracting officer upon request.
  - (6)(i) If the Contractor fails to submit a completion invoice or voucher within the time specified in paragraph (d)(5) of this clause, the Contracting Officer may--
    - (A) Determine the amounts due to the Contractor under the contract; and
    - (B) Record this determination in a unilateral modification to the contract.
  - (ii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.
  - (e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates--
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- (1) Shall be the anticipated final rates; and
- (2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.
- (f) Quick-closeout procedures. Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.
- (g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) Reduced by amounts found by the Contracting Officer not to constitute allowable costs or (2) Adjusted for prior overpayments or underpayments.
- (h) Final payment. (1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(5) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.  
  
(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver--
  - (i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and
  - (ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except--
    - (A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;
    - (B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and
    - (C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of clause)

#### 52.216-10 INCENTIVE FEE (JUN 2011)

- (a) General. The Government shall pay the Contractor for performing this contract a fee determined as provided in this contract.
  - (b) Target cost and target fee. The target cost and target fee specified in the Schedule are subject to adjustment if the contract is modified in accordance with paragraph (d) below.
  - (1) "Target cost," as used in this contract, means the estimated cost of this contract as initially negotiated, adjusted in accordance with paragraph (d) below.
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(2) "Target fee," as used in this contract, means the fee initially negotiated on the assumption that this contract would be performed for a cost equal to the estimated cost initially negotiated, adjusted in accordance with paragraph

(d) below.

(c) Withholding of payment.

(1) Normally, the Government shall pay the fee to the Contractor as specified in the Schedule. However, when the Contracting Officer considers that performance or cost indicates that the Contractor will not achieve target, the Government shall pay on the basis of an appropriate lesser fee. When the Contractor demonstrates that performance or cost clearly indicates that the Contractor will earn a fee significantly above the target fee, the Government may, at the sole discretion of the Contracting Officer, pay on the basis of an appropriate higher fee.

(2) Payment of the incentive fee shall be made as specified in the Schedule; provided that the Contracting Officer withholds a reserve not to exceed 15 percent of the total incentive fee or \$100,000, whichever is less, to protect the Government's interest. The Contracting Officer shall release 75 percent of all fee withholds under this contract after receipt of an adequate certified final indirect cost rate proposal covering the year of physical completion of this contract, provided the Contractor has satisfied all other contract terms and conditions, including the submission of the final patent and royalty reports, and is not delinquent in submitting final vouchers on prior years' settlements. The Contracting Officer may release up to 90 percent of the fee withholds under this contract based on the Contractor's past performance related to the submission and settlement of final indirect cost rate proposals.

(d) Equitable adjustments. When the work under this contract is increased or decreased by a modification to this contract or when any equitable adjustment in the target cost is authorized under any other clause, equitable adjustments in the target cost, target fee, minimum fee, and maximum fee, as appropriate, shall be stated in a supplemental agreement to this contract.

(e) Fee payable. (1) The fee payable under this contract shall be the target fee increased by **to be negotiated at the task order level (when applicable)** cents for every dollar that the total allowable cost is less than the target cost or decreased by **to be negotiated at the task order level (when applicable)** cents for every dollar that the total allowable cost exceeds the target cost. In no event shall the fee be greater than **to be negotiated at the task order level (when applicable)** less than **to be negotiated at the task order level (when applicable)** percent of the target cost.

(2) The fee shall be subject to adjustment, to the extent provided in paragraph (d) above, and within the minimum and maximum fee limitations in subparagraph (1) above, when the total allowable cost is increased or decreased as a consequence of (i) payments made under assignments or (ii) claims excepted from the release as required by paragraph (h)(2) of the Allowable Cost and Payment clause.

(3) If this contract is terminated in its entirety, the portion of the target fee payable shall not be subject to an increase or decrease as provided in this paragraph. The termination shall be accomplished in accordance with other applicable clauses of this contract.

(4) For the purpose of fee adjustment, "total allowable cost" shall not include allowable costs arising out of--

(i) Any of the causes covered by the Excusable Delays clause to the extent that they are beyond the control and without the fault or negligence of the Contractor or any subcontractor;

(ii) The taking effect, after negotiating the target cost, of a statute, court decision, written ruling, or regulation that results in the Contractor's being required to pay or bear the burden of any tax or duty or rate increase in a tax or duty;

(iii) Any direct cost attributed to the Contractor's involvement in litigation as required by the Contracting Officer pursuant to a clause of this contract, including furnishing evidence and information requested pursuant to the Notice and Assistance Regarding Patent and Copyright Infringement clause;

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- (iv) The purchase and maintenance of additional insurance not in the target cost and required by the Contracting Officer, or claims for reimbursement for liabilities to third persons pursuant to the Insurance Liability to Third Persons clause;
  - (v) Any claim, loss, or damage resulting from a risk for which the Contractor has been relieved of liability by the Government Property clause; or
  - (vi) Any claim, loss, or damage resulting from a risk defined in the contract as unusually hazardous or as a nuclear risk and against which the Government has expressly agreed to indemnify the Contractor.
- (5) All other allowable costs are included in "total allowable cost" for fee adjustment in accordance with this paragraph (e), unless otherwise specifically provided in this contract.
- (f) Contract modification. The total allowable cost and the adjusted fee determined as provided in this clause shall be evidenced by a modification to this contract signed by the Contractor and Contracting Officer.
- (g) Inconsistencies. In the event of any language inconsistencies between this clause and provisioning documents or Government options under this contract, compensation for spare parts or other supplies and services ordered under such documents shall be determined in accordance with this clause.
- (End of clause)

#### 52.216-16 INCENTIVE PRICE REVISION--FIRM TARGET (OCT 1997)

- (a) General. The supplies or services identified in the Schedule as Items **to be negotiated at the task order level (when applicable)** are subject to price revision in accordance with this clause; provided, that in no event shall the total final price of these items exceed the ceiling price of **to be negotiated at the task order level (when applicable)** dollars (**to be negotiated at the task order level (when applicable)**). Any supplies or services that are to be (1) ordered separately under, or otherwise added to, this contract and (2) subject to price revision in accordance with the terms of this clause shall be identified as such in a modification to this contract (b) Definition. "Costs," as used in this clause, means allowable costs in accordance with Part 31 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract.
- (c) Data submission. (1) Within **to be negotiated at the task order level (when applicable)** [Contracting Officer insert number of days] days after the end of the month in which the Contractor has delivered the last unit of supplies and completed the services specified by item number in paragraph (a) of this clause, the Contractor shall submit in the format of Table 15-2, FAR 15.408, or in any other form on which the parties agree--
- (i) A detailed statement of all costs incurred up to the end of that month in performing all work under the items;
  - (ii) An estimate of costs of further performance, if any, that may be necessary to complete performance of all work under the items;
  - (iii) A list of all residual inventory and an estimate of its value; and
  - (iv) Any other relevant data that the Contracting Officer may reasonably require.
- (2) If the Contractor fails to submit the data required by subparagraph (1) above within the time specified and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the data submittal period, the amount of the excess shall bear interest, computed from the date the data were due to the date of repayment, at the rate established in accordance with the Interest clause.
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- (d) Price revision. Upon the Contracting Officer's receipt of the data required by paragraph (c) above, the Contracting Officer and the Contractor shall promptly establish the total final price of the items specified in (a) above by applying to final negotiated cost an adjustment for profit or loss, as follows:
- (1) On the basis of the information required by paragraph (c) above, together with any other pertinent information, the parties shall negotiate the total final cost incurred or to be incurred for supplies delivered (or services performed) and accepted by the Government and which are subject to price revision under this clause.
  - (2) The total final price shall be established by applying to the total final negotiated cost an adjustment for profit or loss, as follows:
    - (i) If the total final negotiated cost is equal to the total target cost, the adjustment is the total target profit.
    - (ii) If the total final negotiated cost is greater than the total target cost, the adjustment is the total target profit, less **to be negotiated at the task order level (when applicable)** [Contracting Officer insert percent] percent of the amount by which the total final negotiated cost exceeds the total target cost.
    - (iii) If the final negotiated cost is less than the total target cost, the adjustment is the total target profit plus **to be negotiated at the task order level (when applicable)**. [Contracting Officer insert percent] percent of the amount by which the total final negotiated cost is less than the total target cost.
- (e) Contract modification. The total final price of the items specified in paragraph (a) above shall be evidenced by a modification to this contract, signed by the Contractor and the Contracting Officer. This price shall not be subject to revision, notwithstanding any changes in the cost of performing the contract, except to the extent that--
- (1) The parties may agree in writing, before the determination of total final price, to exclude specific elements of cost from this price and to a procedure for subsequent disposition of those elements; and
  - (2) Adjustments or credits are explicitly permitted or required by this or any other clause in this contract.
- (f) Adjusting billing prices. (1) Pending execution of the contract modification (see paragraph (e) above), the Contractor shall submit invoices or vouchers in accordance with billing prices as provided in this paragraph. The billing prices shall be the target prices shown in this contract.
- (2) If at any time it appears from information provided by the contractor under subparagraph (g)(2) below that the then-current billing prices will be substantially greater than the estimated final prices, the parties shall negotiate a reduction in the billing prices. Similarly, the parties may negotiate an increase in billing prices by any or all of the difference between the target prices and the ceiling price, upon the Contractor's submission of factual data showing that final cost under this contract will be substantially greater than the target cost.
- (3) Any billing price adjustment shall be reflected in a contract modification and shall not affect the determination of the total final price under paragraph (d) above. After the contract modification establishing the total final price is executed, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the total final price, and any resulting additional payments, refunds, or credits shall be made promptly.
- (g) Quarterly limitation on payments statement. This paragraph (g) shall apply until final price revision under this contract has been completed.
- (1) Within 45 days after the end of each quarter of the Contractor's fiscal year in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and for each quarter thereafter, the Contractor shall submit to the contract administration office (with a copy to the contracting office and the cognizant contract auditor) a statement, cumulative from the beginning of the contract, showing--
    - (i) The total contract price of all supplies delivered (or services performed) and accepted by the Government and for which final prices have been established;
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- (ii) The total costs (estimated to the extent necessary) reasonably incurred for, and properly allocable solely to, the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established;
  - (iii) The portion of the total target profit (used in establishing the initial contract price or agreed to for the purpose of this paragraph (g)) that is in direct proportion to the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established--increased or decreased in accordance with subparagraph (d)(2) above, when the amount stated under subdivision (ii), immediately above, differs from the aggregate target costs of the supplies or services; and
  - (iv) The total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).
- (2) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount under subdivision (1)(iv) above exceeds the sum due the Contractor, as computed in accordance with subdivisions (1)(i), (ii), and (iii) above, the Contractor shall immediately refund or credit to the Government the amount of this excess. The Contractor may, when appropriate, reduce this refund or credit by the amount of any applicable tax credits due the Contractor under 26 U.S.C. 1481 and by the amount of previous refunds or credits effected under this clause. If any portion of the excess has been applied to the liquidation of progress payments, then that portion may, instead of being refunded, be added to the unliquidated progress payment account consistent with the Progress Payments clause. The Contractor shall provide complete details to support any claimed reductions in refunds.
- (3) If the Contractor fails to submit the quarterly statement within 45 days after the end of each quarter and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the statement submittal period, the amount of the excess shall bear interest, computed from the date the quarterly statement was due to the date of repayment, at the rate established in accordance with the Interest clause.
- (h) Subcontracts. No subcontract placed under this contract may provide for payment on a cost-plus-a-percentage-of-cost basis. The Contractor shall--
- (1) Insert in each price redetermination or incentive price revision subcontract the substance of paragraph (g), above, and of this paragraph (h), modified to omit mention of the Government and to reflect the position of the Contractor as purchaser and of the subcontractor as vendor, and to omit that part of subparagraph (g)(2) above relating to tax credits; and
  - (2) Include in each cost-reimbursement subcontract a requirement that each lower-tier price redetermination or incentive price revision subcontract contain the substance of paragraph (g) above and of this paragraph (h), modified as required by subparagraph (1) above.
- (i) Disagreements. If the Contractor and the Contracting Officer fail to agree upon the total final price within 60 days (or within such other period as the Contracting Officer may specify) after the date on which the data required by paragraph (c) above are to be submitted, the Contracting Officer shall promptly issue a decision in accordance with the Disputes clause.
- (j) Termination. If this contract is terminated before the total final price is established, prices of supplies or services subject to price revision shall be established in accordance with this clause for (1) completed supplies and services accepted by the Government and (2) those supplies and services not terminated under a partial termination. All other elements of the termination shall be resolved in accordance with other applicable clauses of this contract.
- (k) Equitable adjustment under other clauses. If an equitable adjustment in the contract price is made under any other clause of this contract before the total final price is established, the adjustment shall be made in the total target cost and may be made in the maximum dollar limit on the total final price, the total target profit, or both. If the adjustment is made after the total final price is established, only the total final price shall be adjusted.
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(l) Exclusion from target price and total final price. If any clause of this contract provides that the contract price does not or will not include an amount for a specific purpose, then neither any target price nor the total final price includes or will include any amount for that purpose.

(m) Separate reimbursement. If any clause of this contract expressly provides that the cost of performance of an obligation shall be at Government expense that expense shall not be included in any target price or in the total final price, but shall be reimbursed separately.

(n) Taxes. As used in the Federal, State, and Local Taxes clause or in any other clause that provides for certain taxes or duties to be included in, or excluded from, the contract price, the term "contract price" includes the total target price or, if it has been established, the total final price. When any of these clauses requires that the contract price be increased or decreased as a result of changes in the obligation of the Contractor to pay or bear the burden of certain taxes or duties, the increase or decrease shall be made in the total target price or, if it has been established, in the total final price, so that it will not affect the Contractor's profit or loss on this contract.

(End of Clause)

#### 52.216-18 ORDERING. (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from **date of contract award** through **108 months from date of contract award if all optional ordering periods are exercised**.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

#### 52.216-19 ORDER LIMITATIONS. (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than **\$3,000** (insert dollar figure or quantity), the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor:

(1) Any order for a single item in excess of **\$504,000,000.00**;

(2) Any order for a combination of items in excess of **\$504,000,000.00** (insert dollar figure or quantity); or

(3) A series of orders from the same ordering office within **1** day that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

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- (d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within **1** day after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

#### 52.216-22 INDEFINITE QUANTITY. (OCT 1995)

- (a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.
- (b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum".
- (c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- (d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after **the end of the period of performance as specified in each task order**.

(End of clause)

#### 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within (insert the period of time within which the Contracting Officer may exercise the option).

(End of clause)

#### 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

- (a) The Government may extend the term of this contract by written notice to the Contractor within **the current period of performance**; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least **See Section H8** days before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended contract shall be considered to include this option clause.
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(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed **See Section F3 and F4.**

(End of clause)

#### 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (JULY 2013)

(a) Definitions. As used in this clause--

Long-term contract means a contract of more than five years in duration, including options. However, the term does not include contracts that exceed five years in duration because the period of performance has been extended for a cumulative period not to exceed six months under the clause at 52.217-8, Option to Extend Services, or other appropriate authority.

Small business concern means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (c) of this clause. Such a concern is "not dominant in its field of operation" when it does not exercise a controlling or major influence on a national basis in a kind of business activity in which a number of business concerns are primarily engaged. In determining whether dominance exists, consideration shall be given to all appropriate factors, including volume of business, number of employees, financial resources, competitive status or position, ownership or control of materials, processes, patents, license agreements, facilities, sales territory, and nature of business activity.

(b) If the Contractor represented that it was a small business concern prior to award of this contract, the Contractor shall rerepresent its size status according to paragraph (c) of this clause or, if applicable, paragraph (g) of this clause, upon the occurrence of any of the following:

(1) Within 30 days after execution of a novation agreement or within 30 days after modification of the contract to include this clause, if the novation agreement was executed prior to inclusion of this clause in the contract.

(2) Within 30 days after a merger or acquisition that does not require a novation or within 30 days after modification of the contract to include this clause, if the merger or acquisition occurred prior to inclusion of this clause in the contract.

(3) For long-term contracts--

(i) Within 60 to 120 days prior to the end of the fifth year of the contract; and

(ii) Within 60 to 120 days prior to the date specified in the contract for exercising any option thereafter.

(c) The Contractor shall rerepresent its size status in accordance with the size standard in effect at the time of this rerepresentation that corresponds to the North American Industry Classification System (NAICS) code assigned to this contract. The small business size standard corresponding to this NAICS code can be found at <http://www.sba.gov/content/table-small-business-size-standards>.

(d) The small business size standard for a Contractor providing a product which it does not manufacture itself, for a contract other than a construction or service contract, is 500 employees.

(e) Except as provided in paragraph (g) of this clause, the Contractor shall make the representation required by paragraph (b) of this clause by validating or updating all its representations in the Representations and Certifications section of the System for Award Management (SAM) and its other data in SAM, as necessary, to ensure that they reflect the Contractor's current status. The Contractor shall notify the contracting office in writing within the timeframes specified in paragraph (b) of this clause that the data have been validated or updated, and provide the date of the validation or update.

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- (f) If the Contractor represented that it was other than a small business concern prior to award of this contract, the Contractor may, but is not required to, take the actions required by paragraphs (e) or (g) of this clause.
- (g) If the Contractor does not have representations and certifications in SAM, or does not have a representation in SAM for the NAICS code applicable to this contract, the Contractor is required to complete the following representation and submit it to the contracting office, along with the contract number and the date on which the representation was completed:

The Contractor represents that it (X ) is, ( ) is not a small business concern under NAICS Code **541712**- assigned to contract number **W9113M-16-D-0003**.

(End of clause)

#### 52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

- (a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed **\$0.00** or the overtime premium is paid for work --
    - (1) 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;
    - (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;
    - (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or
    - (4) That will result in lower overall costs to the Government.
  - (b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--
    - (1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;
    - (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
    - (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and
    - (4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.
- \* Insert either "zero" or the dollar amount agreed to during negotiations. The inserted figure does not apply to the exceptions in paragraph (a)(1) through (a)(4) of the clause.

(End of clause)

#### 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 2014)

In compliance with the Service Contract Labor Standards statute and the regulations of the Secretary of Labor (29 CFR part 4), this clause identifies the classes of service employees expected to be employed under the contract and

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states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION  
Employee Class Monetary Wage-Fringe Benefits

**See D3I Labor Categories and Attachment 01, when applicable.**

(End of clause)

#### 52.222-50 COMBATING TRAFFICKING IN PERSONS (MAR 2015) ALTERNATE I (MAR 2015)

(a) *Definitions.* As used in this clause—

“Agent” means any individual, including a director, an officer, an employee, or an independent contractor, authorized to act on behalf of the organization.

“Coercion” means—

- (1) Threats of serious harm to or physical restraint against any person;
- (2) Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or
- (3) The abuse or threatened abuse of the legal process.

“Commercial sex act” means any sex act on account of which anything of value is given to or received by any person.

“Commercially available off-the-shelf (COTS) item” means--

- (1) Any item of supply (including construction material) that is—
  - (i) A commercial item (as defined in paragraph (1) of the definition at FAR 2.101);
  - (ii) Sold in substantial quantities in the commercial marketplace; and
  - (iii) Offered to the Government, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace; and
- (2) Does not include bulk cargo, as defined in 46 U.S.C. 40102(4), such as agricultural products and petroleum products.

“Debt bondage” means the status or condition of a debtor arising from a pledge by the debtor of his or her personal services or of those of a person under his or her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the liquidation of the debt or the length and nature of those services are not respectively limited and defined.

“Employee” means an employee of the Contractor directly engaged in the performance of work under the contract who has other than a minimal impact or involvement in contract performance.

“Forced labor” means knowingly providing or obtaining the labor or services of a person—

- (1) By threats of serious harm to, or physical restraint against, that person or another person;
  - (2) By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or
-

(3) By means of the abuse or threatened abuse of law or the legal process.

“Involuntary servitude” includes a condition of servitude induced by means of—

(1) Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint; or

(2) The abuse or threatened abuse of the legal process.

“Severe forms of trafficking in persons” means—

(1) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or

(2) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

“Sex trafficking” means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

“Subcontract” means any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract.

“Subcontractor” means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

“United States” means the 50 States, the District of Columbia, and outlying areas.

(b) *Policy.* The United States Government has adopted a policy prohibiting trafficking in persons including the trafficking-related activities of this clause. Contractors, contractor employees, and their agents shall not—

(1) Engage in severe forms of trafficking in persons during the period of performance of the contract;

(2) Procure commercial sex acts during the period of performance of the contract;

(3) Use forced labor in the performance of the contract;

(4) Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;

(5)(i) Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work;

(ii) Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;

(6) Charge employees recruitment fees;

(7)(i) Fail to provide return transportation or pay for the cost of return transportation upon the end of employment--

(A) For an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on a U.S. Government contract or subcontract (for portions of contracts performed outside the United States); or

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(B) For an employee who is not a United States national and who was brought into the United States for the purpose of working on a U.S. Government contract or subcontract, if the payment of such costs is required under existing temporary worker programs or pursuant to a written agreement with the employee (for portions of contracts performed inside the United States); except that--

(ii) The requirements of paragraphs (b)(7)(i) of this clause shall not apply to an employee who is--

(A) Legally permitted to remain in the country of employment and who chooses to do so; or

(B) Exempted by an authorized official of the contracting agency from the requirement to provide return transportation or pay for the cost of return transportation;

(iii) The requirements of paragraph (b)(7)(i) of this clause are modified for a victim of trafficking in persons who is seeking victim services or legal redress in the country of employment, or for a witness in an enforcement action related to trafficking in persons. The contractor shall provide the return transportation or pay the cost of return transportation in a way that does not obstruct the victim services, legal redress, or witness activity. For example, the contractor shall not only offer return transportation to a witness at a time when the witness is still needed to testify. This paragraph does not apply when the exemptions at paragraph (b)(7)(ii) of this clause apply.

(8) Provide or arrange housing that fails to meet the host country housing and safety standards; or

(9) If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

(c) *Contractor requirements.* The Contractor shall—

(1) Notify its employees of—

(i) (A) The United States Government's policy prohibiting trafficking in persons described in paragraph (b) of this clause; and

(B) The following directive(s) or notice(s) applicable to employees performing work at the contract place(s) of performance as indicated below:

Document Title	Document may be obtained from:	Applies to performance in/at:

**To be completed at the task order level, when applicable.**

(ii) The actions that will be taken against employees or agents for violations of this policy. Such actions for employees may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment; and

(2) Take appropriate action, up to and including termination, against employees, agents, or subcontractors that violate the policy in paragraph (b) of this clause.

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(d) *Notification.* (1) The Contractor shall inform the Contracting Officer and the agency Inspector General immediately of—

(i) Any credible information it receives from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, subcontractor employee, or their agent has engaged in conduct that violates the policy in paragraph (b) of this clause (see also 18 U.S.C. 1351, Fraud in Foreign Labor Contracting, and 52.203-13(b)(3)(i)(A), if that clause is included in the solicitation or contract, which requires disclosure to the agency Office of the Inspector General when the Contractor has credible evidence of fraud); and

(ii) Any actions taken against a Contractor employee, subcontractor, subcontractor employee, or their agent pursuant to this clause.

(2) If the allegation may be associated with more than one contract, the Contractor shall inform the contracting officer for the contract with the highest dollar value.

(e) *Remedies.* In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraphs (c), (d), (g), (h), or (i) of this clause may result in—

(1) Requiring the Contractor to remove a Contractor employee or employees from the performance of the contract;

(2) Requiring the Contractor to terminate a subcontract;

(3) Suspension of contract payments until the Contractor has taken appropriate remedial action;

(4) Loss of award fee, consistent with the award fee plan, for the performance period in which the Government determined Contractor non-compliance;

(5) Declining to exercise available options under the contract;

(6) Termination of the contract for default or cause, in accordance with the termination clause of this contract; or

(7) Suspension or debarment.

(f) *Mitigating and aggravating factors.* When determining remedies, the Contracting Officer may consider the following:

(1) *Mitigating factors.* The Contractor had a Trafficking in Persons compliance plan or an awareness program at the time of the violation, was in compliance with the plan, and has taken appropriate remedial actions for the violation, that may include reparation to victims for such violations.

(2) *Aggravating factors.* The Contractor failed to abate an alleged violation or enforce the requirements of a compliance plan, when directed by the Contracting Officer to do so.

(g) *Full cooperation.*

(1) The Contractor shall, at a minimum—

(i) Disclose to the agency Inspector General information sufficient to identify the nature and extent of an offense and the individuals responsible for the conduct;

(ii) Provide timely and complete responses to Government auditors' and investigators' requests for documents;

(iii) Cooperate fully in providing reasonable access to its facilities and staff (both inside and outside the U.S.) to allow contracting agencies and other responsible Federal agencies to conduct audits, investigations, or other actions to ascertain compliance with the Trafficking Victims Protection Act of 2000 (22 U.S.C. chapter 78), E.O. 13627, or any other applicable law or regulation establishing restrictions on trafficking in persons, the procurement of commercial sex acts, or the use of forced labor; and

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- (iv) Protect all employees suspected of being victims of or witnesses to prohibited activities, prior to returning to the country from which the employee was recruited, and shall not prevent or hinder the ability of these employees from cooperating fully with Government authorities.
- (2) The requirement for full cooperation does not foreclose any Contractor rights arising in law, the FAR, or the terms of the contract. It does not—
- (i) Require the Contractor to waive its attorney-client privilege or the protections afforded by the attorney work product doctrine;
  - (ii) Require any officer, director, owner, employee, or agent of the Contractor, including a sole proprietor, to waive his or her attorney client privilege or Fifth Amendment rights; or
  - (iii) Restrict the Contractor from—
    - (A) Conducting an internal investigation; or
    - (B) Defending a proceeding or dispute arising under the contract or related to a potential or disclosed violation.
  - (h) *Compliance plan.*
    - (1) This paragraph (h) applies to any portion of the contract that—
      - (i) Is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and
      - (ii) Has an estimated value that exceeds \$500,000.
    - (2) The Contractor shall maintain a compliance plan during the performance of the contract that is appropriate—
      - (i) To the size and complexity of the contract; and
      - (ii) To the nature and scope of the activities to be performed for the Government, including the number of non-United States citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking in persons.
  - (3) *Minimum requirements.* The compliance plan must include, at a minimum, the following:
    - (i) An awareness program to inform contractor employees about the Government's policy prohibiting trafficking-related activities described in paragraph (b) of this clause, the activities prohibited, and the actions that will be taken against the employee for violations. Additional information about Trafficking in Persons and examples of awareness programs can be found at the Web site for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/j/tip/>.
    - (ii) A process for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons, including a means to make available to all employees the hotline phone number of the Global Human Trafficking Hotline at 1-844-888-FREE and its email address at [help@befree.org](mailto:help@befree.org).
    - (iii) A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging recruitment fees to the employee, and ensures that wages meet applicable host-country legal requirements or explains any variance.
    - (iv) A housing plan, if the Contractor or subcontractor intends to provide or arrange housing, that ensures that the housing meets host-country housing and safety standards.
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- (v) Procedures to prevent agents and subcontractors at any tier and at any dollar value from engaging in trafficking in persons (including activities in paragraph (b) of this clause) and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engaged in such activities.

(4) *Posting.*

- (i) The Contractor shall post the relevant contents of the compliance plan, no later than the initiation of contract performance, at the workplace (unless the work is to be performed in the field or not in a fixed location) and on the Contractor's Web site (if one is maintained). If posting at the workplace or on the Web site is impracticable, the Contractor shall provide the relevant contents of the compliance plan to each worker in writing.
- (ii) The Contractor shall provide the compliance plan to the Contracting Officer upon request.

(5) *Certification.* Annually after receiving an award, the Contractor shall submit a certification to the Contracting Officer that—

- (i) It has implemented a compliance plan to prevent any prohibited activities identified at paragraph (b) of this clause and to monitor, detect, and terminate any agent, subcontract or subcontractor employee engaging in prohibited activities; and
- (ii) After having conducted due diligence, either—
  - (A) To the best of the Contractor's knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or
  - (B) If abuses relating to any of the prohibited activities identified in paragraph (b) of this clause have been found, the Contractor or subcontractor has taken the appropriate remedial and referral actions.

(i) *Subcontracts.*

- (1) The Contractor shall include the substance of this clause, including this paragraph (i), in all subcontracts and in all contracts with agents. The requirements in paragraph (h) of this clause apply only to any portion of the subcontract that—
  - (A) Is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and
  - (B) Has an estimated value that exceeds \$500,000.
- (2) If any subcontractor is required by this clause to submit a certification, the Contractor shall require submission prior to the award of the subcontract and annually thereafter. The certification shall cover the items in paragraph (h)(5) of this clause.

(End of clause)

## 52.223-9 ESTIMATE OF PERCENTAGE OF RECOVERED MATERIAL CONTENT FOR EPA-DESIGNATED ITEMS (MAY 2008)

(a) *Definitions.* As used in this clause--

Postconsumer material means a material or finished product that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item. Postconsumer material is a part of the broader category of "recovered material."

Recovered material means waste materials and by-products recovered or diverted from solid waste, but the term does not include those materials and by-products generated from, and commonly reused within, an original manufacturing process.

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(b) The Contractor, on completion of this contract, shall--

(1) Estimate the percentage of the total recovered material content for EPA-designated item(s) delivered and/or used in contract performance, including, if applicable, the percentage of post-consumer material content; and

(2) Submit this estimate to **\*To be completed at the task order level, when applicable.**

(End of clause)

## 52.227-11 PATENT RIGHTS--OWNERSHIP BY THE CONTRACTOR (MAY 2014)

(a) As used in this clause--

Invention means any invention or discovery that is or may be patentable or otherwise protectable under title 35 of the U.S. Code, or any variety of plant that is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321, et seq.)

Made means--

(1) When used in relation to any invention other than a plant variety, the conception or first actual reduction to practice of the invention; or

(2) When used in relation to a plant variety, that the Contractor has at least tentatively determined that the variety has been reproduced with recognized characteristics.

Nonprofit organization means a university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)), or any nonprofit scientific or educational organization qualified under a State nonprofit organization statute.

Practical application means to manufacture, in the case of a composition of product; to practice, in the case of a process or method; or to operate, in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

Subject invention means any invention of the Contractor made in the performance of work under this contract.

(b) Contractor's rights. (1) Ownership. The Contractor may retain ownership of each subject invention throughout the world in accordance with the provisions of this clause.

(2) License. (i) The Contractor shall retain a nonexclusive royalty-free license throughout the world in each subject invention to which the Government obtains title, unless the Contractor fails to disclose the invention within the times specified in paragraph (c) of this clause. The Contractor's license extends to any domestic subsidiaries and affiliates within the corporate structure of which the Contractor is a part, and includes the right to grant sublicenses to the extent the Contractor was legally obligated to do so at contract award. The license is transferable only with the written approval of the agency, except when transferred to the successor of that part of the Contractor's business to which the invention pertains.

(ii) The Contractor's license may be revoked or modified by the agency to the extent necessary to achieve expeditious practical application of the subject invention in a particular country in accordance with the procedures in FAR 27.302(i)(2) and 27.304-1(f).

(c) Contractor's obligations. (1) The Contractor shall disclose in writing each subject invention to the Contracting Officer within 2 months after the inventor discloses it in writing to Contractor personnel responsible for patent matters. The disclosure shall identify the inventor(s) and this contract under which the subject invention was made. It shall be sufficiently complete in technical detail to convey a clear understanding of the subject invention. The

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disclosure shall also identify any publication, on sale (i.e., sale or offer for sale), or public use of the subject invention, or whether a manuscript describing the subject invention has been submitted for publication and, if so, whether it has been accepted for publication. In addition, after disclosure to the agency, the Contractor shall promptly notify the Contracting Officer of the acceptance of any manuscript describing the subject invention for publication and any on sale or public use.

- (2) The Contractor shall elect in writing whether or not to retain ownership of any subject invention by notifying the Contracting Officer within 2 years of disclosure to the agency. However, in any case where publication, on sale, or public use has initiated the 1-year statutory period during which valid patent protection can be obtained in the United States, the period for election of title may be shortened by the agency to a date that is no more than 60 days prior to the end of the statutory period.
  - (3) The Contractor shall file either a provisional or a nonprovisional patent application or a Plant Variety Protection Application on an elected subject invention within 1 year after election. However, in any case where a publication, on sale, or public use has initiated the 1-year statutory period during which valid patent protection can be obtained in the United States, the Contractor shall file the application prior to the end of that statutory period. If the Contractor files a provisional application, it shall file a nonprovisional application within 10 months of the filing of the provisional application. The Contractor shall file patent applications in additional countries or international patent offices within either 10 months of the first filed patent application (whether provisional or nonprovisional) or 6 months from the date permission is granted by the Commissioner of Patents to file foreign patent applications where such filing has been prohibited by a Secrecy Order.
  - (4) The Contractor may request extensions of time for disclosure, election, or filing under paragraphs (c)(1), (c)(2), and (c)(3) of this clause.
    - (d) Government's rights--(1) Ownership. The Contractor shall assign to the agency, on written request, title to any subject invention--
      - (i) If the Contractor fails to disclose or elect ownership to the subject invention within the times specified in paragraph (c) of this clause, or elects not to retain ownership; provided, that the agency may request title only within 60 days after learning of the Contractor's failure to disclose or elect within the specified times.
      - (ii) In those countries in which the Contractor fails to file patent applications within the times specified in paragraph (c) of this clause; provided, however, that if the Contractor has filed a patent application in a country after the times specified in paragraph (c) of this clause, but prior to its receipt of the written request of the agency, the Contractor shall continue to retain ownership in that country.
    - (i) In any country in which the Contractor decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on, a patent on a subject invention.
  - (2) License. If the Contractor retains ownership of any subject invention, the Government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice, or have practiced for or on its behalf, the subject invention throughout the world.
  - (e) Contractor action to protect the Government's interest. (1) The Contractor shall execute or have executed and promptly deliver to the agency all instruments necessary to--
    - (i) Establish or confirm the rights the Government has throughout the world in those subject inventions in which the Contractor elects to retain ownership; and
    - (ii) Assign title to the agency when requested under paragraph (d) of this clause and to enable the Government to obtain patent protection and plant variety protection for that subject invention in any country.
  - (2) The Contractor shall require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in the Contractor's format, each subject invention in order that the Contractor can comply with the disclosure provisions of paragraph (c) of this clause, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. The disclosure format
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should require, as a minimum, the information required by paragraph (c)(1) of this clause. The Contractor shall instruct such employees, through employee agreements or other suitable educational programs, as to the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The Contractor shall notify the Contracting Officer of any decisions not to file a nonprovisional patent application, continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response or filing period required by the relevant patent office.

(4) The Contractor shall include, within the specification of any United States nonprovisional patent or plant variety protection application and any patent or plant variety protection certificate issuing thereon covering a subject invention, the following statement, "This invention was made with Government support under (identify the contract) awarded by (identify the agency). The Government has certain rights in the invention."

(f) Reporting on utilization of subject inventions. The Contractor shall submit, on request, periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining utilization of the subject invention that are being made by the Contractor or its licensees or assignees. The reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the Contractor, and other data and information as the agency may reasonably specify. The Contractor also shall provide additional reports as may be requested by the agency in connection with any march-in proceeding undertaken by the agency in accordance with paragraph (h) of this clause. The Contractor also shall mark any utilization report as confidential/proprietary to help prevent inadvertent release outside the Government. As required by 35 U.S.C. 202(c)(5), the agency will not disclose that information to persons outside the Government without the Contractor's permission.

(g) Preference for United States industry. Notwithstanding any other provision of this clause, neither the Contractor nor any assignee shall grant to any person the exclusive right to use or sell any subject invention in the United States unless the person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for an agreement may be waived by the agency upon a showing by the Contractor or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States, or that under the circumstances domestic manufacture is not commercially feasible.

(h) March-in rights. The Contractor acknowledges that, with respect to any subject invention in which it has retained ownership, the agency has the right to require licensing pursuant to 35 U.S.C. 203 and 210(c), and in accordance with the procedures in 37 CFR 401.6 and any supplemental regulations of the agency in effect on the date of contract award.

(i) Special provisions for contracts with nonprofit organizations. If the Contractor is a nonprofit organization, it shall--

(1) Not assign rights to a subject invention in the United States without the written approval of the agency, except where an assignment is made to an organization that has as one of its primary functions the management of inventions, provided, that the assignee shall be subject to the same provisions as the Contractor;

(2) Share royalties collected on a subject invention with the inventor, including Federal employee co-inventors (but through their agency if the agency deems it appropriate) when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;

(3) Use the balance of any royalties or income earned by the Contractor with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions for the support of scientific research or education; and

(4) Make efforts that are reasonable under the circumstances to attract licensees of subject inventions that are small business concerns, and give a preference to a small business concern when licensing a subject invention if the Contractor determines that the small business concern has a plan or proposal for marketing the invention which, if

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executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business concerns; provided, that the Contractor is also satisfied that the small business concern has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the Contractor.

- (5) Allow the Secretary of Commerce to review the Contractor's licensing program and decisions regarding small business applicants, and negotiate changes to its licensing policies, procedures, or practices with the Secretary of Commerce when the Secretary's review discloses that the Contractor could take reasonable steps to more effectively implement the requirements of paragraph (i)(4) of this clause.

(j) Communications. (Complete according to agency instructions.)

- (k) Subcontracts. (1) The Contractor shall include the substance of this clause, including this paragraph (k), in all subcontracts for experimental, developmental, or research work to be performed by a small business concern or nonprofit organization.

- (2) The Contractor shall include in all other subcontracts for experimental, developmental, or research work the substance of the patent rights clause required by FAR Subpart 27.3.

(3) At all tiers, the patent rights clause must be modified to identify the parties as follows: references to the Government are not changed, and the subcontractor has all rights and obligations of the Contractor in the clause. The Contractor shall not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.

- (4) In subcontracts, at any tier, the agency, the subcontractor, and the Contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the agency with respect to the matters covered by the clause; provided, however, that nothing in this paragraph is intended to confer any jurisdiction under the Contract Disputes statute in connection with proceedings under paragraph (h) of this clause.

(End of clause)

#### 52.229-8 TAXES--FOREIGN COST-REIMBURSEMENT CONTRACTS (MAR 1990)

- (a) Any tax or duty from which the United States Government is exempt by agreement with the Government of **\*To be completed at the task order level, when applicable**, or from which the Contractor or any subcontractor under this contract is exempt under the laws of **\*To be completed at the task order level, when applicable**, shall not constitute an allowable cost under this contract.

- (b) If the Contractor or subcontractor under this contract obtains a foreign tax credit that reduces its Federal income tax liability under the United States Internal Revenue Code (Title 26, U.S. Code) because of the payment of any tax or duty that was reimbursed under this contract, the amount of the reduction shall be paid or credited at the time of such offset to the Government of the United States as the Contracting Officer directs.

(End of clause)

#### 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions.

"Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

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"Specifically authorized representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing, within calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state--

- (1) The date, nature, and circumstances of the conduct regarded as a change;
  - (2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;
  - (3) The identification of any documents and the substance of any oral communication involved in such conduct;
  - (4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;
  - (5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including--
    - (i) What contract line items have been or may be affected by the alleged change;
    - (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;
    - (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;
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(iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(2) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) Continued performance. Following submission of the notice required by (b) above, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall countermand any action which exceeds the authority of the SAR.

(d) Government response. The Contracting Officer shall promptly, within calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either--

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2), or (3) above, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments.

(1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

Note: The phrases "contract price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

(End of clause)

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## 52.244-2 SUBCONTRACTS (OCT 2010)

(a) Definitions. As used in this clause--

Approved purchasing system means a Contractor's purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR).

Consent to subcontract means the Contracting Officer's written consent for the Contractor to enter into a particular subcontract.

Subcontract means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (c) or (d) of this clause.

(c) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that—

(1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or

(2) Is fixed-price and exceeds—

(i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(d) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer's written consent before placing the following subcontracts:

N/A

(e)(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (b), (c), or (d) of this clause, including the following information:

(i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor.

(iv) The proposed subcontract price.

(v) The subcontractor's current, complete, and accurate certified cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.

(vii) A negotiation memorandum reflecting—

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- (A) The principal elements of the subcontract price negotiations;
  - (B) The most significant considerations controlling establishment of initial or revised prices;
  - (C) The reason certified cost or pricing data were or were not required;
  - (D) The extent, if any, to which the Contractor did not rely on the subcontractor's certified cost or pricing data in determining the price objective and in negotiating the final price;
  - (E) The extent to which it was recognized in the negotiation that the subcontractor's certified cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;
  - (F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and
  - (G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.
- (2) The Contractor is not required to notify the Contracting Officer in advance of entering into any subcontract for which consent is not required under paragraph (c), (d), or (e) of this clause.
- (f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination—
- (1) Of the acceptability of any subcontract terms or conditions;
  - (2) Of the allowability of any cost under this contract; or
  - (3) To relieve the Contractor of any responsibility for performing this contract.
- (g) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).
- (h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.
- (i) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.
- (j) Paragraphs (c) and (e) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

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(End of clause)

#### 52.245-2 GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES (APR 2012)

- (a) This Government Property listed in paragraph (e) of this clause is furnished to the Contractor in an "as-is, where is" condition. The Government makes no warranty regarding the suitability for use of the Government property
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specified in this contract. The Contractor shall be afforded the opportunity to inspect the Government property as specified in the solicitation.

- (b) The Government bears no responsibility for repair or replacement of any lost Government property. If any or all of the Government property is lost or becomes no longer usable, the Contractor shall be responsible for replacement of the property at Contractor expense. The Contractor shall have title to all replacement property and shall continue to be responsible for contract performance.
- (c) Unless the Contracting Officer determines otherwise, the Government abandons all rights and title to unserviceable and scrap property resulting from contract performance. Upon notification to the Contracting Officer, the Contractor shall remove such property from the Government premises and dispose of it at Contractor expense.
- (d) Except as provided in this clause, Government property furnished under this contract shall be governed by the Government Property clause of this contract.
- (e) Government property provided under this clause:

**To be completed if GFP is provided for the performance of a task order.**

(End of clause)

#### 52.247-1 COMMERCIAL BILL OF LADING NOTATIONS (FEB 2006)

When the Contracting Officer authorizes supplies to be shipped on a commercial bill of lading and the Contractor will be reimbursed these transportation costs as direct allowable costs, the Contractor shall ensure before shipment is made that the commercial shipping documents are annotated with either of the following notations, as appropriate:

(a) If the Government is shown as the consignor or the consignee, the annotation shall be:  
"Transportation is for the \* and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are assignable to, and shall be reimbursed by, the Government."

(b) If the Government is not shown as the consignor or the consignee, the annotation shall be:  
"Transportation is for the \* and the actual total transportation charges paid to the carrier(s) by the consignor or consignee shall be reimbursed by the Government, pursuant to cost-reimbursement contract no. \*. This may be confirmed by contacting \*."

**\* To be specified in individual task orders, when applicable**

(End of clause)

#### 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

**<http://farsite.hill.af.mil/>**

(End of clause)

#### 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

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(b) The use in this solicitation or contract of any clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of clause)

#### 252.203-7004 DISPLAY OF HOTLINE POSTERS (OCT 2015)

- (a) Definition. United States, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.
- (b) Display of fraud hotline poster(s). (1) The Contractor shall display prominently the DoD fraud hotline poster, prepared by the DoD Office of the Inspector General, in common work areas within business segments performing work in the United States under Department of Defense (DoD) contracts.
- (2) If the contract is funded, in whole or in part, by Department of Homeland Security (DHS) disaster relief funds, the DHS fraud hotline poster shall be displayed in addition to the DoD fraud hotline poster. If a display of a DHS fraud hotline poster is required, the Contractor may obtain such poster from:  
**<http://www.dhs.gov/>**
- (c) Display of combating trafficking in persons and whistleblower protection hotline posters. The Contractor shall display prominently the DoD Combating Trafficking in Persons and Whistleblower Protection hotline posters, prepared by the DoD Office of the Inspector General, in common work areas within business segments performing work under DoD contracts.
- (d)(1) These DoD hotline posters may be obtained from: Defense Hotline, The Pentagon, Washington, DC 20301-1900, or are also available via the internet at [http://www.dodig.mil/hotline/hotline\\_posters.htm](http://www.dodig.mil/hotline/hotline_posters.htm).
- (2) If a significant portion of the employee workforce does not speak English, then the posters are to be displayed in the foreign languages that a significant portion of the employees speak. Contact the DoD Inspector General at the address provided in paragraph (d)(1) of this clause if there is a requirement for employees to be notified of this clause and assistance with translation is required.
- (3) Additionally, if the Contractor maintains a company Web site as a method of providing information to employees, the Contractor shall display an electronic version of these required posters at the Web site.
- (e) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts that exceed \$5.5 million except when the subcontract is for the acquisition of a commercial item.

(End of clause)

#### 252.211-7003 ITEM UNIQUE IDENTIFICATION AND VALUATION (DEC 2013)

(a) Definitions. As used in this clause'

Automatic identification device means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

Concatenated unique item identifier means--

- (1) For items that are serialized within the enterprise identifier, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, and unique serial number within the enterprise identifier; or
- (2) For items that are serialized within the original part, lot, or batch number, the linking together of the unique identifier data elements in order of the issuing agency code; enterprise identifier; original part, lot, or batch number; and serial number within the original part, lot, or batch number.

Data Matrix means a two-dimensional matrix symbology, which is made up of square or, in some cases, round modules arranged within a perimeter finder pattern and uses the Error Checking and Correction 200

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(ECC200) specification found within International Standards Organization (ISO)/International Electrotechnical Commission (IEC) 16022.

Data qualifier means a specified character (or string of characters) that immediately precedes a data field that defines the general category or intended use of the data that follows.

DoD recognized unique identification equivalent means a unique identification method that is in commercial use and has been recognized by DoD. All DoD recognized unique identification equivalents are listed at [http://www.acq.osd.mil/dpap/pdi/uid/iuid\\_equivalents.html](http://www.acq.osd.mil/dpap/pdi/uid/iuid_equivalents.html).

DoD item unique identification means a system of marking items delivered to DoD with unique item identifiers that have machine-readable data elements to distinguish an item from all other like and unlike items. For items that are serialized within the enterprise identifier, the unique item identifier shall include the data elements of the enterprise identifier and a unique serial number. For items that are serialized within the part, lot, or batch number within the enterprise identifier, the unique item identifier shall include the data elements of the enterprise identifier; the original part, lot, or batch number; and the serial number.

Enterprise means the entity (e.g., a manufacturer or vendor) responsible for assigning unique item identifiers to items.

Enterprise identifier means a code that is uniquely assigned to an enterprise by an issuing agency.

Government's unit acquisition cost means--

- (1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery;
- (2) For cost-type or undefinitized line, subline, or exhibit line items, the Contractor's estimated fully burdened unit cost to the Government at the time of delivery; and
- (3) For items produced under a time-and-materials contract, the Contractor's estimated fully burdened unit cost to the Government at the time of delivery.

Issuing agency means an organization responsible for assigning a globally unique identifier to an enterprise (e.g., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, GS1 Company Prefix, Allied Committee 135 NATO Commercial and Government Entity (NCAGE)/Commercial and Government Entity (CAGE) Code, or the Coded Representation of the North American Telecommunications Industry Manufacturers, Suppliers, and Related Service Companies (ATIS-0322000) Number), European Health Industry Business Communication Council (EHIBCC) and Health Industry Business Communication Council (HIBCC)), as indicated in the Register of Issuing Agency Codes for ISO/IEC 15459, located at <http://www.nen.nl/Normontwikkeling/Certificatieschemas-en-keurmerken/Schemabeheer/ISOIEC-15459.htm>.

Issuing agency code means a code that designates the registration (or controlling) authority for the enterprise identifier.

Item means a single hardware article or a single unit formed by a grouping of subassemblies, components, or constituent parts.

Lot or batch number means an identifying number assigned by the enterprise to a designated group of items, usually referred to as either a lot or a batch, all of which were manufactured under identical conditions.

Machine-readable means an automatic identification technology media, such as bar codes, contact memory buttons, radio frequency identification, or optical memory cards.

Original part number means a combination of numbers or letters assigned by the enterprise at item creation to a class of items with the same form, fit, function, and interface.

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Parent item means the item assembly, intermediate component, or subassembly that has an embedded item with a unique item identifier or DoD recognized unique identification equivalent.

Serial number within the enterprise identifier means a combination of numbers, letters, or symbols assigned by the enterprise to an item that provides for the differentiation of that item from any other like and unlike item and is never used again within the enterprise.

Serial number within the part, lot, or batch number means a combination of numbers or letters assigned by the enterprise to an item that provides for the differentiation of that item from any other like item within a part, lot, or batch number assignment.

Serialization within the enterprise identifier means each item produced is assigned a serial number that is unique among all the tangible items produced by the enterprise and is never used again. The enterprise is responsible for ensuring unique serialization within the enterprise identifier.

Serialization within the part, lot, or batch number means each item of a particular part, lot, or batch number is assigned a unique serial number within that part, lot, or batch number assignment. The enterprise is responsible for ensuring unique serialization within the part, lot, or batch number within the enterprise identifier.

Type designation means a combination of letters and numerals assigned by the Government to a major end item, assembly or subassembly, as appropriate, to provide a convenient means of differentiating between items having the same basic name and to indicate modifications and changes thereto.

Unique item identifier means a set of data elements marked on items that is globally unique and unambiguous. The term includes a concatenated unique item identifier or a DoD recognized unique identification equivalent.

Unique item identifier type means a designator to indicate which method of uniquely identifying a part has been used. The current list of accepted unique item identifier types is maintained at [http://www.acq.osd.mil/dpap/pdi/uid/uii\\_types.html](http://www.acq.osd.mil/dpap/pdi/uid/uii_types.html).

(b) The Contractor shall deliver all items under a contract line, subline, or exhibit line item.

(c) Unique item identifier. (1) The Contractor shall provide a unique item identifier for the following:

(i) Delivered items for which the Government's unit acquisition cost is \$5,000 or more, except for the following line items:

-----  
Contract line, subline, or exhibit line  
item No. Item description  
-----

**To be completed at the task order level, when applicable.**  
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(ii) Items for which the Government's unit acquisition cost is less than \$5,000 that are identified in the Schedule or the following table:

-----  
Contract line, subline, or exhibit line  
item No. Item description  
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**To be completed at the task order level, when applicable.**  
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(If items are identified in the Schedule, insert "See Schedule" in this table.)

(iii) Subassemblies, components, and parts embedded within delivered items, items with warranty requirements, DoD serially managed reparable and DoD serially managed nonreparable as specified in Attachment Number ----.

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- (iv) Any item of special tooling or special test equipment as defined in FAR 2.101 that have been designated for preservation and storage for a Major Defense Acquisition Program as specified in Attachment Number ----.
  - (v) Any item not included in paragraphs (c)(1)(i), (ii), (iii), or
- (iv) of this clause for which the contractor creates and marks a unique item identifier for traceability.
- (2) The unique item identifier assignment and its component data element combination shall not be duplicated on any other item marked or registered in the DoD Item Unique Identification Registry by the contractor.
  - (3) The unique item identifier component data elements shall be marked on an item using two dimensional data matrix symbology that complies with ISO/IEC International Standard 16022, Information technology--International symbology specification--Data matrix; ECC200 data matrix specification.
  - (4) Data syntax and semantics of unique item identifiers. The Contractor shall ensure that--
    - (i) The data elements (except issuing agency code) of the unique item identifier are encoded within the data matrix symbol that is marked on the item using one of the following three types of data qualifiers, as determined by the Contractor:
      - (A) Application Identifiers (AIs) (Format Indicator 05 of ISO/IEC International Standard 15434), in accordance with ISO/IEC International Standard 15418, Information Technology--EAN/UCC Application Identifiers and Fact Data Identifiers and Maintenance and ANSI MH 10.8.2 Data Identifier and Application Identifier Standard.
      - (B) Data Identifiers (DIs) (Format Indicator 06 of ISO/IEC International Standard 15434), in accordance with ISO/IEC International Standard 15418, Information Technology--EAN/UCC Application Identifiers and Fact Data Identifiers and Maintenance and ANSI MH 10.8.2 Data Identifier and Application Identifier Standard.
      - (C) Text Element Identifiers (TEIs) (Format Indicator 12 of ISO/IEC International Standard 15434), in accordance with the Air Transport Association Common Support Data Dictionary; and
    - (ii) The encoded data elements of the unique item identifier conform to the transfer structure, syntax, and coding of messages and data formats specified for Format Indicators 05, 06, and 12 in ISO/IEC International Standard 15434, Information Technology-Transfer Syntax for High Capacity Automatic Data Capture Media.
  - (5) Unique item identifier.
    - (i) The Contractor shall--
      - (A) Determine whether to--
        - (1) Serialize within the enterprise identifier;
        - (2) Serialize within the part, lot, or batch number; or
        - (3) Use a DoD recognized unique identification equivalent (e.g. Vehicle Identification Number); and
      - (B) Place the data elements of the unique item identifier (enterprise identifier; serial number; DoD recognized unique identification equivalent; and for serialization within the part, lot, or batch number only: Original part, lot, or batch number) on items requiring marking by paragraph (c)(1) of this clause, based on the criteria provided in MIL-STD- 130, Identification Marking of U.S. Military Property, latest version;
      - (C) Label shipments, storage containers and packages that contain uniquely identified items in accordance with the requirements of MIL-STD-129, Military Marking for Shipment and Storage, latest version; and

(D) Verify that the marks on items and labels on shipments, storage containers, and packages are machine-readable and conform to the applicable standards. The contractor shall use an automatic identification technology device for this verification that has been programmed to the requirements of Appendix A, MIL-STD-130, latest version.

(ii) The issuing agency code--

(A) Shall not be placed on the item; and

(B) Shall be derived from the data qualifier for the enterprise identifier.

(d) For each item that requires item unique identification under paragraph (c)(1)(i), (ii), or (iv) of this clause or when item unique identification is provided under paragraph (c)(1)(v), in addition to the information provided as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the Contractor shall report at the time of delivery, as part of the Material Inspection and Receiving Report, the following information:

(1) Unique item identifier.

(2) Unique item identifier type.

(3) Issuing agency code (if concatenated unique item identifier is used).

(4) Enterprise identifier (if concatenated unique item identifier is used).

(5) Original part number (if there is serialization within the original part number).

(6) Lot or batch number (if there is serialization within the lot or batch number).

(7) Current part number (optional and only if not the same as the original part number).

(8) Current part number effective date (optional and only if current part number is used).

(9) Serial number (if concatenated unique item identifier is used).

(10) Government's unit acquisition cost.

(11) Unit of measure.

(e) For embedded subassemblies, components, and parts that require DoD unique item identification under paragraph (c)(1)(iii) of this clause, the Contractor shall report as part of, or associated with, the Material Inspection and Receiving Report specified elsewhere in this contract, the following information:

(1) Unique item identifier of the parent item under paragraph (c)(1) of this clause that contains the embedded subassembly, component, or part.

(2) Unique item identifier of the embedded subassembly, component, or part.

(3) Unique item identifier type.\*\*

(4) Issuing agency code (if concatenated unique item identifier is used).\*\*

(5) Enterprise identifier (if concatenated unique item identifier is used).\*\*

(6) Original part number (if there is serialization within the original part number).\*\*

(7) Lot or batch number (if there is serialization within the lot or batch number).\*\*

(8) Current part number (optional and only if not the same as the original part number).\*\*

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(9) Current part number effective date (optional and only if current part number is used).\*\*

(10) Serial number (if concatenated unique item identifier is used).\*\*

(11) Description.

(12) Type designation of the item as specified in the contract schedule, if any.

(13) Whether the item is an item of Special Tooling or Special Test Equipment.

(14) Whether the item is covered by a warranty.

\*\* Once per item.

(e) For embedded subassemblies, components, and parts that require DoD item unique identification under paragraph (c)(1)(iii) of this clause or when item unique identification is provided under paragraph (c)(1)(v), the Contractor shall report as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the following information:

(f) The Contractor shall submit the information required by paragraphs (d) and (e) of this clause as follows:

(1) End items shall be reported using the receiving report capability in Wide Area WorkFlow (WAWF) in accordance with the clause at 252.232-7003. If WAWF is not required by this contract, and the contractor is not using WAWF, follow the procedures at <http://dodprocurementtoolbox.com/site/uidregistry/>.

(2) Embedded items shall be reported by one of the following methods--

(i) Use of the embedded items capability in WAWF;

(ii) Direct data submission to the IUID Registry following the procedures and formats at <http://dodprocurementtoolbox.com/site/uidregistry/>; or

(iii) Via WAWF as a deliverable attachment for exhibit line item number (fill in)-----, Unique Item Identifier Report for Embedded Items, Contract Data Requirements List, DD Form 1423.

(g) Subcontracts. If the Contractor acquires by contract any items for which item unique identification is required in accordance with paragraph (c)(1) of this clause, the Contractor shall include this clause, including this paragraph (g), in the applicable subcontract(s), including subcontracts for commercial items.

(End of clause)

## 252.216-7006 ORDERING (MAY 2011)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the contract schedule. Such orders may be issued from **See Section F2.**

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c)(1) If issued electronically, the order is considered "issued" when a copy has been posted to the Electronic Document Access system, and notice has been sent to the Contractor.

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(2) If mailed or transmitted by facsimile, a delivery order or task order is considered "issued" when the Government deposits the order in the mail or transmits by facsimile. Mailing includes transmittal by U.S. mail or private delivery services.

(3) Orders may be issued orally only if authorized in the schedule.

(End of Clause)

#### 252.217-7000 EXERCISE OF OPTION TO FULFILL FOREIGN MILITARY SALES COMMITMENTS--BASIC (NOV 2014)

(a) The Government may exercise the option(s) of this contract to fulfill foreign military sales commitments.

(b) The foreign military sales commitments are for:

**\* To be completed at the task order level, when applicable.**

(End of clause)



#### 252.225-7027 RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES (APR 2003)

(a) Except as provided in paragraph (b) of this clause, contingent fees, as defined in the Covenant Against Contingent Fees clause of this contract, are generally an allowable cost, provided the fees are paid to--

(1) A bona fide employee of the Contractor; or

(2) A bona fide established commercial or selling agency maintained by the Contractor for the purpose of securing business.

(b) For foreign military sales, unless the contingent fees have been identified and payment approved in writing by the foreign customer before contract award, the following contingent fees are unallowable under this contract:

(1) For sales to the Government(s) of **To be completed at the task order level, when applicable**, contingent fees in any amount.

(2) For sales to Governments not listed in paragraph (b)(1) of this clause, contingent fees exceeding \$50,000 per foreign military sale case.

(End of Clause)



#### 252.225-7043 ANTITERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (JUN 2015)

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(a) Definition. United States, as used in this clause, means, the 50 States, the District of Columbia, and outlying areas.

(b) Except as provided in paragraph (c) of this clause, the Contractor and its subcontractors, if performing or traveling outside the United States under this contract, shall--

(1) Affiliate with the Overseas Security Advisory Council, if the Contractor or subcontractor is a U.S. entity;

(2) Ensure that Contractor and subcontractor personnel who are U.S. nationals and are in-country on a non-transitory basis, register with the U.S. Embassy, and that Contractor and subcontractor personnel who are third country nationals comply with any security related requirements of the Embassy of their nationality;

(3) Provide, to Contractor and subcontractor personnel, antiterrorism/force protection awareness information commensurate with that which the Department of Defense (DoD) provides to its military and civilian personnel and their families, to the extent such information can be made available prior to travel outside the United States; and

(4) Obtain and comply with the most current antiterrorism/force protection guidance for Contractor and subcontractor personnel.

(c) The requirements of this clause do not apply to any subcontractor that is--

(1) A foreign government;

(2) A representative of a foreign government; or

(3) A foreign corporation wholly owned by a foreign government.

(d) Information and guidance pertaining to DoD antiterrorism/force protection can be obtained from **HQDA-AT; telephone, DSN 222-9832 or commercial (703) 692-9832.**

(End of clause)

#### 252.232-7007 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line item(s) \* is/are incrementally funded. For this/these item(s), the sum of \$----- \*of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

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(b) For items(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled "TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause, or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT".

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraph (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "DEFAULT." The provisions of this clause are limited to work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) or (e) of this clause.

(h) Nothing in this clause affects the right of the Government to this contract pursuant to the clause of this contract entitled "TERMINATION FOR CONVENIENCE OF THE GOVERNMENT."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

On execution of contract \$--

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(End of clause)



252.235-7010 Acknowledgment of Support and Disclaimer. (MAY 1995)

(a) The Contractor shall include an acknowledgment of the Government's support in the publication of any material based on or developed under this contract, stated in the following terms: This material is based upon work supported by the **to be determined at the task order level when applicable** under Contract No. **W9113M-16-D-0003**.

(b) All material, except scientific articles or papers published in scientific journals, must, in addition to any notices or disclaimers by the Contractor, also contain the following disclaimer: Any opinions, findings and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the **Army Contracting Command - Redstone**.

(End of clause)

252.237-7023 CONTINUATION OF ESSENTIAL CONTRACTOR SERVICES (OCT 2010)

(a) Definitions. As used in this clause-

(1) Essential contractor service means a service provided by a firm or individual under contract to DoD to support mission-essential functions, such as support of vital systems, including ships owned, leased, or operated in support of military missions or roles at sea; associated support activities, including installation, garrison, and base support services; and similar services provided to foreign military sales customers under the Security Assistance Program. Services are essential if the effectiveness of defense systems or operations has the potential to be seriously impaired by the interruption of these services, as determined by the appropriate functional commander or civilian equivalent.

(2) Mission-essential functions means those organizational activities that must be performed under all circumstances to achieve DoD component missions or responsibilities, as determined by the appropriate functional commander or civilian equivalent. Failure to perform or sustain these functions would significantly affect DoD's ability to provide vital services or exercise authority, direction, and control.

(b) The Government has identified all or a portion of the contractor services performed under this contract as essential contractor services in support of mission-essential functions. These services are listed in attachment -\*, Mission-Essential Contractor Services, dated -\* -----.

**\* \*To be completed at the task order level, when applicable.**

(c)(1) The Mission-Essential Contractor Services Plan submitted by the Contractor, is incorporated in this contract.

(2) The Contractor shall maintain and update its plan as necessary. The Contractor shall provide all plan updates to the Contracting Officer for approval.

(3) As directed by the Contracting Officer, the Contractor shall participate in training events, exercises, and drills associated with Government efforts to test the effectiveness of continuity of operations procedures and practices.

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(d)(1) Notwithstanding any other clause of this contract, the Contractor shall be responsible to perform those services identified as essential contractor services during crisis situations (as directed by the Contracting Officer), in accordance with its Mission-Essential Contractor Services Plan.

(2) In the event the Contractor anticipates not being able to perform any of the essential contractor services identified in accordance with paragraph (b) of this clause during a crisis situation, the Contractor shall notify the Contracting Officer or other designated representative as expeditiously as possible and use its best efforts to cooperate with the Government in the Government's efforts to maintain the continuity of operations.

(e) The Government reserves the right in such crisis situations to use Federal employees, military personnel, or contract support from other contractors, or to enter into new contracts for essential contractor services.

(f) Changes. The Contractor shall segregate and separately identify all costs incurred in continuing performance of essential services in a crisis situation. The Contractor shall notify the Contracting Officer of an increase or decrease in costs within ninety days after continued performance has been directed by the Contracting Officer, or within any additional period that the Contracting Officer approves in writing, but not later than the date of final payment under the contract. The Contractor's notice shall include the Contractor's proposal for an equitable adjustment and any data supporting the increase or decrease in the form prescribed by the Contracting Officer. The parties shall negotiate an equitable price adjustment to the contract price, delivery schedule, or both as soon as is practicable after receipt of the Contractor's proposal.

(g) The Contractor shall include the substance of this clause, including this paragraph (g), in subcontracts for the essential services.

(End of clause)

#### 252.239-7016 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES (DEC 1991)

(a) Definitions. As used in this clause--

(1) "Securing" means the application of Government-approved telecommunications security equipment, devices, techniques, or services to contractor telecommunications systems.

(2) "Sensitive information" means any information the loss, misuse, or modification of which, or unauthorized access to, could adversely affect the national interest or the conduct of Federal programs, or the privacy to which individuals are entitled under 5 U.S.C. 552a (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or Act of Congress to be kept secret in the interest of national defense or foreign policy.

(3) "Telecommunications systems" means voice, record, and data communications, including management information systems and local data networks that connect to external transmission media, when employed by Government agencies, contractors, and subcontractors to transmit--

(i) Classified or sensitive information;

(ii) Matters involving intelligence activities, cryptologic activities related to national security, the command and control of military forces, or equipment that is an integral part of a weapon or weapons system; or

(iii) Matters critical to the direct fulfillment of military or intelligence missions.

(b) This solicitation/contract identifies classified or sensitive information that requires securing during telecommunications and requires the Contractor to secure telecommunications systems. The Contractor agrees to secure information and systems at the following location: \*

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(c) To provide the security, the Contractor shall use Government- approved telecommunications equipment, devices, techniques, or services. A list of the approved equipment, etc. may be obtained from \*. Equipment, devices, techniques, or services used by the Contractor must be compatible or interoperable with \*.

(d) Except as may be provided elsewhere in this contract, the Contractor shall furnish all telecommunications security equipment, devices, techniques, or services necessary to perform this contract. The Contractor must meet ownership eligibility conditions for communications security equipment designated as controlled cryptographic items.

(e) The Contractor agrees to include this clause, including this paragraph (e), in all subcontracts which require securing telecommunications.

**\*To be completed at the task order level when applicable**

(End of clause)

## 252.251-7000 ORDERING FROM GOVERNMENT SUPPLY SOURCES (AUG 2012)

(a) When placing orders under Federal Supply Schedules, Personal Property Rehabilitation Price Schedules, or Enterprise Software Agreements, the Contractor shall follow the terms of the applicable schedule or agreement and authorization. Include in each order:

(1) A copy of the authorization (unless a copy was previously furnished to the Federal Supply Schedule, Personal Property Rehabilitation Price Schedule, or Enterprise Software Agreement contractor).

(2) The following statement: Any price reductions negotiated as part of an Enterprise Software Agreement issued under a Federal Supply Schedule contract shall control. In the event of any other inconsistencies between an Enterprise Software Agreement, established as a Federal Supply Schedule blanket purchase agreement, and the Federal Supply Schedule contract, the latter shall govern.

(3) The completed address(es) to which the Contractor's mail, freight, and billing documents are to be directed.

(b) When placing orders under nonmandatory schedule contracts and requirements contracts, issued by the General Services Administration (GSA) Office of Information Resources Management, for automated data processing equipment, software and maintenance, communications equipment and supplies, and teleprocessing services, the Contractor shall follow the terms of the applicable contract and the procedures in paragraph (a) of this clause.

(c) When placing orders for Government stock on a reimbursable basis, the Contractor shall--

(1) Comply with the requirements of the Contracting Officer's authorization, using FEDSTRIP or MILSTRIP procedures, as appropriate;

(2) Use only the GSA Form 1948-A, Retail Services Shopping Plate, when ordering from GSA Self-Service Stores;

(3) Order only those items required in the performance of Government contracts; and

(4) Pay invoices from Government supply sources promptly. For purchases made from DoD supply sources, this means within 30 days of the date of a proper invoice (see also Defense Federal Acquisition Regulation Supplement (DFARS) 251.105). For purchases made from DoD supply sources, this means within 30 days of the date of a proper invoice. The Contractor shall annotate each invoice with the date of receipt. The Contractor's failure to pay may also result in the DoD supply source refusing to honor the requisition (see DFARS 251.102(f)) or in the Contracting Officer terminating the Contractor's authorization to use DoD supply sources. In the event the Contracting Officer decides to terminate the authorization due to the Contractor's failure to pay in a timely manner, the Contracting Officer shall provide the Contractor with prompt written notice of the intent to terminate the authorization and the basis for such action. The Contractor shall have 10 days after receipt of the Government's notice in which to provide

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additional information as to why the authorization should not be terminated. The termination shall not provide the Contractor with an excusable delay for failure to perform or complete the contract in accordance with the terms of the contract, and the Contractor shall be solely responsible for any increased costs.

(d) When placing orders for Government stock on a non-reimbursable basis, the Contractor shall—

(1) Comply with the requirements of the Contracting Officer's authorization; and

(2) When using electronic transactions to submit requisitions on a non-reimbursable basis only, place orders by authorizing contract number using the Defense Logistics Management System (DLMS) Supplement to Federal Implementation Convention 511R, Requisition; and acknowledge receipts by authorizing contract number using the DLMS Supplement 527R, Receipt, Inquiry, Response and Material Receipt Acknowledgement.

(e) Only the Contractor may request authorization for subcontractor use of Government supply sources. The Contracting Officer will not grant authorizations for subcontractor use without approval of the Contractor.

(f) Government invoices shall be submitted to the Contractor's billing address, and Contractor payments shall be sent to the Government remittance address specified below:

Contractor's Billing Address **To be completed at the task order level when applicable:** Government Remittance Address **To be completed at the task order level when applicable.:**

**(End of clause)**

## APPENDIX A

### MANDATORY TRAINING FOR CONTRACTOR EMPLOYEES

1. The table below provides a current list of mandatory training requirements applicable to contractor employees (prime contractor and subcontractor) that provide unescorted access support in USASMDC, ACC and JFCC IMD (or other Government) facilities, have access to Army networks, or access to developmental or operational information relating to Army current or future capabilities. (Contractor employees who provide temporary, intermit facility support [for example, electrician, plumbing, and HVAC specialists] are not required to complete mandatory training requirements). Note that other mandatory training requirements may arise via mandates such as operational orders, policies, regulations, etc., that contractor employees shall complete without the need for modification to the table below.
  
2. The prime contractor (or subcontractor as applicable) will maintain all training certifications. Mandatory training will be tracked by the prime contractor and reported as a percent completed in a quarterly report via an appropriate CDRL or other mechanism directed by the cognizant COR. If requested by a COR, the prime contractor will provide the date a contractor employee completed a training requirement.

Requirement	Location of Training
<b>Derivative Classification and Markings</b> - <a href="https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=JS&amp;course_number=-US066">https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=JS&amp;course_number=-US066</a>	Joint Knowledge Online course
<b>Foreign Disclosure - Course Number J30P-US1391</b> - <a href="https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=J30&amp;course_number=P-US1391">https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=J30&amp;course_number=P-US1391</a>	Joint Knowledge Online course
<b>Information Security Refresher Training</b> - <a href="https://www.lms.army.mil/">https://www.lms.army.mil/</a>	Mandatory training tab in Army Learning Management System
<b>Antiterrorism Training (AT Level 1)</b> <a href="https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=JS&amp;course_number=-US007">https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=JS&amp;course_number=-US007</a>	Joint Knowledge Online course
<b>Operations Security (OPSEC)</b> - <a href="https://www.lms.army.mil/">https://www.lms.army.mil/</a>	Mandatory training tab in Army Learning Management System
<b>Threat Awareness &amp; Reporting Program (TARP)</b> - <a href="https://www.lms.army.mil/">https://www.lms.army.mil/</a>	Mandatory training tab in Army Learning Management System
<b>Fire Extinguisher – Electrical Safety</b> – PDF provided	Review PDF provided; take a screen shot of last page for evidence of completion and submit to contractor supervisor or representative as directed
<b>Controlled Unclassified Information</b> - <a href="https://securityhub.usalearning.gov/index.html">https://securityhub.usalearning.gov/index.html</a> or <a href="https://www.dodcui.mil/Home/Training/">https://www.dodcui.mil/Home/Training/</a>	Security Awareness Hub or DoD CUI Program

Access to the Army Learning Management System (ALMS) website with CAC or username and password is available at <https://www.lms.army.mil/>. Access to the Joint Knowledge Online (JKO) website with CAC or username and password is available at <https://jkosupport.jten.mil/>.

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