

SPECIAL TERMS AND CONDITIONS FOR COMMERCIAL PURCHASES

SAVANNAH RIVER REMEDIATION LLC
SAVANNAH RIVER SITE
AIKEN, SC 29808

Articles apply only if specified in the Order.

*Incorporated by reference to appropriate FAR Clause see (http://www.arnet.gov/far) and DEAR Clause see (http://professionals.pr.doe.gov)

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1. INTEGRATION OF ENVIRONMENT, SAFETY AND HEALTH INTO WORK PLANNING AND EXECUTION

- A. For the purpose of this Article,
(1) safety encompasses environment, safety and health, including pollution prevention and waste minimization; and
(2) employees include employees of Seller and sub-tier (lower tier) sellers (including agents, suppliers, and subcontractors).
(3) Seller shall track and expect any lower tier sellers to track their Experience Modification Rate (EMR) and Total Recordable Case (TRC) rate and submit a properly executed Environmental Safety and Health (ES&H) Worksheet (obtainable from the Savannah River Remediation LLC

(SRR) ES&H Department) in addition to letters from their workers' compensation carriers verifying their EMRs. If a three-year average interstate EMR exceeds 1.0, Subcontractor and lower tier subcontractors no longer are in compliance to continue the performance of service work under this Purchase Order (Subcontract). This clause does not apply if commercial goods are being procured.

B. In performing work under this Subcontract, the Seller and any lower tier seller(s), shall perform work safely, in a manner that ensures adequate protection for employees, the public, and the environment, and shall be accountable for the safe performance of work. All work shall be performed, to include subcontracted work, in compliance with all applicable SRR/DOE environmental, safety, and health requirements, including DOE Regulation 10 CFR 851, "Worker Safety and Health Program," and orders, and procedures including related reporting requirements. The Seller shall exercise a degree of care commensurate with the work and the associated hazards. The Seller shall ensure that management of environment, safety and health (ES&H) functions and activities becomes an integral, but visible part of the Seller's work planning and execution processes. The Seller shall, in the performance of work, ensure that:

- (1) Line management is responsible for the protection of employees, the public, and the environment. Line management includes those Seller and lower tier seller employees managing or supervising employees performing work.
- (2) Clear and unambiguous lines of authority and responsibility for ensuring ES&H are established and maintained at all organizational levels.
- (3) Personnel possess the experience, knowledge, skills, and abilities that are necessary to discharge their responsibilities.
- (4) Resources are effectively allocated to address ES&H, programmatic, and operational considerations. Protecting employees, the public, and the environment is a priority whenever activities are planned and performed.
- (5) Before work is performed, the associated hazards are evaluated and an agreed-upon set of ES&H standards and requirements are established which, if properly implemented, provide adequate assurance that employees,

the public, and the environment are protected from adverse consequences.

- (6) Administrative and engineering controls to prevent and mitigate hazards are tailored to the work being performed and associated hazards. Emphasis should be on designing the work and/or controls to reduce or eliminate the hazards and to prevent accidents and unplanned releases and exposures.
 - (7) The conditions and requirements to be satisfied for operations to be initiated and conducted are established and agreed-upon by SRR and the Seller. These agreed-upon conditions and requirements of the Subcontract are binding upon the Seller. The extent of documentation and level of authority for agreement shall be tailored to the complexity and hazards associated with the work and shall be established as an Integrated Safety Management System (ISMS). At a minimum and as required by Subcontract, elements of the safety management system shall include: the Subcontract; Supplier's worker protection plan and task specific plan; and Supplier's internal procedures, policies and practices.
- C. The Seller and any lower tier seller(s), shall manage and perform work in accordance with (i) Article 2 of these Special Terms and Conditions for Commercial Purchases or a documented Worker Protection Plan (WPP) that fulfills all conditions in paragraph B. of this Article to the degree specified in Article 3 or 4 Special Terms and Conditions for Commercial Purchases as indicated applicable to this Subcontract; and (ii) the Safety Management System. Documentation in the Subcontract shall describe how the Seller will:
- (1) Define the Work to be performed.
 - (2) Identify and analyze hazards associated with the work.
 - (3) Develop and implement hazard controls.
 - (4) Perform work within controls.
 - (5) Provide feedback on adequacy of controls and continue to improve safety management.
- D. The Subcontract shall describe how the Seller will establish, document, and implement safety performance objectives, performance measures, and commitments in response to Subcontract requirements and funding limits while maintaining the integrity of the WPP. The subcontract shall also describe how the Seller will measure WPP effectiveness.
- E. The Seller shall submit to the Procurement Representative documentation of its WPP for

review and acceptance. The Procurement Representative will establish dates for submittal, discussions, and revisions to the WPP. The Procurement Representative will provide guidance on preparation, content, review, and acceptance of the WPP. On an annual basis, the Seller shall review and update, for SRR acceptance, its safety performance objectives, performance measures, and commitments consistent with, and in response to, Subcontract requirements, funding limits and direction. Resources shall be identified and allocated to meet the safety objectives and performance commitments as well as maintain the integrity of the entire WPP. Accordingly, the Subcontract shall be integrated with the Seller's business processes, as applicable to the Scope of Work contained in this Subcontract, for work planning, budgeting, authorization, execution, and change control.

- F. The Seller and any lower tier seller(s), shall comply with, and assist SRR in complying with, ES&H requirements of all applicable laws and regulations, and applicable directives identified in the Article of this Subcontract on Laws, Regulations, and DOE Directives. The Seller shall cooperate with Federal and non-Federal agencies having jurisdiction over ES&H matters under this Subcontract.
- G. The Seller shall promptly evaluate and resolve any noncompliance with applicable ES&H requirements including those specified in the Subcontract. If the Seller fails to provide resolution or, if at any time, the Seller's acts or failure to act causes substantial harm or an imminent danger to the environment or health and safety of employees or the public, the Procurement Representative may issue an order stopping work in whole or in part. Any stop work order issued by the Procurement Representative under this Article (or issued by the Seller to a lower tier seller shall be without prejudice to any other legal or contractual rights of SRR. In the event that the Procurement Representative issues a stop work order, an order authorizing the resumption of the work may be issued at the discretion of the Procurement Representative. The Seller shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this Article.
- H. SRR shall hold the Seller responsible for compliance with the ES&H requirements applicable to this Subcontract, including performance of work by any lower tier seller(s).

2. **ENVIRONMENT, SAFETY, AND HEALTH COMPLIANCE - ALTERNATIVE I**

(Compliance by the Seller with the requirements of this Article 2 of these Special Terms and Conditions for Commercial Purchases shall satisfy any/all requirements of Article 1 of these Special Terms and Conditions for Commercial Purchases, "Integration Of Environment, Safety and Health Into Work Planning And Execution", applicable to the scope of work contained in this Subcontract.)

- A. The Seller, and any lower tier seller(s), shall take all reasonable precautions in the performance of the work under this Subcontract to protect the environment, safety, and health of employees and members of the public. All work shall be performed to include lower tier subcontracted work in compliance with all applicable SRR/DOE environmental, safety, and health requirements, including DOE Regulation 10 CFR 851, "Worker Safety and Health Program", and orders, and procedures including related reporting requirements. Such procedures provide authority to SRR employees to call a "time out/stop work" when unsafe conditions are observed and/or employee actions are likely to cause injury to themselves, other personnel, or cause damage to SRS property. The Seller shall ensure that its employees, including lower tier seller employees are aware of this authority, and also have similar "time out/stop work" authority when performing work under this Subcontract. The SRR Procurement Representative shall notify the Seller in writing of any noncompliance with the provisions of this Article and the corrective action to be taken. After receipt of such notice, the Seller shall immediately take corrective action. In the event that the Seller fails to take corrective action and comply with said SRR/DOE regulations, requirements and procedures the SRR Procurement Representative may, without prejudice to any other legal or contractual rights of SRR, issue an order stopping work in whole or in part. An order authorizing the resumption of work may be issued at the discretion of the Procurement Representative. The Seller shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this Article.
- B. Prior to the start of work under this Subcontract, the Seller shall provide to the SRR Procurement

Representative a letter acknowledging a Corporate Safety and Health Policy and confirmation of compliance with SRR procedures. In addition, for any tasks identified in the Statement of Work as outside the scope of SRR procedures, the Seller shall provide to the SRR Procurement Representative for SRR review and acceptance any appropriate documentation, procedures or manuals containing task hazard reviews and safeguards to be implemented. Whenever a significant change or addition is made to such documentation, procedures or manuals, the Seller shall re-submit the revised document to SRR for review and acceptance. Examples of significant changes include any requirement deletions, additional scope added, total re-write or major revision. Additionally, the Seller must submit annually to SRR either an update to the documentation, procedures or manuals for acceptance or a letter stating that no changes are necessary in the current accepted documents.

C. Equipment Safety.

The Seller shall ensure that major equipment used in the performance of work under this Subcontract is inspected, operated and maintained by qualified competent personnel. As confirmation, the Seller shall complete Form PF-44, Major Equipment Declaration, (copy available on the SRR Internet Home Page) and provide one (1) copy to the Subcontract Technical Representative (STR), prior to placing any such equipment in service on the Savannah River Site. Additionally, prior to performing any activity involving the loading, unloading, and transporting of self-propelled medium or heavy duty equipment on the Savannah River Site, the Seller shall complete the "Self-propelled Equipment Loading, Unloading & Transport Safety Review Checklist", copy available on the SRR Home Page at (http://www.srs.gov/general/busiops/PMMD/general_provisions.htm), and provide a copy to the STR.

D. Assigned Competent Person.

The Seller shall designate in writing an Assigned Competent Person (ACP), and alternates, who will be responsible for SRS perimeter barricade escort and safety orientation for non-badged material/equipment delivery personnel and other non-badged Seller personnel seeking temporary badges in support of the Seller's work scope. The ACP shall be a responsible employee, cognizant of the Subcontract scope and all applicable environmental, safety and health requirements, including any focused observation

safety checklists. The ACP shall furnish an advance copy of applicable focused observation safety checklists to any non-badged temporary personnel anticipating entry onto SRS, and shall meet entering personnel at the SRR Badging Office, Building 703-46A when they report for temporary badging. The ACP and entering personnel shall review the scope of work to be performed and upon arrival at the work site review, complete and date any applicable focused observation safety checklist(s). For material/equipment deliveries, the ACP shall review any applicable focused observation safety checklists with delivery personnel, including specific safety measures required for loading/unloading in accordance with OSHA.

E. Safety and Health Representative.

The Seller shall designate a safety and health professional or representative, as specified in the Subcontract. The designation must include the person's qualifications and duties. A designated Safety Representative shall have a minimum of thirty (30) hours formal Safety and Health training in OSHA standards or pre-approved equivalent, having other safety related training certificates and/or job experience in General Industry/Construction safety with an understanding of the requirements in 29 CFR 1910/1926. The Safety Representative shall solicit worker feedback during hazard review meetings, field safety inspections, incident investigations and document same when appropriate, e.g., new hazard requiring additional controls, defective equipment, observation of unsafe condition or behavior.

F. Site Reporting Requirements.

The Seller shall immediately notify the STR or SRR Procurement Representative of any event/condition that may require reporting to DOE. Further, the Seller shall cooperate with any SRR or DOE critique, analysis, or investigation and complete necessary reports for such events/conditions. Events/conditions that require reporting to DOE are defined in DOE Manual 231.1-2 (DOE M 231.1-2) and can include (but are not limited to):

- (1) Operational emergencies.
- (2) Occupational injury or illness (including exposures to hazardous substances in excess of allowable limits) and near misses.
- (3) Any on-the-job injury where an employee is taken offsite for something other than observation. The notification requirement applies to any person who goes offsite for prompt medical treatment of any type. The mode of transportation (ambulance, personal

vehicle, etc.) is not pertinent – any offsite transfers must be reported immediately.

- (4) Any violation of Lockout/Tagout controls where there are no credible barriers left between the worker, and the energy source regardless of whether or not there was an injury,
- (5) Fires/explosions.
- (6) Hazardous energy control failures,
- (7) Operations shutdown directed by management for safety response.
- (8) Environmental release of radioactive materials, hazardous substances, regulated pollutants, oil spills, etc.
- (9) Violation of Federal Motor Carrier Safety Regulations or Hazardous Material Regulations.
- (10) Loss, damage, theft, or destruction to government property (including damage to ecological resources like wetlands, critical habitats, historical/archeological sites, etc.)
- (11) Spread of radioactive contamination or loss of control of radioactive materials.
- (12) Personnel radioactive contaminations or exposures.
- (13) Violations of procedures.

Immediate notification is required of such events to ensure SRR meets its commitment for 30 minute notification to appropriate DOE authorities. The Seller shall preserve conditions surrounding or associated with the event for continued investigation unless such actions interfere with establishing a safe condition. The Seller and their employees shall not conceal nor destroy any information concerning noncompliance or potential noncompliance with the environment, safety and health requirements of this Subcontract.

3. ENVIRONMENT, SAFETY, AND HEALTH COMPLIANCE – ALTERNATIVE II

(Compliance by the Seller with the requirements of this Article 3 of these Special Terms and Conditions for Commercial Purchases shall satisfy any/all requirements of Article 1 of these Special Terms and Conditions for Commercial Purchases, "Integration Of Environment, Safety and Health Into Work Planning And Execution", applicable to the scope of work contained in this Subcontract.)

- A. The Seller and any lower tier seller(s) shall take all reasonable precautions in the performance of the work under this Subcontract to protect the environment, safety and health of employees and members of the public, and shall comply with

OSHA and all other applicable federal, state and local regulatory requirements, including new DOE Regulation 10 CFR 851, "Worker Safety and Health Program" which will apply to any work performed on the Savannah River Site effective February 9, 2007. The Seller and any lower tier seller shall comply with site-specific ES&H requirements when specified in the Subcontract. The SRR Procurement Representative shall notify the Seller in writing of any noncompliance with the provisions of this Article. After receipt of such notice, the Seller shall immediately take corrective action. In the event that the Seller fails to take corrective action and comply with said regulations and requirements, the SRR Procurement Representative may, without prejudice to any other legal or contractual rights of SRR, issue an order stopping work in whole or in part. An order authorizing the resumption of work may be issued at the discretion of the Procurement Representative. The Seller shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this Article.

B. Corporate Worker Protection Plan (WPP).

The Seller shall possess and maintain a corporate Worker Protection Plan (WPP) which implements the OSHA requirements applicable to the normal course of the Seller's business. Prior to the start of work under this Subcontract, the Seller shall provide to the SRR Procurement Representative a copy of the WPP and sample Task Specific Plans (TSP) (based on a minimum of three tasks in the scope of work), for review and acceptance by the appropriate SRR organization(s). NOTE: Seller is responsible for conducting hazard analysis and documenting additional TSPs. Work under this Subcontract shall not commence until the WPP and TSPs have been accepted by SRR. The Seller shall provide a copy of the accepted WPP and TSP to any lower tier Seller(s) and shall ensure Seller employee's performing work at the site have access to the WPP document accepted by SRR, and other standards, controls and procedures including DOE worker protection publications applicable to the workplace. The Seller's employees and the employees of any lower tier seller(s), shall comply with the WPP and TSPs in the performance of the work under this Subcontract. The WPP shall meet the following minimum requirements:

- (1) Shall include management policies that provide for clear goals, responsibilities,

authority, and accountability for meeting loss control objectives;

- (2) Shall include the implementation of applicable local, state, federal, environment, safety and health requirements that are relevant to the scope of work, including applicable elements in 10 CFR 851, "Worker Safety and Health Program";
- (3) Shall provide employee guidance on internal engineering controls, precautions, and requirements on personal protective equipment (PPE) to minimize, control and/or prevent employee exposure to include equipment/property loss;
- (4) Shall include management policies for incorporating and implementing the use of American Conference of Governmental Industrial Hygienist (ACGIH) threshold limit values (TLVs). The ACGIH guidelines shall be used when the TLV(s) exposure limits are more restrictive than OSHA permissible exposure limits (PELs).
- (5) Shall include Task Specific Plans that include hazard identification and control measures that provide for safe work practices and employee training (i.e., 1) Define Scope of Work, 2) Identify and Analyze Hazards, 3) Develop and Implement Controls, 4) Perform Work within Controls, 5) Provide Feedback, and Continuous Improvement.);
- (6) Shall include Focused Observation Checklists, as applicable. The Seller shall (i) thoroughly assess the work scope, (ii) identify the associated hazards, and (iii) apply elements of corresponding Checklists within the Worker Protection Plan (WPP) or utilize applicable Checklists as attachments to the WPP. Subcontract scope performed by the Seller and its lower tier sellers will typically be covered by the WPP and appropriate Checklists. Such Checklists are available on the Savannah River Site Internet Home Page (http://www.srs.gov/general/busiops/PMMD/general_provisions.htm) for review and down loading.
- (7) Shall include a process that provides authority to Seller and lower tier seller employees to call for a "time out/stop work" when unsafe conditions are observed and/or employee actions are likely to cause injury to themselves, other personnel, or cause damage to SRS property.

The Seller shall provide mechanisms to involve workers in the development of WPP goals,

objectives, and performance measures and in the identification and control of workplace hazards. Whenever a significant change or addition is made to the WPP, it shall be re-submitted to SRR for review and acceptance. Examples of significant changes include any requirement deletions, additional scope added, total re-write or major revision. Additionally, the Seller must submit annually to SRR either an updated WPP for acceptance or a letter stating that no changes are necessary in the current accepted WPP.

C. Equipment Safety.

The Seller shall ensure that major equipment used in the performance of work under this Subcontract is inspected, operated and maintained by qualified competent personnel. As confirmation, the Seller shall complete Form PF-44, Major Equipment Declaration, (copy available on the SRR Internet Home Page) and provide one (1) copy to the Subcontract Technical Representative (STR), prior to placing any such equipment in service on the Savannah River Site. Additionally, prior to performing any activity involving the loading, unloading, and transporting of self-propelled medium or heavy duty equipment on the Savannah River Site, the Seller shall complete the "Self-propelled Equipment Loading, Unloading & Transport Safety Review Checklist", copy available on the SRR Home Page at (http://www.srs.gov/general/busiops/PMMD/general_provisions.htm), and provide a copy to the STR.

D. Assigned Competent Person.

The Seller shall designate in writing an Assigned Competent Person (ACP), and alternates, who will be responsible for SRS perimeter barricade escort and safety orientation for non-badged material/equipment delivery personnel and other non-badged Seller personnel seeking temporary badges in support of the Seller's work scope. The ACP shall be a responsible employee, cognizant of the Subcontract scope and all applicable environmental, safety and health requirements, including any focused observation safety checklists. The ACP shall furnish an advance copy of applicable focused observation safety checklists to any non-badged temporary personnel anticipating entry onto SRS, and shall meet entering personnel at the SRR Badging Office, Building 703-46A when they report for temporary badging. The ACP and entering personnel shall review the scope of work to be performed and upon arrival at the work site review, complete and date any applicable focused observation safety checklist(s). For

material/equipment deliveries, the ACP shall review any applicable focused observation safety checklists with delivery personnel, including specific safety measures required for loading/unloading in accordance with OSHA and the WPP.

E. Safety and Health Representative.

The Seller shall designate a safety and health professional or representative, as specified in the Subcontract. The designation must include the person's qualifications and duties and be documented in the Seller's Worker Protection Plan. A designated Safety Representative shall have a minimum of thirty (30) hours formal Safety and Health training in OSHA standards or pre-approved equivalent, having other safety related training certificates and/or job experience in General Industry/Construction safety with an understanding of 29 CFR 1910/1926 requirements. The Safety Representative shall solicit worker feedback during hazard review meetings, field safety inspections, incident investigations and document same when appropriate, e.g., new hazard requiring additional controls, defective equipment, observation of unsafe condition or behavior.

F. Material Safety Data Sheets.

The Seller shall provide the STR copies of Material Safety Data Sheets for all chemicals brought to SRS prior to the initial use of such chemicals. In addition, the Seller shall provide the STR with a current inventory on a monthly basis for chemicals stored on-site for thirty (30) or more days per EPCRA/CERCLA. All chemicals stored on-site shall follow NFPA storage guidelines.

G. Environmental Compliance

The Seller and any lower tier seller(s) shall comply with all applicable environmental protection laws, Executive Orders, ordinances, regulations, directives, and codes. Upon request, the Seller shall submit an Environmental Compliance Plan (ECP) outlining the methods proposed to address the environmental requirements specified in the scope of work. The ECP shall specify the person responsible for ensuring the requirements are met.

H. Site Reporting Requirements

The Seller shall immediately notify the STR or SRR Procurement Representative of any event/condition that may require reporting to the DOE. Further, the Seller shall cooperate with any SRR or DOE critique, analysis, or investigation and complete necessary reports for such events/conditions. Events/conditions that require reporting to DOE are defined in DOE

Manual 231.1-2 (DOE M 231.1-1-2) and can include (but are not limited to):

- (1) Operational emergencies,
- (2) Occupational injury or illness (including exposures to hazardous substances in excess of allowable limits) and near misses,
- (3) Any on-the-job injury where an employee is taken offsite for something other than observation. The notification requirement applies to any person who goes offsite for prompt medical treatment of any type. The mode of transportation (ambulance, personal vehicle, etc.) is not pertinent – any offsite transfers must be reported immediately,
- (4) Any violation of Lockout/Tagout controls where there are no credible barriers left between the worker, and the energy source regardless of whether or not there was an injury
- (5) Fires/explosions,
- (6) Hazardous energy control failures,
- (7) Operations shutdown directed by management for safety reasons,
- (8) Environmental release of radioactive materials, hazardous substances, regulated pollutants, oil spills, etc.
- (9) Violation of Federal Motor Carrier Safety Regulations or Hazardous Material Regulations,
- (10) Loss damage, theft, or destruction to government property (including damage to ecological resources like wetlands, critical habitats, historical/archeological sites, etc.),
- (11) Spread of radioactive contamination or loss of control of radioactive materials,
- (12) Personnel radioactive contaminations or exposures, and
- (13) Violations of procedures.

Immediate notification is required of such events to ensure SRR meets its commitment for 30 minute notification to appropriate DOE authorities. The Seller shall preserve conditions surrounding or associated with the event for continued investigation unless such actions interfere with establishing a safe condition. The Seller and their employees shall not conceal nor destroy any information concerning noncompliance or potential noncompliance with the environment, safety and health requirements of this Subcontract.

4. **ENVIRONMENT, SAFETY, AND HEALTH COMPLIANCE – ALTERNATIVE III**

(Compliance by the Seller with the requirements of this Article 4 of these Special Terms and Conditions

for Commercial Purchases shall satisfy any/all requirements of Article 1 of these Special Terms and Conditions for Commercial Purchases, "Integration Of Environment, Safety and Health Into Work Planning And Execution," applicable to the scope of work contained in this Subcontract.)

A. The Seller and any lower tier seller(s) shall take all reasonable precautions in the performance of the work under this Subcontract to protect the environment, safety and health of employees and members of the public, and shall comply with OSHA and all other applicable federal, state and local regulatory requirements, including new DOE Regulation 10 CFR 851, "Worker Safety and Health Program" which will apply to any work performed on the Savannah River Site effective February 9, 2007. The Seller and any lower tier seller shall comply with site-specific ES&H requirements when specified in the Subcontract. The SRR Procurement Representative shall notify the Seller in writing of any noncompliance with the provisions of this Article. After receipt of such notice, the Seller shall immediately take corrective action. In the event that the Seller fails to take corrective action and comply with said regulations and requirements, the SRR Procurement Representative may, without prejudice to any other legal or contractual rights of SRR, issue an order stopping work in whole or in part. An order authorizing the resumption of work may be issued at the discretion of the Procurement Representative. The Seller shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this Article.

B. Corporate Worker Protection Plan (WPP)

The Seller shall possess and maintain a corporate Worker Protection Plan (WPP) which implements the OSHA requirements applicable to the normal course of the Seller's business. Prior to the start of work under this Subcontract, the Seller shall provide to the SRR Procurement Representative a copy of the WPP for review and acceptance by the appropriate SRR organizations. The Seller's employees and the employees of any lower tier seller(s), shall comply with the WPP in the performance of the work under this Subcontract. Work under the Subcontract shall not commence until the WPP has been received and accepted by SRR. The Seller shall provide a copy of the WPP to any lower tier Seller(s) and shall ensure Seller employee's performing work at the site have

access to the WPP document accepted by SRR, and other standards, controls and procedures including DOE worker protection publications applicable to the workplace. The WPP shall meet the following minimum requirements:

- (1) Shall include management policies that provide for clear goals, responsibilities, authority, and accountability for meeting loss control objectives;
- (2) Shall include the implementation of applicable local, state, federal, environment, safety and health requirements that are relevant to the scope of work, including applicable elements in 10 CFR 851, "Worker Safety and Health Program";
- (3) Shall provide employee guidance on task hazards, engineering controls, precautions, and requirements on personal protective equipment (PPE) to minimize, control and/or prevent employee exposure to include equipment/property loss;
- (4) Shall include management policies for incorporating and implementing the use of American Conference of Governmental Industrial Hygienist (ACGIH) threshold limit values (TLVs). The ACGIH guidelines shall be used when the TLV(s) exposure limits are more restrictive than OSHA permissible exposure limits (PELs).
- (5) Shall include Focused Observation Checklists, as applicable. The Seller shall (i) thoroughly assess the work scope, (ii) identify the associated hazards, and (iii) apply elements of corresponding Checklists within the Worker Protection Plan (WPP) or utilize applicable Checklists as attachments to the WPP. Subcontract scope performed by the Seller and its lower tier sellers will typically be covered by the WPP and appropriate Checklists. Such Checklists are available on the Savannah River Site Internet Home Page (http://www.srs.gov/general/busiops/PMMD/general_provisions.htm) for review and down loading.
- (6) Shall include a process that provides authority to Seller and lower tier seller employees to call for a "time out/ stop work" when unsafe conditions are observed and/or employee actions are likely to cause injury to themselves, other personnel, or cause damage to SRS property.

The Seller shall provide mechanisms to involve workers in the development of WPP goals, objectives, and performance measures and in the identification and control of workplace hazards.

Whenever a significant change or addition is made to the WPP, it shall be re-submitted to SRR for review and acceptance. Examples of significant changes include any requirement deletions, additional scope added, total re-write or major revision. Additionally, the Seller must submit annually to SRR either an updated WPP for acceptance or a letter stating that no changes are necessary in the current accepted WPP.

C. Equipment Safety

The Seller shall ensure that major equipment used in the performance of work under this Subcontract is inspected, operated and maintained by qualified competent personnel. As confirmation, the Seller shall complete Form PF-44, Major Equipment Declaration, (copy available on the SRR Internet Home Page) and provide one (1) copy to the Subcontract Technical Representative (STR), prior to placing any such equipment in service on the Savannah River Site. Additionally, prior to performing any activity involving the loading, unloading, and transporting of self-propelled medium or heavy duty equipment on the Savannah River Site, the Seller shall complete the "Self-propelled Equipment Loading, Unloading & Transport Safety Review Checklist", copy available on the SRR Home Page at (http://www.srs.gov/general/busiops/PMMD/general_provisions.htm), and provide a copy to the STR.

D. Assigned Competent Person

The Seller shall designate in writing an Assigned Competent Person (ACP), and alternates, who will be responsible for SRS perimeter barricade escort and safety orientation for non-badged material/equipment delivery personnel and other non-badged Seller personnel seeking temporary badges in support of the Seller's work scope. The ACP shall be a responsible employee, cognizant of the Subcontract scope and all applicable environmental, safety and health requirements, including any focused observation safety checklists. The ACP shall furnish an advance copy of applicable focused observation safety checklists to any non-badged temporary personnel anticipating entry onto SRS, and shall meet entering personnel at the SRR Badging Office, Building 703-46A when they report for temporary badging. The ACP and entering personnel shall review the scope of work to be performed and upon arrival at the work site review, complete and date any applicable focused observation safety checklist(s). For material/equipment deliveries, the ACP shall review any applicable focused observation safety

checklists with delivery personnel, including specific safety measures required for loading/unloading in accordance with OSHA and the WPP.

E. Safety and Health Representative.

The Seller shall designate a safety and health professional or representative, as specified in the Subcontract. The designation must include the person's qualifications and duties and be documented in the Seller's Worker Protection Plan. A designated Safety Representative shall have a minimum of thirty (30) hours formal Safety and Health training in OSHA standards or pre-approved equivalent, having other safety related training certificates and/or job experience in General Industry/Construction safety with an understanding of 29 CFR 1910/1926 requirements. The Safety Representative shall solicit worker feedback during hazard review meetings, field safety inspections, incident investigations and document same when appropriate, e.g., new hazard requiring additional controls, defective equipment, observation of unsafe condition or behavior.

F. Material Safety Data Sheets.

The Seller shall provide the STR copies of Material Safety Data Sheets for all chemicals brought to SRS prior to the initial use of such chemicals. In addition, the Seller shall provide the STR with a current inventory on a monthly basis for chemicals stored on-site for thirty (30) or more days per EPCRA/CERCLA. All chemicals stored on-site shall follow NFPA storage guidelines.

G. Environmental Compliance

The Seller and any lower tier seller(s) shall comply with all applicable environmental protection laws, Executive Orders, ordinances, regulations, directives, and codes. Upon request, the Seller shall submit an Environmental Compliance Plan (ECP) outlining the methods proposed to address the environmental requirements specified in the scope of work. The ECP shall specify the person responsible for ensuring the requirements are met.

H. Site Reporting Requirements

The Seller shall immediately notify the STR or SRR Procurement Representative of any event/condition that may require reporting to the DOE. Further, the Seller shall cooperate with any SRR or DOE critique, analysis, or investigation and complete necessary reports for such events/conditions. Events/conditions that require reporting to DOE are defined in DOE Manual 231.1-2 (DOE M 231.1-1-2) and can include (but are not limited to):

- (1) Operational emergencies.
- (2) Occupational injury or illness (including exposures to hazardous substances in excess of allowable limits) and near misses.
- (3) Any on-the-job injury where an employee is taken offsite for something other than observation. The notification requirement applies to any person who goes offsite for prompt medical treatment of any type. The mode of transportation (ambulance, personal vehicle, etc.) is not pertinent – any offsite transfers must be reported immediately.
- (4) Any violation of Lockout/Tagout controls where there are no credible barriers left between the worker, and the energy source regardless of whether or not there was an injury.
- (5) Fires/explosions.
- (6) Hazardous energy control failures.
- (7) Operations shutdown directed by management for safety reasons.
- (8) Environmental release of radioactive materials, hazardous substances, regulated pollutants, oil spills, etc.
- (9) Violation of Federal Motor Carrier Safety Regulations or Hazardous Material Regulations.
- (10) Loss damage, theft, or destruction to government property (including damage to ecological resources like wetlands, critical habitats, historical/archeological sites, etc.)
- (11) Spread of radioactive contamination or loss of control of radioactive materials.
- (12) Personnel radioactive contaminations or exposures.
- (13) Violations of procedures.

Immediate notification is required of such events to ensure SRR meets its commitment for 30 minute notification to appropriate DOE authorities. The Seller shall preserve conditions surrounding or associated with the event for continued investigation unless such actions interfere with establishing a safe condition. The Seller and its employees shall not conceal nor destroy any information concerning noncompliance or potential noncompliance with the environment, safety and health requirements of this Subcontract.

5. RESERVED

6. FITNESS FOR DUTY WORKPLACE SUBSTANCE ABUSE PROGRAM

CONTRACTOR expects that Seller and lower tier seller employees who will perform work on-site will be physically and mentally fit to meet the

requirements of the job descriptions for labor under this Subcontract. CONTRACTOR has absolute authority to reject said employees who are not fit for duty or manifest their unfitness after performing work, and Seller and lower tier sellers will immediately replace said employees as a condition of this Subcontract.

A. Fitness for Duty

SRR expects that Seller and lower tier seller employees who will perform work on-site will be physically and mentally fit to meet the requirements of the job descriptions for labor under this Subcontract. SRR has absolute authority to reject said employees who are not fit for duty or manifest their unfitness after performing work, and Seller and lower tier sellers will immediately replace said employees as a condition of this Subcontract.

- (1) (i) The Seller shall advise employees and the employees of lower tier sellers and agents that it is the policy of SRR to prohibit the use, possession, sale and distribution of alcohol, drugs or other controlled substance within the limits of the Savannah River Site (SRS), and/or any off-Site facilities, and to prohibit the presence of individuals who have such substances in the body for non-medical reasons. Any Seller employee who is found in violation of the policy may be removed or barred from the site.
- (ii) The Seller agrees to advise its employees and the employees of lower tier sellers of the above policy prior to assignment to the Site and to maintain documentation that such advice has been given.
- (2) SRR will collect urine specimens when Seller employees are processed for badging. SRR will send these specimens to a consultant for testing and verification. The testing process may take up to five (5) days to obtain results. In the event of "positive" findings, the Seller will be notified and shall bring the individual to the Badge Office for an "Exit Conference". The Seller then agrees to promptly remove such individual from the Savannah River Site and return the badge to the SRR Subcontractor Badge Office.
- (3) The Seller agrees to secure the written consent of employees to release results of urine tests to the designated SRR representative. SRR agrees to use such results solely in connection with its decision

as to whether to permit a Seller employee, lower tier seller employee or agent to access Savannah River Site property.

- (4) SRR will also conduct for-cause and random drug and alcohol testing on all employees badged by SRR. The Seller agrees to comply with and secure the compliance of its employees and employees of lower tier sellers with this testing. In the event of "positive" findings, the Seller agrees to promptly remove such individual from the Savannah River Site and return his or her badge to the SRR Subcontractor Badging Office.
- (5) A Breath Alcohol Test will be given during the initial badging process and the results will be available immediately. In the event of "positive" findings, the Seller's employee will not be badged, shall be issued a temporary pass, and will be escorted offsite by a Seller's Representative.

B. Suitability for Employment

- (1) Seller employees, including employees of lower tier sellers, who are to be badged to permit Savannah River Site access, must successfully complete Suitability for Employment process. As part of this process, the Seller agrees to advise its employees and employees of lower tier Sellers that they will be required to complete certain forms, which authorize background investigations. These forms shall be submitted during the badging process.
- (2) Employees will be issued a photo badge and allowed site access on the first reporting day. In the event a Seller's employee subsequently fails to successfully complete the background investigation, the Seller agrees to promptly remove such individual from the site and to return the badge to the SRR Subcontractor Badging Office.
- (3) Seller agrees to advise its employees of the above requirement prior to assignment to the Savannah River Site and to maintain documentation that such advice has been given.
- (4) Seller also shall advise its employees and lower tier sellers whose employees are performing work at SRS that they shall inform Seller of any arrest or indictment by any law enforcement agency as soon as practicable; and Seller shall inform SRR, within 24 hours in writing (Email is acceptable) of its or its lower tier seller's employee's name and the alleged facts of the arrest or indictment. SRR shall make a

determination of the employee's continued suitability for employment at SRS.

7. GENERAL EMPLOYEE TRAINING AND ANNUAL REFRESHER TRAINING FOR SUBCONTRACT EMPLOYEES

(The following terms are applicable if performance of this Subcontract will require the Seller's employee(s) to perform work on SRS premises for more than ten (10) working days.)

A. General Employee Training (GET)

- (1) The Seller shall inform its employees and the employees of its lower tier sellers that it is the policy of Savannah River Remediation to adhere to the requirements contained in the DOE Order entitled "Personnel Selection, Qualification and Training Requirements," which requires any individual, employed either full or part-time at any DOE reactor or non-reactor facility to receive selected general training.

(2) Successful Completion Required

Said employees, referred to in the remainder of this document as "individual", must successfully complete the training known as "General Employee Training" (GET) as offered by the SRS. The GET sessions are given by a Savannah River Site authorized GET instructor. There are three categories of GET.

- (i) Category 1 consists of viewing a video that lasts for one hour. This category is limited to delivery personnel, visitors, and other temporary personnel that require badged access to the general site and property protection areas and are typically on site greater than 10 days, but not consecutively, in a calendar year.
- (ii) Category 2 consists of viewing a video and a written examination, and lasts for approximately two hours. This category would apply to visitors or other temporary personnel that require badged access to the general site and property protection areas and are on site greater than 10 days consecutively in a calendar year, and additional training is not required as determined by SRR.
- (iii) Category 3 consists of eight hours of training and includes instructor lecture along with audio and visual aids and a written examination. This category applies to individuals who require badged access to the general site,

property protection areas, or security controlled areas and additional training is required, as determined by SRR.

- (3) Successful Completion Defined: Successful completion occurs when the individual
 - (i) Is scheduled for GET,
 - (ii) Attends the GET session,
 - (iii) Obtains a test score of 70% or greater on the written examination, if required, (100% is the highest obtainable score), and
 - (iv) Properly completes all documents (rosters, exam answer sheet, etc.).
- (4) Unsuccessful Completion Defined: If the individual fails to successfully complete GET, the individual is given a failure notice and is to notify the Subcontract Technical Representative (STR) for rescheduling for remedial training or for a re-test. The individual will be allowed several chances to successfully complete the GET. Continued failure to successfully complete GET will result in resolution by the STR.
- (5) Scheduling for GET

The STR shall direct the individual to the appropriate training center to attend the GET session. GET training is scheduled subject to demand.
- (6) Records

GET records will be maintained by SRR.

B. Annual Refresher Training

Refresher Training is required after an individual's initial successful completion of all categories of GET, regardless of the individual's present employer. Category 1 and Category 2 GET training must be repeated annually. For Category 3, successful completion of Consolidated Annual Training (CAT) is required. The Seller is responsible for scheduling its employees for this training. The STR may be contacted for assistance.

- C. Upon providing proof of successful completion of GET either at another DOE facility, or while employed by a firm other than the Seller under this Subcontract, the employee will not be required to repeat this training.

8. SECURITY EDUCATION REQUIREMENTS FOR SELLERS

The following items are applicable if performance of this Subcontract will require the Seller's employee(s) to receive a security badge.

A. Seller Security Education Coordinator

- (1) If this Subcontract will require a force of more than thirty (30) Seller employees receive badges, then the Seller shall provide

to the SRR Security Education Office, the name of its representative appointed to administer its Security Education Program. This representative shall be referred to as the Seller Security Education Coordinator (SSEC).

- (2) If this Subcontract will require that less than thirty (30) Seller employees receive badges, then the SRR Subcontract Technical Representative (STR) will perform the activities discussed in this Supplement.

B. Company Roster

The SSEC will be responsible for providing the STR with a roster of all Seller personnel receiving a badge. At a minimum the data shall include name, social security number, and work telephone number, clearance level and place where work is generally performed. This list shall be kept current and updated every sixty-(60) days.

C. Initial Briefing

The SSEC will ensure that all Seller personnel, regardless of clearance level, receive an Initial Security Briefing... This briefing consists of videotape shown during initial General Employee Training (GET), or at the time of badging for those individuals not required to attend GET.

D. Comprehensive Briefing

If Seller personnel have a clearance at the inception of this Subcontract, or receive a clearance at any time during the course of the Subcontract, the SSEC/STR will ensure that those employees receive a Comprehensive Briefing from SRR.

E. Annual Refresher Briefing

The SSEC/STR shall ensure that all Seller employees receive, at least once in a twelve- (12) month period, an Annual Security Refresher briefing from SRR. This briefing is provided during GET Refresher Training.

F. Foreign Travel Briefing

If a Seller employee plans a trip to a sensitive country, whether on official business or for pleasure, the SSEC/STR is responsible for ensuring that the individual receives a Foreign Travel Briefing from SRR before departing and a Debriefing upon return. The OPSEC Officer is responsible for these Briefings.

G. Badge Retrieval at Termination

The Seller is responsible for ensuring that badges are returned or accounted for when a Seller employee terminates employment or when a Subcontract is completed. The employee must report to Employment Processing Center, for proper completion of out-processing and badge

return. This effort should be coordinated with the SRR STR.

H. Termination Briefing

When a Seller employee terminates employment or is reassigned, the SSEC/STR will ensure that a Termination Briefing by SRR is given and the appropriate forms are executed. Briefing materials and appropriate forms are provided by SRR.

9. WORK ON SRR, GOVERNMENT OR OTHER PREMISES AND INSURANCE

- A. As to the Work to be done or performed by Seller on premises owned or controlled by SRR, the Government, or the premises of other SRR sellers, Seller assumes the entire responsibility and liability for losses, expenses, damages, demands, and claims in connection with or arising out of any injury including death, or damage to property, sustained in connection with or to have arisen out of the negligent acts or omissions of Seller or its subcontractors or employees. Seller shall indemnify and hold harmless the Government and SRR from and against any and all claims, demands, actions, causes of action including those brought by an employee of the Seller or a State Industrial Insurance regulator under a Workers/ Workmen's Compensation Act or statute, suits, damages, expenses including attorney fees and liabilities whatsoever resulting from or arising in any manner on account of or by reason of any injury to or death of any person or any damage to or loss of property attributable directly or indirectly to the negligent acts or omissions of Seller or its sellers or employees arising out of, or in any way connected with the performance of this Subcontract, whether or not caused in any way by some act or omission, negligence or otherwise, of SRR or the Government; provided however, that the Seller's duty to indemnify shall not arise if such injury, death, destruction or loss is caused by the negligence of SRR or the Government. Nothing in the foregoing shall be construed to require Seller to indemnify and save harmless the Government and SRR from any liability arising out of or resulting from a nuclear incident. To the extent necessary to execute the foregoing indemnification and as permitted by law, Seller specifically waives any and all immunity provided by any industrial insurance or Workers/ Workmen's Compensation Act or statute.
- B. When Seller shall perform any part of the Work on the premises of the SRR or the Government during the performance of this Subcontract, the Seller shall have in force and effect, policies of

insurance conforming to the terms set forth in Paragraph C of this Article.

- C. (1) The Seller shall procure and thereafter maintain at its own expense, the following insurance:
- (i) Workers' Compensation and Employer's Liability.
Limits of Liability: Workers' Compensation: Statutory limits in the jurisdiction in which Seller is located.
Employer's Liability: A minimum of \$1,000,000.
 - (ii) Comprehensive General Liability including Bodily Injury and Property Damage.
Limits of Liability: A minimum of \$1,000,000 Combined Single Limit.
Endorsements: SRR and the Government to be endorsed as Additional Insured.
Contractual Liability: Shall include all coverage endorsed on the basic policy.
 - (iii) Automobile Liability including Bodily Injury and Property Damage including All Owned, Non-Owned and Hired.
Limits of Liability: \$1,000,000 Combined Single Limit.
Note: All personnel operating motor vehicles at SRS must have a valid driver's license, vehicle registration and proof of insurance (regardless of state of origin). Anyone not having these documents is subject to being denied access to SRS and, if in violation of a law, being cited for the violation.
- (2) Certificates of insurance evidencing that the requirements of this Article have been met shall be furnished to SRR before work is commenced with respect to performance under this Subcontract. In addition, a copy of the policy endorsement for Comprehensive General Liability Insurance (Ref. paragraph C.(1)(ii) above) naming SRR and the Government as "Additional Insured", shall be submitted with the certificate of insurance. (A "blanket" endorsement naming contracting parties as an "Additional Insured" is acceptable.) Provisions shall be made for thirty (30) days advance notice by mail to SRR of changes in or cancellation of such insurance. Certificates shall be issued by insurance carriers or brokers satisfactory to SRR.
- (3) In the event the Seller fails to furnish such Certifications of Insurance, as required in Paragraph 2 above, prior to commencement

of work or to continue to maintain such insurance during the performance of the Subcontract, SRR shall have the right to stop work and/or to withhold any payments or partial payments required to be made under this Subcontract; and shall have the right to continue withholding any or all of said payments so long as the Seller has not complied with the requirements of this Article.

- (4) On contracts involving blasting or other hazardous operations, the Seller's insurance shall specifically state that all blasting or such other hazardous operations are fully covered.

D. Seller agrees to comply with and require its sellers to comply with all applicable laws, rules, and regulations with respect to state industrial insurance or Workers/Workmen's Compensation, occupational disease, occupational safety and health, or withholding and payment of social security and federal and state income taxes. Seller further agrees to indemnify SRR and the Government against, and to save and hold harmless SRR and the Government from, any and all liability and expense with respect to claims against SRR or the Government which may result from the failure or alleged failure of Seller or of any of its lower tier sellers to comply therewith.

10. TRAVEL

Travel, per diem and lodging costs are not reimbursable under this Subcontract.

11. LIMITATION OF FUNDS

NOTE: This article is applicable only if this Subcontract is partially funded.

- A. Of the total price of this Subcontract, the sum of \$_____ is presently available for payment and allotted to this Subcontract. It is anticipated that additional funds will be allocated to the Subcontract in accordance with the following schedule until the total price of the Subcontract is funded:
- B. The Seller agrees to perform or have performed work on this Subcontract up to the point at which, if this Subcontract is terminated pursuant to the Termination For Convenience of SRR article of this Subcontract, the total amount payable by SRR (including amounts payable for subcontracts and settlement costs) pursuant to the Termination For Convenience of SRR article would, in the exercise of reasonable judgment by the Seller, approximate the total amount at the time allotted to the Subcontract. The Seller is

not obligated to continue performance of the work beyond that point. SRR is not obligated in any event to pay or reimburse the Seller more than the amount from time to time allotted to the Subcontract, anything to the contrary in the Termination For Convenience of SRR article notwithstanding.

- C. (1) It is contemplated that funds presently allotted to this Subcontract will cover the work to be performed until_____.
- (2) If funds allotted are considered by the Seller to be inadequate to cover the work to be performed until that date, or an agreed date substituted for it, the Seller shall notify SRR in writing when within the next 60 days the work will reach a point at which, if the Subcontract is terminated pursuant to the Termination For Convenience of SRR article of the Subcontract, the total amount payable by SRR (including amounts payable for subcontracts and settlement costs) pursuant to the Termination For Convenience of SRR article will approximate 75 percent of the total amount then allotted to the Subcontract.
- (3) (i) The notice shall state the estimated date when the point referred to in subparagraph C.(2) of this clause will be reached and the estimated amount of additional funds required to continue performance to the date specified in subparagraph C.(1) of this clause, or an agreed date substituted for it.
- (ii) The Seller shall, sixty days in advance of the date specified in subparagraph C. (1) of this clause, or an agreed date substituted for it, advise SRR in writing as to the estimated amount of additional funds required for the timely performance of the Subcontract for a further period as may be specified in the Subcontract or otherwise agreed to by the parties.
- (4) If, after the notification referred to in subdivision C. (3)(ii) of this clause, additional funds are not allotted by the date specified in subparagraph C.(1) of this clause, or an agreed date substituted for it, SRR shall, upon the Seller's written request, terminate this Subcontract on that date or on the date set forth in the request, whichever is later, pursuant to the Termination For Convenience of SRR article.
- D. When additional funds are allotted from time to time for continued performance of the work under this Subcontract, the parties shall agree on

the applicable period of Subcontract performance to be covered by these funds. The provisions of paragraphs B and C of this clause shall apply to these additional allotted funds and the substituted date pertaining to them, and the Subcontract shall be modified accordingly.

- E. If, solely by reason of SRR's failure to allot additional funds in amounts sufficient for the timely performance of this Subcontract, the Seller incurs additional costs or is delayed in the performance of the work under this Subcontract, and if additional funds are allotted, an equitable adjustment shall be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the work to be performed.
- F. SRR may at any time before termination, and, with the consent of the Seller, after notice of termination, allot additional funds for this Subcontract.
- G. The provisions of this clause with respect to termination shall in no way be deemed to limit the rights of SRR under the default article of this Subcontract. This clause shall become inoperative upon the allotment of funds for the total price of the work under this Subcontract except for rights and obligations then existing under this clause.
- H. Nothing in this clause shall affect the right of SRR to terminate this Subcontract pursuant to the Termination for Convenience of SRR article of the Subcontract.

12. SECURITY

(Applicable if under the terms of this Subcontract Seller's employees will be required to possess access authorizations (L or Q Security Clearance).)

A. Responsibility

It is the Seller's duty to safeguard all classified information, special nuclear material, and other DOE/SRR property in its possession. The Seller shall, in accordance with DOE/SRR security and counterintelligence regulations and requirements, be responsible for safeguarding all classified, unclassified sensitive and proprietary information and protecting against sabotage, espionage, loss and theft of the classified, unclassified sensitive and proprietary matter in the Seller's possession in connection with the performance of work under this Subcontract. Except as otherwise expressly provided in this Subcontract, the Seller shall, upon completion or termination of this Subcontract, transmit to SRR any classified, unclassified sensitive and proprietary matter in the possession of the Seller or any person under the Seller's control in

connection with performance of this Subcontract. If retention by the Seller of any classified, unclassified sensitive, and proprietary matter in the Seller's possession is required after the completion or termination of the Subcontract and such retention is approved by the SRR Procurement Representative, the Seller shall complete a certificate of possession to be furnished to SRR specifying the classified, unclassified sensitive, and proprietary matter in the Seller's possession are to be retained. The certification shall identify the items and types or categories of matter retained, the conditions governing the retention of the matter, and the period of retention, if known. If the SRR Procurement Representative approves the retention, the security provisions of this Subcontract shall continue to be applicable to the matter retained. Special nuclear material shall not be retained after the completion or termination of this Subcontract.

B. Regulations.

The Seller agrees to comply with all security and counterintelligence regulations and requirements of DOE/SRR in effect on the date of award of this Subcontract.

C. Definition of Classified Information.

The term "Classified Information" means Restricted Data, Formerly Restricted Data, or National Security Information.

D. Definition of Restricted Data.

The term "Restricted Data" means all data concerning:

- (1) Design, manufacture, or utilization of atomic weapons;
- (2) The production of special nuclear material; or
- (3) The use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954, as amended.

E. Definition of Formerly Restricted Data.

The term "Formerly Restricted Data" means all data removed from the Restricted Data category under section 142d. of the Atomic Energy Act of 1954, as amended.

F. Definition of National Security Information.

The term "National Security Information" means any information or material, regardless of its physical form or characteristics, that is owned by, produced for or by, or is under the control of the United States Government, that has been determined pursuant to Executive Order 12356 or prior Executive Orders to require protection

against unauthorized disclosure, and which is so designated.

G. Definition of Special Nuclear Material (SNM).

SNM means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which pursuant to the provisions of Section 51 of the Atomic Energy Act of 1954, as amended, has been determined to be special nuclear material, but does not include source material; or (2) any material artificially enriched by any of the foregoing, but does not include source material.

H. Security Clearance of Personnel.

The Seller shall not permit any individual to have access to any classified information, except in accordance with the Atomic Energy Act of 1954, as amended, Executive Order 12356, and DOE/SRR regulations or requirements applicable to the particular level and category of classified information to which access is required.

I. Criminal Liability.

It is understood that disclosure of any classified information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any classified information that may come to the Seller or any person under the Seller's control in connection with work under this Subcontract, may subject the Seller or its lower tier sellers and both their employees to criminal liability under the laws of the United States. (See Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 *et seq.*; 18 U.S.C. 793 and 794; and Executive Order 12356).

J. Foreign Ownership, Control or Influence.

(1) The Seller shall immediately provide SRR written notice of any changes in the extent and nature of FOCI over the Seller which would affect the information provided in the Certificate Pertaining to Foreign Interests and its supporting data. Further, notice of changes in ownership or control which are required to be reported to the Securities and Exchange Commission, the Federal Trade Commission, or the Department of Justice shall also be furnished concurrently to SRR.

(2) In those cases where a Seller has changes involving FOCI, the DOE must determine whether the changes will pose an undue risk to the common defense and security. In making this determination, the Department of Energy shall consider proposals made by the Seller to avoid or mitigate foreign influences.

(4) If the cognizant security office at any time determines that the Seller is, or is potentially, subject to FOCI, the Seller shall comply with such instructions as the Contracting Officer/SRR shall provide in writing to safeguard any classified information or special nuclear material.

(5) Information submitted by the Seller or any affected lower tier Seller as required pursuant to this clause shall be treated by SRR/DOE to the extent permitted by law, as business or financial information submitted in confidence to be used solely for purposes of evaluating FOCI.

(6) SRR may terminate this Subcontract for default either if the Seller fails to meet obligations imposed by this article, e.g., provide the information required by this article, comply with SRR/DOE instructions about safeguarding classified information, or make this article applicable to lower tier sellers or if, in SRR's judgment, the Seller creates a FOCI situation in order to avoid performance or a termination for default. SRR may terminate this Subcontract for convenience if the Seller becomes subject to FOCI and for reasons other than avoidance of performance of the Subcontract, cannot, or chooses not to, avoid or mitigate the FOCI problem.

K. Seller agrees to insert terms that conform substantially to the language of this article including this paragraph in all lower tier subcontracts under this Subcontract that will require Seller employees to possess access authorizations for access to classified information or special nuclear material. Additionally, the Seller shall require such lower tier sellers to have an existing DOE or DOE Facility Clearance or submit a completed Certificate Pertaining to Foreign Interests, Standard Form 328, required in DEAR 952.204-73 to the DOE Office of Safeguards and Security (marked to identify the applicable prime contract) prior to award or a lower tier subcontract. Such subcontracts shall not be awarded until the Seller is notified that the proposed lower tier sellers have been cleared. Information to be provided by a lower tier seller pursuant to this clause may be submitted directly to the DOE Contracting Officer. For purposes of this Article, Seller means any subcontractor, supplier at any tier, and the term "Contracting Officer" means the DOE Contracting Officer. When this Article is included in a lower tier

subcontract the term "Seller" shall mean Seller and the term "Order" shall mean Subcontract.

13. CONFIDENTIALITY OF INFORMATION

- A. To the extent that the work under this Subcontract requires that the Seller be given access to confidential or proprietary business, technical or financial information belonging to the Government, SRR or other companies, the Seller shall, after receipt thereof, treat such information as confidential and agrees not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized by SRR or the Contracting Officer in writing. The foregoing obligations, however, shall not apply to:
- (1) Information which, at the time of receipt by the Seller, is in public domain;
 - (2) Information which is published after receipt thereof by the Seller or otherwise becomes part of the public domain through no fault of the Seller;
 - (3) Information which the Seller can demonstrate was in its possession at the time of receipt thereof and was not acquired directly or indirectly from the government or other companies;
 - (4) Information which the Seller can demonstrate was received by it from a third party that did not require the Seller to hold it in confidence.
- B. The Seller shall obtain the written agreement, in a form satisfactory to SRR, of each employee permitted access, whereby the employee agrees that he will not discuss, divulge or disclose any such information or data to any person or entity except those persons within the Seller's organization directly concerned with the performance of the contract.
- C. The Seller agrees, if requested by the SRR or the Government, to sign an agreement identical, in all material respects, to the provisions of this article, with each company supplying information to the Seller under this Subcontract, and to supply a copy of such agreement to SRR. From time to time upon request of SRR, the Seller shall supply SRR with reports itemizing information received as confidential or proprietary and setting forth the company or companies from which the Seller received such information.
- D. The Seller agrees that upon request by DOE or SRR, it will execute a DOE-approved agreement, with any party whose facilities or proprietary data it is given access to or is furnished,

restricting the use and disclosure of the data or the information obtained from the facilities. Upon request by DOE or SRR such an agreement shall also be signed by Seller personnel.

14. COUNTERINTELLIGENCE

- A. The Seller shall take all reasonable precautions in the work under this Subcontract to protect SRR/DOE programs, facilities, technology, personnel, unclassified sensitive information and classified matter from foreign intelligence threats and activities conducted for governmental or industrial purposes, in accordance with DOE Order 475-1, Counterintelligence Program; Executive Order 12333, U.S. Intelligence Activities; and other pertinent national and Departmental Counterintelligence requirements.
- B. The Seller is responsible for compliance with counterintelligence (CI) requirements as detailed in the Contractor Requirements Documents (CRD), DOE Order 475.1. The DOE Office of Counterintelligence, Southeast Region (OCI-SER) is the servicing CI office for the Liquid Waste Contract, Savannah River Site. The Seller will provide OCI-SER personnel direct access to senior management. The Seller will ensure OCI-SER has appropriate access to all records, facilities, operational activities, security information, Information Technology systems, and databases necessary to perform CI official duties. The Seller shall immediately report targeting, suspicious activity and other CI concerns to the OCI-SER and support the conduct of investigations about incidents of CI concern.

15. RESERVED

16. COMPLIANCE WITH EMPLOYEE CONCERNS

- A. Seller shall ensure Seller and lower tier seller employees are aware of the DOE-SRS and SRR Employee Concerns Programs (ECP) and how to use the program by performing the following:
- (1). Ensure employees are provided with information on the DOE-SRS and SRR ECPs during initial orientation and annual training.
 - (2) Ensure that posters identifying the DOE-SRS and SRR ECP telephone "hotline" numbers are displayed in conspicuous locations throughout the worksite. SRR will provide posters, as necessary.

- (3) Inform employees and Seller employees of the availability of the DOE-SRS ECP in case of dissatisfaction or lack of confidence with other reporting systems.
 - (4) Ensure managers and supervisors are aware of the prohibition of any reprisal against employees who have or are believed to have raised or reported concerns.
- B. Seller must immediately notify the STR or the Procurement Representative of any employee concern involving:
- (1) A condition which constitutes an imminent threat to the health and safety of site personnel or to the general public.
 - (2). Circumstances which would cause adverse public reaction or receive local media attention.
 - (3) Allegations of reprisal.
- C. Seller shall investigate any employee concern referred by the STR and inform the STR of investigation results within 7 days of receipt of concern. Inform the STR in writing if an extension to this 7-day timeframe is required, along with status of investigation to date and actions pending to closure. The investigation shall be conducted to the satisfaction of the SRR Procurement Representative.

17. NON-PROLIFERATION

If any item(s) provided under this Subcontract are foreign made and will require importation into the United States to fulfill the requirements under this Subcontract, the Seller represents that delivery of such items will not violate any non-proliferation laws, rules or regulations of the country or countries from which the materials are to be exported.

18. SCIENTIFIC AND TECHNICAL INFORMATION

- A. Electronic submissions of technical reports will consist of two virus-free copies that are readable in the following formats:
- (1) Text will be submitted in native software (that is compatible with the suite of document creation software currently used at SRS) (fonts identified) or in RTF (rich text format).
 - (2) Embedded objects and files that are linked to a document must be supplied as well, as follows:
 - (i) Raster images (for example, photographs) will be submitted as TIFF or EPS @ resolution >100 dpi.
 - (ii) Vector art (for example, line art) will be submitted as EPS images.

- (iii) Data-driven displays (e.g., spreadsheet charts) must be accompanied by data set used to generate them.

19. COPYRIGHTS FOR SRR DIRECTED TECHNICAL PERFORMANCE

Seller shall cause its employee(s) to assign to SRR all rights under the copyright in all works of authorship prepared at the direction of SRR during the term of this Subcontract. Seller shall include terms in its arrangements with its employee(s) to require such assignments to SRR. To the extent that such works of authorship are considered to be works made for hire for Seller, Seller agrees to assign and does hereby assign all of its rights under the copyrights in such works to SRR or the U. S. Government.

20. GENERAL CONDITIONS OF EQUIPMENT RENTAL

A. Rental Payments.

Upon the submission of proper invoices or vouchers, Savannah River Remediation (SRR) shall pay, as full compensation for use of the Equipment, rent at rates set forth in the order to which these General Conditions are attached. Payments will be made at the end of each month or at the end of the rental, whichever occurs first, for rental accrued during the previous rental period.

B. Rental Rates.

- (1) The actual length of the rental period will establish the Base Rental rate (for example, if the Lessor's proposal included a daily, weekly, and monthly rate, and the actual rental period was three days - the daily rate would apply; if the actual rental period was ten days - the weekly rate would apply; and if the actual rental period was 40 days - the monthly rate would apply). The Base Rental Period shall be as in column 1 below. For portions of a rental period beyond one or more full Base Periods, rental shall be calculated by the fractional period multiplied by the Base Rental rate. The Fractional Periods are specified in Column 2 below. Base Rental rates contemplate the following maximum use: Day - 8 hrs. (or as stipulated at time of rental); Week - 40 hrs; and Month - 176 hrs. For each hour that the Equipment is in use in excess of the applicable contemplated operation, there shall be paid as rental a sum equal to the Base Rental rate multiplied by the overtime rate in Column 3 below.
- (2) Should the total rental calculated on the applicable Base Rental rate, exclusive of

overtime, exceed the proposed rate for the next longer rental term the lesser rental shall be paid.

	Column 1	Column 2	Column 3
<u>Rental Term</u>	<u>Base Rent Period</u>	<u>Fractional Period</u>	<u>Overtime Rate</u>
Mnthly	1 cal mth	.0455xmnthly = rt/day	.0057x mnthly = rt/hr
Wkly	7 cons dys	.20 x wkly = rt/day	.025 x wkly = rt/hr
Daily	24 cons hrs	.125 x dly = rt/hr	.125 x dly = rt/hr
Hourly	1 oper hr	1 hour	1 hour

C. Condition of Equipment

- (1) When delivered to job site, the Equipment shall be in condition to render efficient, economical, and continuous service and its condition shall comply fully with all applicable Federal and State statutes and any regulations issued thereunder. Each item of Equipment shall be inspected, tested, and inventoried by Lessor (which can be Seller) and SRR at job site upon arrival and immediately prior to return shipment. A joint written report shall be made and copies filed with each of the parties. Lessor shall accept SRR's report in the event the Lessor fails to participate in such inspections. Such inspections and reports shall fix and determine the rights and obligations of the parties with reference to the condition of the Equipment.
- (2) If SRR determines that any equipment furnished does not comply with Subcontract, SRR shall promptly inform the Lessor in writing. If the Lessor fails to replace the equipment or correct the defects as required by SRR, SRR may
 - (i) By contract or otherwise, correct the defect or arrange for the lease of similar equipment and shall charge or set off against the Lessor any excess costs occasioned thereby, or
 - (ii) Terminate the Subcontract under the Termination for Cause article of this Subcontract.
- (3) SRR shall make repairs or, at its option, shall reimburse Lessor for repairs due to damage caused by exceeding manufacturer's rated capacities. All other repairs attributable to equipment failure shall be Lessor's responsibility. Should Equipment become inoperative because of necessary

repairs which are the Lessor's responsibility, rental period will discontinue upon SRR's notification to the Lessor of such conditions, and rental period will resume only when Equipment is placed in a condition as required under this Section 3. SRR will notify Lessor prior to making repairs for the account of the Lessor. Unless otherwise specified in the Subcontract, SRR will furnish all fuel and lubricants and all operators and mechanics for necessary operation, use, and servicing of the Equipment.

- (4) Equipment, when returned to Lessor, shall be in as good condition as when delivered at job site, usual and ordinary wear and tear excepted.

D. Rental Period

- (1) The period for which rental is payable for an item of Equipment shall begin on the date Equipment is delivered to the job site, except that if SRR gives a definite required delivery date to the Lessor prior to shipment, the Rental Period shall not start until such date. However, rent shall accrue only for the period that the equipment is in the possession of SRR. The Rental Period shall end when the equipment is delivered for shipment to the point of origin or such other return point as may be designated by Lessor, such delivery to be evidenced by a Bill of Lading or other similar evidence covering shipment. If Lessor fails to notify SRR of destination prior to time Equipment is ready for return shipment, no rental time shall accrue until such notification is given SRR and Equipment is loaded for Shipment.
- (2) If Equipment is not in required condition, as determined by SRR, when it arrives at the job site, the Rental Period shall not begin until it shall, at the expense of Lessor, have been placed in proper condition.
- (3) If the inspection report made immediately prior to return shipment establishes that the Equipment is not in condition required of SRR under the fourth paragraph of Section C of these conditions, SRR shall do all things necessary to place it in such condition and the Rental Period shall not terminate prior to placing the Equipment in such condition.
- (4) Unless otherwise stated in the Subcontract, SRR makes no representation or guarantee as to the length of the Rental Period or the amount of rental, which will accrue, for any Equipment, it being the intent that the

Equipment may be rented for as long as SRR requires. The rental of any Equipment which does not perform to SRR's satisfaction may be terminated upon notice by SRR to Lessor.

E. Transportation Costs

If so stated in the Subcontract, transportation will be paid by SRR F.O.B. original point of shipment and return transportation F.O.B. to original point of shipment or equivalent mileage. Transportation of Equipment shall be accomplished by the most economical means and there shall be paid the actual cost of such transportation. No transportation charges will be paid by SRR for any Equipment which SRR determines is not in the condition required by Section C.

F. Loading, Unloading & Transport of Self-Propelled Medium or Heavy Construction Equipment.

Lessor shall ensure that any activity involving the loading, unloading, and transport of self-propelled medium or heavy construction equipment on the Savannah River Site (i.e., upon delivery and pickup by the Lessor) is performed in a manner that provides for the safety of all personnel involved in the process. Prior to performing any such activities the Lessor shall read and complete the SRR "Self Propelled Equipment Loading, Unloading and Transport Safety Review Checklist", and provide a copy to the SRR Portable Equipment Commodity Management Center (PECMC) representative on delivery of the equipment to SRS and also before equipment is loaded for return to the Lessor. A Copy of the checklist can be found on the SRS Home Page or can be provided by the SRR Procurement Representative on request.

G. Liability Provisions

By acceptance of the Subcontract to which these Conditions apply, Lessor agrees that

- (1) Lessor assumes and hereby relieves SRR of any and all liability for any loss or damage to the Equipment rented to SRR occurring during the period from the date of shipment to SRR to the date of return to Lessor as the result of any cause other than the sole fault or negligence of SRR;
- (2) SRR's liability under this provision shall be limited to the fair market value of the Equipment taking into consideration its age and condition immediately prior to said loss or damage.

H. Recapture Provisions

(Note: Optional and in effect only if so stated in the terms and conditions of the Subcontract.)

- (1) If this provision is applicable,
 - (i) a recapture valuation mutually agreeable to SRR and Lessor shall be established and stated in the Subcontract
 - (ii) Lessor certifies that there are no encumbrances of any nature, legal or equitable, held by any person against the Equipment rented hereunder, unless so stated in the Subcontract.
- (2) At any time during or at the end of the rental period of the Equipment, SRR may purchase the Equipment by paying to Lessor the difference between such valuation and total rental paid, plus a charge to cover interest at a rate specified in this Subcontract for the unpaid balance of the equipment valuation for each month or fraction thereof that such Equipment has been under rental to SRR. Title to such Equipment shall then vest in SRR and Lessor shall deliver to SRR such instruments of title as SRR may require, free of any and all liens and encumbrances.

I. Equipment Operated and Maintained.

The following provisions shall be applicable if Equipment is rented on the basis of operation and maintenance by the Lessor:

- (1) All rental rates stipulated in this Subcontract include all charges for operation and maintenance of the Equipment by Lessor.
- (2) Lessor has qualified or will promptly qualify and will make all payments under the terms of the unemployment compensation laws of the state in which the Equipment will be operated. In addition, Lessor will, at Lessor's expense, carry insurance in minimum limits as specified in the Article titled "Work on SRR, Government or other Premises", included in these Terms and Conditions.
- (3) Lessor shall obtain SRR's prior approval before employing any Sellers. Each Seller must also carry insurance as specified in subparagraph (2), supra. Lessor shall carry Contractor's Protective Public Liability, Bodily Injury, and Protective Property Damage insurance of the same minimum limits.
- (4) Lessor shall be responsible for all persons engaged to operate or maintain the Equipment or to perform any other work Lessor is obligated to perform under this

Subcontract. None of said persons shall constitute employees of SRR.

- (5) In the operation of the Equipment, Lessor shall comply with all Federal, State, and local regulations and with all safety regulations in effect on the SRR site. In addition, Lessor shall
 - (i) Comply with recognized safety practices for the type of work being performed including the furnishing of necessary safety equipment
 - (ii) Conduct and protect operations in such a manner as to avoid exposing others to injury.
- (6) Lessor shall ensure that all equipment operators have appropriate qualifications and experience for operating the specified equipment, to include any applicable State, Federal or local licenses or certifications.

J. Notices.

Any notice to be given hereunder shall be mailed to the party to be notified, at the address set forth in the Subcontract, by registered mail, and shall be deemed given when so mailed.

21. **PERFORMANCE-BASED MILESTONE PAYMENTS**

A. Amount of payments and limitations on payments.

Subject to such other limitations and conditions as are specified in this Subcontract and this article, the amount of payments and limitations on payments shall be specified in the Subcontract's description of the basis for payment.

B. Seller request for performance-based payment.

The Seller may submit requests for payment of performance-based payments not more frequently than monthly, in a form and manner acceptable to SRR. Unless otherwise authorized by the SRR, all performance-based payments in any period for which payment is being requested shall be included in a single request, appropriately itemized and totaled. The Seller's request shall contain the information and certification detailed in paragraphs (L) and (M) of this article.

C. Approval and payment of requests.

- (1) The Seller shall not be entitled to payment of a request for performance-based payment prior to successful accomplishment of the event or performance criterion for which payment is requested. The SRR Procurement Representative shall determine whether the event or performance criterion for which payment is requested has been successfully

accomplished in accordance with the terms of the Subcontract. SRR may, at any time, require the Seller to substantiate the successful performance of any event or performance criterion which has been or is represented as being payable.

- (2) The approval by SRR of a request for performance-based payment does not constitute an acceptance by SRR and does not excuse the Seller from performance of obligations under this Subcontract.

D. Liquidation of performance-based payments.

- (1) Performance-based finance amounts paid prior to payment for delivery of an item shall be liquidated by deducting a percentage or a designated dollar amount from the delivery payment. If the performance-based finance payments are on a delivery item basis, the liquidation amount for each such line item shall be the percent of that delivery item price that was previously paid under performance-based finance payments or the designated dollar amount. If the performance-based finance payments are on a whole subcontract basis, liquidation shall be by either predesignated liquidation amounts or a liquidation percentage.

- (2) If at any time the amount of payments under this Subcontract exceeds any limitation in this Subcontract, the Seller shall repay to SRR the excess. Unless otherwise determined by SRR, such excess shall be credited as a reduction in the unliquidated performance-based payment balance(s), after adjustment of invoice payments and balances for any retroactive price adjustments.

E. Reduction or suspension of performance-based payments.

SRR may reduce or suspend performance-based payments, liquidate performance-based payments by deduction from any payment under the Subcontract, or take a combination of these actions after finding upon substantial evidence any of the following conditions:

- (1) The Seller failed to comply with any material requirement of this Subcontract (which includes paragraphs (H) and (I) of this clause).
- (2) Performance of this contract is endangered by the Seller's—
 - (i) Failure to make progress; or
 - (ii) Unsatisfactory financial condition.
- (3) The Seller is delinquent in payment of any lower tier Seller or Seller under this

Subcontract in the ordinary course of business.

F. Title.

- (1) Title to the property described in this paragraph (F) shall vest in the Government. Investiture shall be immediately upon the date of the first performance-based payment under this Subcontract, for property acquired or produced before that date. Otherwise, investiture shall occur when the property is or should have been allocable or properly chargeable to this Subcontract.
- (2) "Property," as used in this clause, includes all of the following described items acquired or produced by the Seller that are or should be allocable or properly chargeable to this Subcontract under sound and generally accepted accounting principles and practices:
 - (i) Parts, materials, inventories, and work in process;
 - (ii) Special tooling and special test equipment to which the Government is to acquire title under any other clause of this Subcontract;
 - (iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment and other similar manufacturing aids, title to which would not be obtained as special tooling under paragraph (F)(2)(ii) of this clause; and
 - (iv) Drawings and technical data, to the extent the Seller or Sellers are required to deliver them to SRR by other articles of this Subcontract.
- (3) Although title to property is in the Government under this article, other applicable articles of this Subcontract (e.g., the termination or special tooling articles) shall determine the handling and disposition of the property.
- (4) The Seller may sell any scrap resulting from production under this Subcontract, without requesting SRR's approval, provided that any significant reduction in the value of the property to which the Government has title under this clause is reported in writing to SRR.
- (5) In order to acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Seller must obtain SRR's advance approval of the action and the terms. If approved, the basis for payment (the events or performance criteria) to which the property is related

shall be deemed to be not in compliance with the terms of the Subcontract and not payable (if the property is part of or needed for performance), and the Seller shall refund the related performance-based payments in accordance with paragraph (D) of this clause.

- (6) When the Seller completes all of the obligations under this Subcontract, including liquidation of all performance-based payments, title shall vest in the Seller for all property (or the proceeds thereof) not—
 - (i) Delivered to, and accepted by, SRR under this Subcontract; or
 - (ii) Incorporated in supplies delivered to, and accepted by, SRR under this Subcontract and to which title is vested in the Government under this article.
- (7) The terms of this Subcontract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this article.

G. Risk of loss.

Before delivery to and acceptance by SRR, the Seller shall bear the risk of loss for property, the title to which vests in the Government under this article, except to the extent SRR expressly assumes the risk. If any property is damaged, lost, stolen, or destroyed, the basis of payment (the events or performance criteria) to which the property is related shall be deemed to be not in compliance with the terms of the Subcontract and not payable (if the property is part of or needed for performance), and the Seller shall refund the related performance-based payments in accordance with paragraph (D) of this article.

H. Records and controls.

The Seller shall maintain records and controls adequate for administration of this article. The Seller shall have no entitlement to performance-based payments during any time the Seller's records or controls are determined by SRR to be inadequate for administration of this article.

I. Reports and SRR access.

The Seller shall promptly furnish reports, certificates, financial statements, and other pertinent information requested by SRR for the administration of this article and to determine that an event or other criterion prompting a financing payment has been successfully accomplished. The Seller shall give SRR reasonable opportunity to examine and verify the Seller's records and to examine and verify the Seller's performance of this Subcontract for administration of this article.

J. Special terms regarding default.
If this Subcontract is terminated under the Termination for Cause article,

- (1) The Seller shall, on demand, repay to SRR the amount of unliquidated performance-based payments, and
- (2) Title shall vest in the Seller, on full liquidation of all performance-based payments, for all property for which SRR elects not to require delivery under the Termination for Cause article of this Subcontract. SRR shall be liable for no payment except as provided by the Termination for Cause article.

K. Reservation of rights.

- (1) No payment or vesting of title under this clause shall—
 - (i) Excuse the Seller from performance of obligations under this Subcontract; or
 - (ii) Constitute a waiver of any of the rights or remedies of the parties under the Subcontract.
- (2) SRR's rights and remedies under this article—
 - (i) Shall not be exclusive, but rather shall be in addition to any other rights and remedies provided by law or this Subcontract; and
 - (ii) Shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this article or the exercise of any other right, power, or privilege of SRR.

L. Content of Seller's request for performance-based payment.

The Seller's request for performance-based payment shall contain the following:

- (1) The name and address of the Seller;
- (2) The date of the request for performance-based payment;
- (3) The Subcontract number and/or other identifier of the Subcontract under which the request is made;
- (4) Such information and documentation as is required by the Subcontract's description of the basis for payment; and
- (5) A certification by a Seller official authorized to bind the Seller, as specified in paragraph (M) of this clause.

M. Content of Seller's certification.

As required in paragraph (L)(5) of this article, the Seller shall make the following certification in each request for performance-based payment:

I certify to the best of my knowledge and belief that—

- (1) This request for performance-based payment is true and correct; this request (and attachments) has been prepared from the books and records of the Seller, in accordance with the Subcontract and the instructions of SRR;
- (2) (Except as reported in writing on _____), all payments to lower tier Sellers and Sellers under this Subcontract have been paid, or will be paid, currently, when due in the ordinary course of business;
- (3) There are no encumbrances (except as reported in writing on _____) against the property acquired or produced for, and allocated or properly chargeable to, the Subcontract which would affect or impair the Government's title;
- (4) There has been no materially adverse change in the financial condition of the Seller since the submission by the Seller to SRR of the most recent written information dated _____; and
- (5) After the making of this requested performance-based payment, the amount of all payments for each deliverable item for which performance-based payments have been requested will not exceed any limitation in the Subcontract, and the amount of all payments under the Subcontract will not exceed any limitation in the Subcontract.

22. **SERVICE CONTRACT ACT OF 1965 AS AMENDED (NOV 2007)**

Incorporated by Reference FAR 52.222-41

23. **RESERVED**

24. **STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)**

Incorporated by Reference FAR 52.222-42

25. **FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT - PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS) (NOV 2006)**

Incorporated by Reference FAR 52.222-43

26. **FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT - PRICE ADJUSTMENT (FEB2002)**

Incorporated by Reference FAR 52.222-44

27. **GOVERNMENT PROPERTY FURNISHED "AS IS" (APR 1984)**
Incorporated by Reference FAR 52.245-19,
28. **UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2004)**
Incorporated by Reference FAR 52.219-8
29. **SMALL BUSINESS SUBCONTRACTING PLAN (SEP 2006)**
Incorporated by Reference FAR 52.219-9
30. **RIGHTS IN DATA – GENERAL (JUN 1987)**
Incorporated by Reference FAR 52.227-14 as modified pursuant to DEAR 927.409(a)(1)
31. **CLASSIFICATION/DECLASSIFICATION (SEP 1997)**
Incorporated by Reference DEAR 952.204-70
32. **FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER (APR 1984)**
Incorporated by Reference FAR 52.227-10
33. **FOREIGN TRAVEL (DEC 2000)**
Incorporated by Reference DEAR 952.247-70
34. **REQUIRED SOURCES FOR HELIUM AND HELIUM USAGE DATA (APR 2002)**
F Incorporated by Reference FAR 52.208-8
35. **GOVERNMENT PROPERTY (JUN 2007)**
Incorporated by Reference FAR 52.245-1
36. **EMPLOYMENT ELIGIBILITY VERIFICATION (JAN 2009)**
Incorporated by Reference FAR 52.222-54

THE FOLLOWING ARTICLE APPLIES IF THE ORDER INVOLVES THE PROCUREMENT OF PERSONAL COMPUTERS

37. **IEEE 1680 STANDARD FOR THE ENVIRONMENTAL ASSESSMENT OF PERSONAL COMPUTER PRODUCTS (DEC 2007)**
Incorporated by Reference FAR 52.223-16

THE FOLLOWING ARTICLES APPLY IF PRICE OF THE ORDER EXCEEDS THE SIMPLIFIED ACQUISITION THRESHOLD (CURRENTLY \$150,000).

38. **SUSTAINABLE ACQUISITION PROGRAM (OCT 2010)**
Incorporated by Reference DEAR 952.223-78
39. **AFFIRMATIVE PROCUREMENT OF BIOBASED PRODUCTS UNDER SERVICE AND CONSTRUCTION CONTRACTS (JUL 2012)**
Incorporated by Reference FAR 52.223-2
40. **ENERGY EFFICIENCY IN ENERGY-CONSUMING PRODUCTS (DEC 2007)**
Incorporated by Reference FAR 52.223-15
41. **AFFIRMATIVE PROCUREMENT OF EPA-DESIGNATED ITEMS IN SERVICE AND CONSTRUCTION CONTRACTS (MAY 2008)**
Incorporated by Reference FAR 52.223-17