

This purchase order incorporates the following articles by reference. The revision of each article will be the one in effect on the date of the solicitation. Titles of articles are provided for reference purposes only and carry no substantive weight.

For purposes of this order, where the article says "Government", change it to read "Buyer"; where the article says "Contracting Officer", change it to read "Contracts Professional"; and where the article says "Contractor" or "Subcontractor", change it to read "Supplier".

Based on the stated provisions, Supplier is to determine what articles must be inserted in its subcontracts to implement its obligations to Buyer (as identified in the order) and the Government and must implement them in its lower-tier subcontracts.

## **PART I. ARTICLES INCORPORATED BY REFERENCE**

The following articles, as applicable, are incorporated by reference (except as noted):

<b>ARTICLE</b>	<b>REFERENCE</b>
CHANGES – FIXED-PRICE - <i>Delete paragraph (e)</i>	FAR 52.243-1
COMBATING TRAFFICKING IN PERSONS	FAR 52.222-50
DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) - <i>Delete reference to Disputes clause in paragraph (f)</i>	FAR 52.249-8
ENERGY EFFICIENCY IN ENERGY CONSUMING PRODUCTS	FAR 52.223-15
EQUAL OPPORTUNITY	FAR 52.222-26
GOVERNMENT PROPERTY (with Alt I) <ul style="list-style-type: none"> <li>• <i>Alternate I does not apply to fixed-price purchase orders awarded on the basis of submission of certified cost or pricing data, cost-reimbursement, time-and-material, or labor-hour orders</i></li> <li>• <i>The preamble of these provisions does not apply to this article; rather where the article says "Contractor", change it to read "Supplier"; where the article says "subcontractor", change it to read "sub-tier Supplier"; where the article says "contract", change it to read "purchase order"; where the article says "Contracting Officer", change it to read "Contracts Professional".</i></li> </ul>	FAR 52.245-1
LAWS, REGULATIONS, AND DOE DIRECTIVES	DEAR 970.5204-2
PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS	FAR 52.247-64
PREFERENCE FOR U.S.-FLAG AIR CARRIERS	FAR 52.247-63
PROHIBITION OF SEGREGATED FACILITIES	FAR 52.222-21
PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS	FAR 52.203-19
PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS CONCERNS	FAR 52.232-40
RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	FAR 52.225-13
SUBCONTRACTS FOR COMMERCIAL ITEMS	FAR 52.244-6

## **PART II. ARTICLES INCORPORATED BY REFERENCE AT VARIOUS THRESHOLDS**

The following articles, as applicable, are incorporated by reference (except as noted):

<b>THRESHOLD</b>	<b>ARTICLE</b>	<b>REFERENCE</b>
<b>Less than \$150,000</b>	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (SHORT FORM)	FAR 52.249-1
<b>Greater than \$3,500</b>	ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING	FAR 52.223-18
<b>Greater than \$30,000</b>	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS	FAR 52.204-10
<b>Greater than \$100,000</b>	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	DEAR 970.5227-5
<b>Greater than \$150,000</b>	ANTI-KICKBACK PROCEDURES	FAR 52.203-7
	EMPLOYMENT REPORTS ON VETERANS	FAR 52.222-37
	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	FAR 52.203-12
<b>Greater than \$250,000</b>	<b>AUDIT AND RECORDS – NEGOTIATION</b>	FAR 52.215-2

<b>THRESHOLD</b>	<b>ARTICLE</b>	<b>REFERENCE</b>
<b>Greater than \$250,000</b>	<b>CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS</b>	FAR 52.203-17
	<b>DEFINITIONS</b>	FAR 52.202-1
	<b>FEDERAL, STATE AND LOCAL TAXES</b>	FAR 52.229-3
	<b>GRATUITIES</b>	FAR 52.203-3
	<b>INSURANCE - WORK ON A GOVERNMENT INSTALLATION</b>	FAR 52.228-5
	<b>PREVENTING PERSONAL CONFLICTS OF INTEREST</b>	FAR 52.203-16
	<b>SUSTAINABLE ACQUISITION PROGRAM</b>	DEAR 952.223-78
<b>Greater than \$500,000</b>	<b>TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) - Delete reference to Disputes clause in paragraph (j)</b>	FAR 52.249-2
	<b>DISPLACED EMPLOYEE HIRING PREFERENCE</b>	DEAR 952.226-74
<b>Greater than \$2,000,000</b>	<b>WORKFORCE RESTRUCTURING UNDER SECTION 3161 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FY 1993</b>	DEAR 970.5226-2
	<b>ADMINISTRATION OF COST ACCOUNTING STANDARDS</b>	FAR 52.230-6
	<b>COST ACCOUNTING STANDARDS - Delete paragraph (b)</b>	FAR 52.230-2
	<ul style="list-style-type: none"> <li>• Applies to all negotiated subcontracts, unless Supplier claims an exemption per the Proposal Representation and Certification in accordance with 48 CFR 9903.201-1</li> </ul>	

### **PART III. ARTICLES INCORPORATED IN FULL TEXT**

The following articles, as applicable, are incorporated by full text:

#### **PUBLIC RELEASE OF INFORMATION**

Information, data, photographs, sketches, advertising, displays, promotional brochures, or other materials related to work under this order, which Supplier desires to publish, display, or release internally, to other contractors, to government agencies, or to the public, shall be submitted to the Buyer for approval at least eight weeks prior to the desired printing or release date. This includes descriptive or promotional material which links or relates, directly or indirectly, Supplier's product line, manufacturing facilities, or manufacturing capabilities to performance of naval nuclear propulsion work. As part of the approval request, Supplier shall identify the specific media to be used as well as other pertinent details of the proposed release. All releases, regardless of tier of supplier, must have the prior approval of Buyer.

Should any information described above be requested, subpoenaed, or otherwise sought by a court or other judicial or administrative authority, this should be promptly brought to the attention of Buyer to permit appropriate measures to be taken to protect the information. Under no circumstances should this information be released to such authority without prior notification and agreement of the Buyer.

Supplier agrees that this requirement of prior Buyer approval of any release shall survive the purchase order and that Supplier shall not for a period of twenty years after issuance of this purchase order, either directly or indirectly issue any such release without requisite approval of Buyer, its successor or assignee.

Supplier shall include all provisions of this article including this sentence in all lower tier contracts under this order.

#### **ASSIGNMENT AND SET OFF**

Performance of this order shall not be assigned or transferred by Supplier, except as expressly authorized in writing by Buyer. This order may be assigned by Buyer to the Government or any designee of the Government, provided that written notice thereof is given to Supplier. Buyer shall be entitled at all times to set off against any amount payable at any time by Buyer under this order, any amount owing at any time from Supplier to Buyer whether arising under this order or other purchase orders with Supplier.

#### **CHOICE OF LAW**

This order and any and all matters of disputes between the parties to this order whether arising from the order itself or from alleged extra contractual facts, during or subsequent to the contract shall be governed by construed, and enforced in accordance with the law of U.S. Government contracts as set forth by statute and applicable regulations, and decisions by the appropriate courts and Board of Contract Appeals. To the extent that the law referred to in the foregoing sentence is not determinative on an issue, the issue shall be resolved in accordance with the laws of Idaho or New York or Pennsylvania depending on the state in which the work is performed.

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**CONDITION OF RENTED/LEASED PROPERTY**

Rented property furnished under this order shall be of good quality and in safe operating condition, and shall comply with the Federal and State safety regulations applicable thereto. Buyer shall accept or reject the rented property promptly after receipt. If Buyer determines that any rented property furnished is not in compliance with this order, Buyer shall promptly inform the Supplier in writing. If the Supplier fails to replace the rented property or correct the defects as required by Buyer, Buyer may (a) by purchase order or otherwise, correct the defect or arrange for the rental of a similar property and shall charge or set off against the Supplier any excess costs occasioned thereby, or (b) terminate the order under the Default article of this order.

**DISPUTES**

Supplier shall not be entitled to claim and Buyer shall not be liable to Supplier or its Suppliers or Suppliers of any tier in tort (including negligence), or purchase order except as specifically provided in this purchase order. Any claim arising out of or attributable to the interpretation or performance of this order which cannot be resolved by negotiation shall be considered a dispute within the meaning of this clause. If for any reason Supplier and Buyer are unable to resolve a claim for an adjustment, Supplier or Buyer shall notify the other party in writing that a dispute exists and request or provide a final determination regarding the claim. Any such request by Supplier shall clearly reference this clause and shall summarize the facts in dispute and Supplier's proposed resolution of the dispute.

Buyer shall, within 60 calendar days of any request by Supplier, provide a written final determination setting forth the contractual basis for its decision and defining what purchase order adjustments it considers equitable. Upon Supplier's written acceptance of Buyer's determination the purchase order will be modified and the determination implemented accordingly. If Buyer's final determination is not accepted by Supplier, the matter shall, within 30 calendar days, be referred to senior executives of the parties who shall have designated authority to settle the dispute. The parties shall promptly prepare and exchange memoranda stating the issues in dispute and their respective positions, summarizing the negotiations that have taken place and attaching relevant documents.

The senior executives will meet for negotiations at a mutually agreed time and place. If the matter has not been resolved within 30 days of the commencement of such negotiations, the parties agree to consider resolution of the dispute through some form of Alternative Dispute Resolution (ADR) process which is mutually acceptable to the parties. Should the parties agree to pursue an ADR process each party will be responsible for its own expenses incurred to resolve the dispute during the ADR process. If the parties do not agree to an ADR process or are unable to resolve the dispute through ADR, either party shall then have the right to pursue any legal remedy consistent with other terms of the purchase order. Pending final resolution of any performance issue, request for equitable adjustment, claim or dispute regarding this order, the Supplier shall proceed diligently with the performance of this order.

**EQUAL OPPORTUNITY FOR VETERANS (OCT 2015)** - *Applies to purchase orders greater than \$150,000*

- (a) As used in this clause, "Active duty wartime or campaign badge veteran," "Armed Forces service medal veteran," "disabled veteran," "protected veteran," "qualified disabled veteran," and "recently separated veteran" have the meanings given at FAR 22.1301.
- (b) Supplier shall abide by the requirements of the equal opportunity clause at 41 CFR 60-300.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified protected veterans, and requires affirmative action by Supplier to employ and advance in employment qualified protected veterans.
- (c) Supplier shall insert the terms of this clause in subcontracts of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. Supplier shall act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

**EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (JUL 2014)** - *Applies to purchase orders greater than \$15,000*

- (a) Supplier shall abide by the requirements of the equal opportunity clause at 41 CFR 60-741.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by Supplier to employ and advance in employment qualified individuals with disabilities.
- (b) Supplier shall include the terms of this clause in every subcontract or purchase order in excess of \$15,000 unless exempted by rules, regulations, or orders of the Secretary, so that such provisions will be binding upon each subcontractor or vendor. Supplier shall act as specified by the Director, Office of Federal Contract Compliance Programs of the U.S. Department of Labor, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

**LIABILITY FOR UNCOMPLETED OR ERRONEOUS TRANSFERS**

If the EFT information changes after submission of correct EFT information, Buyer shall begin using the changed EFT information no later than 30 days after its receipt by the designated office to the extent payment is made by EFT. However, Supplier may request that no further payments be made until the updated EFT information is implemented by the payment office. If such suspension would result in a late payment, Supplier's request for suspension shall extend the due date for payment by the number of days of the suspension.

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If an uncompleted or erroneous transfer occurs because Buyer used the Supplier EFT information incorrectly, Buyer remains responsible for making a correct payment and recovering any erroneously directed funds.

If an uncompleted or erroneous transfer occurs because the Supplier EFT information was incorrect, or was revised within 30 days of Buyer release of the EFT payment transaction instruction to the Federal Reserve System, and-

- If the funds are no longer under the control of the payment office, Buyer is deemed to have made payment and Supplier is responsible for recovery of any erroneously directed funds; or
- If the funds remain under the control of the payment office, Buyer shall not make payment and the provisions of the first paragraph shall apply.

### **MEMORY BEARING COMPONENTS**

A memory bearing component is computer memory that can retain the stored information even when not powered. Examples include, but are not limited to, read-only memory, flash memory, most types of magnetic computer storage devices (e.g. hard disks, floppy disks, magnetic tape), optical discs, and early computer storage methods (e.g. paper tape, punched cards). A memory bearing component shall not be removed from Buyer site following delivery unless Buyer can conclude that the component is free from any classified or sensitive data and removal of the component is approved by Buyer. Magnetic media is subject to Buyer Security Regulations and will not be allowed to be removed from Buyer sites. Memory bearing components retained by Buyer, in accordance with Buyer Security Requirements, shall be charged to Buyer at Supplier's cost. Supplier shall invoice for reimbursement for each part replaced or repaired.

### **RENTAL/LEASE PAYMENTS**

- Upon the submission of proper invoices or vouchers, Buyer shall pay rent for the rented property at the rate(s) specified in this order.
- Rent shall accrue from the beginning of this order, or from the date rented property is delivered to Buyer, whichever is later, and shall continue until the expiration of the order term or the termination of this order. However, rent shall accrue only for the period that any rented property is in the possession of Buyer.
- Rent shall not accrue for any rented property that Buyer determines does not comply with the Condition of Rented Property article of this order or otherwise does not comply with the requirements of this order, until the rented property is replaced or the defects are corrected.
- Rent shall not accrue for any rented property during any period when the rented property is unavailable or unusable as a result of the Supplier's failure to render services for the operation and maintenance of the rented property as prescribed by this order.
- Rent stated in monthly terms shall be prorated on the basis of 1/30th of the monthly rate for each day the rented property is in Buyer' possession.

### **RESPONSIBILITY FOR DAMAGES**

- Supplier assumes entire responsibility and liability for losses, expenses, damages, demands, and claims in connection with or arising out of any injury or alleged injury (including death), or damage or alleged damage to property, sustained or alleged to have been sustained in connection with or to have arisen out of (1) Supplier's providing of defective rented property or (2) Supplier's defective maintenance of rented property (when such maintenance is required by this order). Supplier will indemnify and save harmless the Government and Buyer from and against any and all claims, demands, actions, causes of action, suits, damages, expenses (including attorney's fees) and liabilities whatsoever resulting from or arising in any manner on account of or by reason of any damages which may occur or be alleged to have occurred as a result of or in connection with (1) Supplier's providing of defective rented property or (2) Supplier's defective maintenance of rented property (when such maintenance is required by this order).
- Supplier shall procure at its own expense, and shall likewise maintain or cause to be maintained, during the term of this order, \$1,000,000 of General Liability insurance to protect Supplier, Buyer and the Government against liability with respect to bodily injury or death, or property loss or damage, which may be imposed by law upon Supplier or which is assumed by Supplier under this order.

Such insurance shall be with such companies, and on such forms as are satisfactory to Buyer, and shall provide for at least thirty days prior written notice to Buyer of cancellation thereof. All such policies of insurance shall contain a clause reading substantially as follows: "The insurer waives any right to subrogation against Buyer or the United States of America which might arise by reason of any payment under this policy." Certificates of such insurance shall be furnished to Buyer, upon request. Supplier shall not be relieved of liability assumed pursuant to this article by reason of the procurement, maintenance, limits, or coverages of any insurance policies.

### **RESPONSIBILITY FOR RENTED/LEASED PROPERTY**

Except for reasonable wear and tear, Buyer agrees to return the rented property in as good condition as when received.

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**SUPPLIER LIABILITIES AND INDEMNIFICATIONS**

This purchase order does not bind nor purport to bind the United States Government, its officers, employees, or agents. As to the Work to be done, or services to be performed by Supplier on Buyer premises, Government premises, or the premises of other Buyer Suppliers, Supplier assumes entire responsibility and liability for losses, expenses, damages, demands, and claims in connection with or arising out of any injury or alleged injury (including death), or damage or alleged damage to property, sustained or alleged to have been sustained in connection with or to have arisen out of performance of the Work. Supplier will indemnify and save harmless the Government and Buyer, or other Buyer Suppliers, from and against any and all claims, demands, actions, causes of actions, suits, damages, expenses (including attorneys' 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 which may occur or be alleged to have occurred as a result of or in connection with the performance of this purchase order. Supplier further agrees to indemnify Buyer and the Government against, and to save and hold harmless Buyer and the Government from any and all liability, and expense with respect to claims against Buyer or the Government which may result from the failure or alleged failure of Supplier or any of its lower-tier Suppliers to comply with the requirements of this purchase order.

**TITLE AND ADMINISTRATION**

All site work performed in furtherance of this purchase order will be on real property owned by the U.S. Government. Title and all property rights and interests resulting from this purchase order shall pass directly from Supplier to the Government, upon acceptance, regardless of when or where the Government takes physical possession. Payments under this purchase order will be made by Buyer from funds advanced by the Government, not from Buyer's own assets. Administration of this purchase order may be transferred to DOE or its designee, and in case of such transfer and notice thereof to Supplier, Buyer shall have no further responsibilities hereunder.

**USE OF INFORMATION TECHNOLOGY EQUIPMENT, SOFTWARE, AND THIRD PARTY SERVICES**

- (a) Acquisition of Information Technology. The Buyer may provide information technology equipment, existing computer software (as described in 48 CFR 27.405), and third party services for the Supplier's use in the performance of the order; and the Buyer may provide guidance to the Supplier regarding usage of such equipment, existing computer software, and third party services. Supplier is not authorized to acquire (lease or purchase) information technology equipment, existing computer software, or third party services at the Buyer's direct expense without prior written approval of the Buyer. Should the Supplier propose to acquire information technology equipment, existing computer software, or third party services, the Supplier shall provide to the Buyer justification for the need, including a complete description of the equipment, existing computer software, or third party services to be acquired, and a lease versus purchase analysis if appropriate.
- (b) Supplier shall immediately provide written notice to the Buyer when an employee of the Supplier no longer requires access to Buyer information technology systems.
- (c) Supplier shall not violate any software licensing agreement, or cause the Buyer to violate any licensing agreement.
- (d) Supplier agrees that its employees will not use, copy, disclose, modify, or reverse engineer existing computer software provided to it by the Buyer except as permitted by the license agreement or any other terms and conditions under which the software is made available to the Supplier.
- (e) If at any time during the performance of this order the Supplier has reason to believe that its utilization of Buyer furnished existing computer software may involve or result in a violation of the software licensing agreement, the Supplier shall promptly notify the Buyer, in writing, of the pertinent facts and circumstances. Pending direction from the Buyer, the Supplier shall continue performance of the work required under this contract without utilizing the software.
- (f) Supplier agrees to include the requirements of this clause in all subcontracts at any tier.
- (g) Supplier shall comply with the requirements of those DOE directives, or parts thereof, identified elsewhere in the order pursuant to DEAR 970.5204-2, Laws, Regulations and DOE Directives.