

TRAVEL REIMBURSEMENT POLICY (6/03)

(a) The Company shall pay the Seller's costs incurred under this subcontract for transportation, lodging, meals, and incidental expenses related to subsistence in accordance with the provisions of this article.

(b) Definitions. (1) Lodging. (i) The term "lodging" includes expenses for overnight sleeping facilities; baths; personal use of the room during daytime; and service charges for fans, air conditioners, heaters, and fires furnished in rooms when such charges are not included in the room rate.

(ii) The term "lodging" does not include accommodations on airplanes, trains, buses, or vessels. The cost of accommodations furnished aboard common carriers is included in the transportation cost and is not considered a subsistence expense.

(2) Meals. Expenses for breakfast, lunch, and dinner (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons).

(3) Incidental Expenses Related to Subsistence. (i) Fee and tips to waiters and waitresses, porters, baggage carriers, bellhops, hotel maids, dining room stewards or stewardesses, and others on vessels, and hotel servants in foreign countries.

(ii) Laundry and cleaning and pressing of clothing.

(iii) Transportation between places of lodging or business and places where meals are taken

(iv) Telegrams and telephone calls necessary to reserve lodging accommodations.

(c) Lodging Costs. (1) Except as provided in paragraph (g) below, the Seller will be reimbursed for actual lodging costs incurred in accordance with its established travel policy to the extent that such amount does not exceed the "maximum lodging amount" in effect at the time of travel as set forth in:

(i) Appendix A to Chapter 301 of the Federal Travel Regulations for travel in the contiguous 48 states and the District of Columbia;

(ii) The DoD Joint Travel Regulations, Volume 2, DoD Civilian Personnel, Appendix A, for travel in Alaska, Hawaii, Puerto Rico, and territories and possessions of the United States; or

(iii) Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas", prescribed by the Department of State, for travel in areas not covered in (i) or (ii) above.

(2) Receipts for lodging are required in accordance with paragraph (i) below.

(d) M&IE. (1) Except as provided in paragraph (g) below, the Seller will be reimbursed for meals and incidental expenses related to subsistence in accordance with its established travel policy to the extent that such amount does not exceed the "M&IE Rate" in effect at the time of travel as set forth in:

(i) Appendix A to Chapter 301 of the Federal Travel Regulations for travel in the contiguous 48 states and the District of Columbia;

(ii) The DoD Joint Travel Regulations, Volume 2, DoD Civilian Personnel, Appendix A, for travel in Alaska, Hawaii, Puerto Rico, and territories and possessions of the United States; or

(iii) Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas", prescribed by the

Department of State, for travel in areas not covered in (i) or (ii) above.

(2) In the days travel begins and ends, the allowance will be prorated by dividing the day into four 6-hour periods beginning at 12:01 a.m. For each 6-hour period, or fraction thereof, during which the Seller is on travel, one-fourth of the applicable allowance shall be paid.

(e) Airfare Costs. Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours, excessively prolong travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. However, in order for airfare costs in excess of the above standard airfare to be allowable, the applicable condition(s) set forth above must be documented and justified.

Transportation aboard personally-or privately-owned aircraft is not allowed, and the costs of such transportation are not reimbursable.

(f) Motor Vehicle Costs. The Seller may elect to travel by a personally-owned motor vehicle; in which case, the Seller will be reimbursed for the use of the vehicle in accordance with its established travel policy to the extent that such amount does not exceed the privately-owned vehicle mileage reimbursement rate allowed by the Federal Travel Regulation based on actually reported odometer readings. If the Seller elects to travel by a personally-owned motor vehicle, reimbursement for lodging, meals, and incidental expenses related to subsistence for travel time will be limited to such reasonable period of time that would be required if common carriers were used.

(g) Commuting. When the traveler's residence or regular place of business is in the same commuting area as the place of performance of the subcontract work, the costs of commuting are not reimbursable, and no payments for lodging, meals, and incidental expenses related to subsistence will be made.

(h) Foreign Travel. All official foreign travel must be conducted pursuant to the requirements contained in DOE order 551.1A. Foreign travel is travel from the United States (including Alaska, Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and the territories and possessions of the United States) to a foreign country and return and travel between foreign countries. All foreign travel is subject to the prior approval of the DOE. Requests for approval for travel to a sensitive country or involving a sensitive subject shall be submitted to the Company at least 40 days prior to the proposed departure date. Requests for approval for travel to a non-sensitive country and not involving a sensitive subject shall be submitted to the Company at least 30 days prior to the proposed departure date. Post-travel trip reports for all foreign travel must be submitted within 25 days after return. Forms for use in requesting approval for foreign travel and for post-trip reporting are available from the Company.

(i) Invoices. The Seller shall submit with its invoice receipts or ticket stubs for lodging and items in excess of \$75 for fares, registration fees, parking fees, toll charges, automobile rentals, etc.