

**SECTION H
SPECIAL CONTRACT REQUIREMENTS**

H.1 1352.209-71 ORGANIZATIONAL CONFLICT OF INTEREST (MAR 2000)

(a) The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which would give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Contractor has disclosed all such relevant information.

(b) The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make a full disclosure in writing to the Contracting Officer. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the actual or potential conflict.

(c) Remedies - The Contracting Officer may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware of a potential organizational conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the contract for default, debar the Contractor for Government contracting, or pursue such other remedies as may be permitted by law or this contract.

(d) The Contractor further agrees to insert provisions which shall conform substantially to the language of this clause, including this paragraph (d), in any subcontract or consultant agreement hereunder.

(End of clause)

H.2 1352.209-72 RESTRICTIONS AGAINST DISCLOSURE (MAR 2000)

a. The Contractor agrees, in the performance of this contract, to keep the information furnished by the Government and designated by the Contracting Officer or Contracting Officer's Technical Representative in the strictest confidence. The Contractor also agrees not to publish or otherwise divulge such information in whole or in part, in any manner or form, nor to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to such information while in the Contractor's possession, to those employees needing such information to perform the work provided herein, i.e., on a "need to know" basis. The Contractor agrees to immediately notify the Contracting Officer in writing in the event that the Contractor determines or has reason to suspect a breach of this requirement.

b. The Contractor agrees that it will not disclose any information described in Subsection A to any persons or individual unless prior written approval is obtained from the Contracting Officer. The Contractor agrees to insert the substance of this clause in any consultant agreement or subcontract hereunder.

(End of clause)

H.3 1352.209-73 COMPLIANCE WITH THE LAWS (MAR 2000)

The Contractor shall comply with all applicable laws and rules and regulations having the force of law which deal with or relate to performance hereunder or the employment by the Contractor of the employees.

(End of clause)

H.4 1352.228-70 INSURANCE COVERAGE (MAR 2000)

Pursuant to the clause "Insurance-Work on a Government Installation (FAR 52.228-5)," the Contractor will be required to present evidence to show, as a minimum, the amounts of insurance coverage indicated below:

a. Workers Compensation and Employer's Liability. The Contractor is required to comply with applicable federal and state workers' compensation and occupational disease statutes. If occupational diseases are not compensable

DG1335-07-CQ-0054

SECTION H
SPECIAL CONTRACT REQUIREMENTS

under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with a Contractor's commercial operations that it would not be practical to require this coverage. Employer's liability coverage of at least \$100,000 shall be required, except in states with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers.

b. General Liability.

1. The Contractor shall have bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.

2. Property Damage Liability Insurance shall be required in the amount of \$100,000.00.

c. Automobile Liability. The Contractor shall have automobile liability insurance written on the comprehensive form of policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing the contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage.

d. Aircraft Public and Passenger Liability. When aircraft are used in connection with performing the contract, the Contractor shall have aircraft public and passenger liability insurance. Coverage shall be at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability, and \$200,000 per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

e. Vessel liability. When contract performance involves use of vessels, the contracting officer shall require, as determined by the agency, vessel collision liability and protection and indemnity liability insurance.

(End of clause)

H.5 1352.228-71 DEDUCTIBLES UNDER REQUIRED INSURANCE COVERAGE (MAR 2000)

The following requirements also apply to this contract:

a. The Contractor is required to present evidence of the amount of any deductibles in its insurance coverage.

b. For any insurance required pursuant to 1352.228-70, Insurance Coverage, the contractor's deductible is not allowable as a direct or indirect cost under this contract. The Government is not liable, and cannot be invoiced, for any losses up to the minimum amounts of coverage required in subsections (a) through (d) above. If the Contractor obtains an insurance policy with deductibles, the Contractor, and not the Government, is responsible for any deductible amount up to the minimum amounts of coverage stated.

c. If the Contractor fails to follow all procedures stated in this subsection and in FAR 52.228-7(g), any amounts above the amount of the obtained insurance coverage which are not covered by insurance will not be reimbursable under the contract.

(End of clause)

H.6 1352.228-72 DEDUCTIBLES UNDER REQUIRED INSURANCE COVERAGE (MAR 2000)

When the Government is injured, wholly or partially as a result of the Contractor's actions and such actions are covered by the insurance required by 1352.228-70, Insurance Coverage, the Government is entitled to recover from the Contractor the full amount of any such injury attributable to the Contractor regardless of an deductible. The Contracting Officer may offset the amount of recovery against any payment due to the Contractor.

(End of clause)

H.7 1352.233-70 HARMLESS FROM LIABILITY (MAR 2000)

SECTION H
SPECIAL CONTRACT REQUIREMENTS

The Contractor shall hold and save the Government, its officers, agents, and employees harmless from liability of any nature or kind, including costs and expenses to which they may be subject to or on account of any or all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of performance of this contract, arising or resulting in whole or in part from the fault, negligence, wrongful act or wrongful omission of the contractor, or any subcontractor, their employees, and agents.

(End of clause)

H.8 1352.237-71 SECURITY PROCESSING REQUIREMENTS FOR CONTRACTOR/SUBCONTRACTOR PERSONNEL WORKING ON A DEPARTMENT OF COMMERCE SITE OR IT SYSTEM (HIGH OR MODERATE RISK CONTRACTS) (DEC 2006)

A. Investigative Requirements for High and Moderate Risk Contracts

All contractor (and subcontractor) personnel proposed to be employed under a High or Moderate Risk contract shall undergo security processing by the Department's Office of Security before being eligible to work on the premises of any Department of Commerce facility, or through a Department of Commerce IT system. All Department of Commerce security processing pertinent to this contract will be conducted at no cost to the contractor. The level of contract risk will determine the type and scope of such processing as noted below.

1. Non-IT Service Contracts

- a. High Risk - Background Investigation (BI)
- b. Moderate Risk - Moderate Background Investigation (MBI)

2. IT Service Contracts

- a. High Risk IT - Background Investigation (BI)
- b. Moderate Risk IT - Background Investigation (BI)

3. In addition to the investigations noted above, non-U.S. citizens must have a pre-appointment check that includes a Customs and Immigration Service (CIS - formerly Immigration and Naturalization Service) agency check.

B. Additional Requirements for Foreign Nationals (Non-U.S. Citizens)

To be employed under this contract within the United States, non-U.S. citizens must have:

- 1. Official legal status in the United States
- 2. Continuously resided in the United States for the last two years; and
- 3. Advance approval from the servicing Security Officer of the contracting operating unit in consultation with the Office of Security (OSY) headquarters. (OSY routinely consults with appropriate agencies regarding the use of non-U.S. citizens on contracts and can provide up-to-date information concerning this matter.)

C. Security Processing Requirement

1. Processing requirements for High and Moderate Risk Contracts are as follows:

a. The contractor must complete and submit the following forms to the Contracting Officer Representative (COR):

- i. Standard Form 85P (SF 85P), Questionnaire for Public Trust Positions;
- ii. FD 258, Fingerprint Chart with OPM's designation in the ORI Block;

and

iii. Credit Release Authorization.

b. The COR will review these forms for completeness, initiate the CD-254, Contract Security Classification Specification, and forward the documents to the cognizant Security Officer.

c. Upon completion of the security processing, the Office of Security, through the servicing Security Officer and the COR, will notify the contractor in writing of the individual's eligibility to be given access to a Department of Commerce facility or Department of Commerce IT system.

2. Security processing shall consist of limited personal background inquiries pertaining to verification of name, physical description, marital status, present and former residences, education, employment history, criminal record, personal references, medical fitness, fingerprint classification, and

SECTION H
SPECIAL CONTRACT REQUIREMENTS

other pertinent information. For non-U.S. citizens, the COR must request an Immigration and Customs Enforcement (formerly INS) agency check. It is the option of the Office of Security to repeat the security processing on any contract employee at its discretion.

D. Notification of Disqualifying Information

If the Office of Security receives disqualifying information on a contract employee, the COR will be notified. The COR, in coordination with the contracting officer, will immediately remove the contract employee from duty requiring access to Departmental facilities or IT systems. Contract employees may be barred from working on the premises of a facility for any of the following:

1. Conviction of a felony of a crime of violence or of a misdemeanor involving moral turpitude.
2. Falsification of information entered on security screening forms or of other documents submitted to the Department.
3. Improper conduct once performing on the contract, including criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct or other conduct prejudicial to the Government regardless of whether the conduct directly related to the contract.
4. Any behavior judged to pose a potential threat to Departmental information systems, personnel, property, or other assets.

NOTE: Failure to comply with the requirements may result in termination of the contract or removal of some contract employees from Department of Commerce facilities or access to IT systems.

E. Access to National security Information

Compliance with these requirements shall not be construed as providing a contract employee clearance to have access to national security information.

F. The Contractor shall include the substance of this clause, including this paragraph, in all subcontracts.

(End of Clause)

H.9 1352.237-73 KEY PERSONNEL (MAR 2000)

a. The Contractor shall assign to this contract the following Key Personnel:
Arnold Greenland Program Manager
Matt Spaloss Solution Architect

b. The Contractor shall obtain the consent of the Contracting Officer prior to making Key Personnel substitutions. Replacements for Key Personnel must possess qualifications equal to or exceeding the qualifications of the personnel being replaced specified.

c. Requests for changes shall be submitted to the Contracting Officer at least 15 working days prior to making any permanent substitutions. The request should contain a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. The Contracting Officer will notify the Contractor within 10 working days after receipt of all required information of the decision on substitutions. The contract will be modified to reflect any approved changes.

(End of clause)

H.10

ADDITIONAL KEY PERSONNEL

Kimberly Derwinski, Consumer Education
Nicole Hamann, Distribution and Consumer Support Lead
Tim Downs, Coupon Redemption, Payment, and Retailer Support Lead

H.11 1352.239-73 SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY RESOURCES (DEC 2006)

DG1335-07-CQ-0054

SECTION H
SPECIAL CONTRACT REQUIREMENTS

(a) Applicability.

This clause is applicable to all contracts that require Contractor electronic access to Department of Commerce sensitive non-national security or national security information contained in systems, or administrative control of systems that process or store information, that directly support the mission of the Agency.

(b) Definitions.

For purposes of this clause the term "Sensitive" is defined by the guidance set forth in:

(1) Sensitive information "... any information, the loss, misuse, or unauthorized access, to or modification of which could adversely affect the national interest or the, conduct of federal programs, or the privacy to which individuals are entitled under section 552a of title 5, United States Code (The Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense or foreign policy."

(2) For purposes of this clause, the term "National Security" is defined by the guidance set forth in:

(i) The DOC IT Security Program Policy and Minimum Implementation Standards, Section 4.3 (<http://www.osec.doc.gov/cio/ITSIT/DOC-IT-Security-Program-Policy.htm>).

(ii) The DOC Security Manual, Chapter 18 (<http://home.commerce.gov/osy/SecurityManual/Security%20Manual%20Contents2.pdf>)

(iii) Executive Order 12958, as amended, Classified National Security Information. Classified or national security information is information that has been specifically authorized to be protected from unauthorized disclosure in the interest of national defense or foreign policy under an Executive Order or Act of Congress.

(3) Information technology resources include, but are not limited to, hardware, application software, system software, and information (data). Information technology services include, but are not limited to, the management, operation (including input, processing, transmission, and output), maintenance, programming, and system administration of computer systems, networks, and telecommunications systems.

(c) The Contractor shall be responsible for implementing sufficient Information Technology security, to reasonably prevent the compromise of DOC IT resources for all of the contractor's systems that are interconnected with a DOC network or DOC systems that are operated by the Contractor.

(d) All Contractor personnel performing under this contract and Contractor equipment used to process or store DOC data, or to connect to DOC networks, must comply with the requirements contained in the DOC Information Technology Management Handbook (http://www.osec.doc.gov/cio/cio_it_policy_page.htm), or equivalent/more specific agency or bureau guidance as specified immediately hereafter:

(e) Contractor personnel requiring a user account for access to systems operated by the Contractor for DOC or interconnected to a DOC network to perform contract services shall be screened at an appropriate level in accordance with Commerce Acquisition Manual 1337.70, Security Processing Requirements for Service Contracts.

(f) Within 5 days after contract award, the Contractor shall certify in writing to the COR that its employees, in performance of the contract, have completed initial IT security orientation training in DOC IT Security policies, procedures, computer ethics, and best practices, in accordance with DOC IT Security Program Policy, chapter 15, section 15.3. The COR will inform the Contractor of any other available DOC training resources. Annually thereafter the Contractor shall certify in writing to the COR that its employees, in performance of the contract, have completed annual refresher training as required by section 15.4 of the DOC IT Security Program Policy.

SECTION H
SPECIAL CONTRACT REQUIREMENTS

(g) Within 5 days of contract award, the Contractor shall provide the COR with signed acknowledgement of the provisions as contained in Commerce Acquisition Regulation (CAR), 1352.209-72, Restrictions Against Disclosures.

(h) The Contractor shall afford DOC, including the Office of Inspector General, access to the Contractor's and subcontractor's facilities, installations, operations, documentation, databases, and personnel used in performance of the contract. Access shall be provided to the extent required to carry out a program of IT inspection, investigation, and audit to safeguard against threats and hazards to the integrity, availability, and confidentiality of DOC data or to the function of computer systems operated on behalf of DOC, and to preserve evidence of computer crime.

(i) For all Contractor-owned systems for which performance of the contract requires interconnection with a DOC network or that DOC data be stored or processed on them, the Contractor shall provide, implement, and maintain a System Accreditation Package in accordance with chapter 6 of the DOC IT Security Program Policy. Specifically, the Contractor shall:

(1) Within 14 days after contract award, the contractor shall submit for DOC approval a System Certification Work Plan, including project management information (at a minimum the tasks, resources, and milestones) for the certification effort, in accordance with DOC IT Security Program Policy, Section 6.5.2 and _____. The Certification Work Plan, approved by the COR, in consultation with the DOC IT Security Officer, or Agency/Bureau IT Security Manager/Officer, shall be incorporated as part of the contract and used by the COR to monitor performance of certification activities by the contractor of the system that will process DOC data or connect to DOC networks. Failure to submit and receive approval of the Certification Work Plan may result in termination of the contract.

(2) Upon approval, the Contractor shall follow the work plan schedule to complete system certification activities in accordance with DOC IT Security Program Policy section 6.2, and provide the COR with the completed System Security Plan and Certification Documentation Package portions of the System Accreditation Package for approval and system accreditation by an appointed DOC official.

(3) Upon receipt of the Security Assessment Report and Authorizing Official's written accreditation decision from the COR, the Contractor shall maintain the approved level of system security as documented in the Security Accreditation Package, and assist the COR in annual assessments of control effectiveness in accordance with DOC IT Security Program Policy, section 6.3.1.2.

(j) The Contractor shall incorporate this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

(End of clause)

H.12 Access to Govt. Facilities

During the life of the contract, the rights of ingress and egress to and from the Government facility for Contractor personnel shall be made available as required. During all operations on Government premises, Contractor personnel shall comply with the rules and regulations governing the conduct of personnel and the operation of the facility. The Government reserves the right to require Contractor personnel to sign in upon ingress and sign out upon egress to and from the Government facility.

H.13 Acquisition of COTS, Warranties

When equipment and software is provided under the contract, it is the Government's preference to use commercial items in applying the Contractor's solution. If the Contractor determines that COTS items and software cannot meet a specific NTIA need, the Contractor will fully explain in writing the

SECTION H
SPECIAL CONTRACT REQUIREMENTS

circumstances or requirement that precludes a COTS solution. This explanation shall be provided to the Contracting Officer and a copy provided to the GTM. Agreement by the Contracting Officer shall be obtained prior to satisfying a requirement with a non-COTS solution.

H.14 Info Technology Virus Security

- (a) The Contractor hereby agrees to make every reasonable effort to deliver information technology products to NTIA free of known computer viruses. The contractor shall be responsible for examining all such products prior to their delivery to NTIA using software tools and processes capable of detecting all known viruses.
- (b) The contractor shall include the following statement on deliveries of hardware, software, and data products, including diskettes, made under this contract: [product description, part/catalog number, other identifier, and serial number, if any] "This product has been scanned for known viruses using [name of virus-screening product, including version number, if any] and is certified to be free of known viruses at the time of delivery."
- (c) The Contracting Officer may assess monetary damages against the contractor sufficient to compensate NTIA for actual or estimated costs resulting from computer virus damage or malicious destruction of computer information arising from the contractor's failure to take adequate precautions to preclude delivery of virus-containing products in the delivery of hardware, software, or data on diskettes under this contract.
- (d) This clause shall not subrogate the rights of the Government under any other clause of this contract.

H.15 Advertising of Award

The Contractor agrees not to refer to awards in commercial advertising in such manner as to state or imply that the services provided are endorsed or preferred by the Federal Government, or considered by the Government to be superior to other services. Advertisements, press releases, and publicity of a contract by a supplier shall not be made without the prior express written permission of the Contracting Officer.

H.16 Contractor Performance Info

The Government will perform an evaluation of the Contractor's performance with input from COTR, Contracting Officer, and other sources deemed applicable. These evaluations will be used to prepare contract evaluations of Contractor performance as required in accordance with FAR Subpart 42.1502.

H.17 Exercise of Option CLIN 0003

During the term of the contract, the Government may exercise the option for CLIN 0003, Option for Contingent Funds Processing/Contingent Period, pursuant to FAR 52.217-7, Option for Increased Quantity--Separately Priced Line Item. This CLIN provides additional transaction volumes of 11,250,000 transactions for distribution and redemption of coupons and shall not extend the contract term. If this option is exercised, the order limitations in paragraphs (b)(1) and (2)

DG1335-07-CQ-0054

SECTION H
SPECIAL CONTRACT REQUIREMENTS

of the Section I clause entitled "FAR 52.216-19, Order Limitations" will be increased from 22,250,000 transactions by 11,250,000 transactions to 33,500,000 transactions.

H.18 Limitations of Use of Data

Data developed and first used under this contract is not to be used by the Contractor or made available to any third party for any use other than to provide the services specified under this contract. Data collected and used in the performance of this contract may include, but is not limited to, personally identifiable information, data related to operations of the government program not routinely available for public inspection, or trade secrets and commercially sensitive information.

H.19 Non-Personal Services

The Government and Contractor agree and understand the services to be performed under this contract are non-personal in nature. The Contractor shall not perform any inherently governmental functions under this contract as described in Office of Federal Procurement Policy Letter 93-1.

H.20 Post Award Conference

A post award conference may be held within ten (10) business days after contract award. If held, the Contractor shall participate in this conference. The purpose of the post award conference is to aid both the Contractor and the Government in achieving a clear and mutual understanding of all contract requirements and to identify and resolve potential problems (see FAR 42.5).

H.21 Supervision of Cont. Personnel

Contractor personnel assigned to render services under this contract shall at all times be employees of the Contractor or its subcontractor(s) and under the direction and control of the Contractor. Notwithstanding any other provisions of this contract, the Contractor shall at all times be responsible for the supervision of its employees in the performance of the services required hereunder. Contractor personnel shall not at any time during the contract period be employees of the U.S. Government.

H.22 Root Cause Analysis

The Contractor shall immediately notify the Contracting Officer of any missed service level standards and conduct a root cause analysis. The initial root cause analysis and corrective action plan is due within five calendar days of the Contractor being aware of a missed service level standard. The Government will review the initial root cause analysis and determine if additional actions by the Contractor are required.

H.23 Representations, Certification

SECTION H
SPECIAL CONTRACT REQUIREMENTS

In accordance with FAR 15.204-1(b), the completed and submitted "Representations, Certifications, and Other Statements of Offeror" are hereby incorporated by reference in this resulting contract.

H.24 Performance Measurements

Each Performance Milestone subject to Performance Payments and each Service Level Standard that is subject to financial disincentives shall be administered as follows:

1. The Contractor shall submit to the COTR proof of successful completion of the Performance Milestones and Service Level Standards obtained during each applicable performance period.
2. The Government may independently verify the service performance obtained during the applicable performance period.
3. The COTR will validate the service performance obtained and forward results to the Contracting Officer of the Performance Credit (disincentive) identified by the Contractor and reported as a disincentive on the QASP Service Level Performance Metrics Form in Section J.
4. A copy of the Contracting Officer's approval of financial disincentives shall be part of the Contractor's annual assessment.

Failure by the Contractor to meet Performance Milestones will result in the Government withholding payment until the Performance Milestone is successfully met.

Failure by the Contractor in a given month to meet the applicable Service Level Standard for any one of the services identified in QASP will result in a Performance Credit. The Performance Credits shall not exceed the "at risk" 10 percent (10%) of the applicable monthly fee. The Performance Credit will be computed as a percentage of the applicable monthly fee in which the missed Service Level Standard occurs. If more than one missed Service Level Standard has occurred in a single month, the sum of the corresponding Performance Credit shall be credited to Government. In no case, however shall the total amount of Performance Credits exceed, in the aggregate, 10 percent (10%) of the applicable monthly fees for Coupon Distribution and Coupon Redemption and Payment.

H.25 Office of Program Manager

The Contractor's Project Manager/Contract Manager and Senior Managers for this contract shall establish and maintain a primary office within a reasonable distance of NTIA Headquarters located in Washington, DC and be available for meetings within four (4) hours. The office shall be established within ten (10) days of contract award and maintained throughout the life of the contract.

H.26 Section 508 Compliance

In accordance with Section 508, Subsection 508 (a) (3), NTIA requires that all Electronic Information Technology ("EIT"), as that term is defined at FAR 2.101, delivered under this contract comply with the applicable EIT technology accessibility standards issued by the Architectural and Transportation Barriers Compliance Board set forth at 36 CFR Part 1194.

SECTION H
SPECIAL CONTRACT REQUIREMENTS

H.27 Notify Govt - Contractor Delay

In the event the Contractor encounters difficulty in meeting performance requirements, or when it anticipates difficulty in complying with the contract delivery schedule or date, or whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Contracting Officer and the COTR, in writing, giving pertinent details, provided; however, that this data shall be informational only in character and that this provision shall not be construed as a waiver by the Government of any delivery schedule or date or of any rights or remedies provided by law or under this contract.