



**GENERAL PROVISIONS**  
**Cost Reimbursement**

For the Pacific Northwest National Laboratory  
 Operated by Battelle Memorial Institute

Battelle Memorial Institute has executed and is engaged in the performance of Prime Contract DE-AC05-76RL01830 with the United States Department of Energy (DOE), for the management, operation, and maintenance of the Pacific Northwest National Laboratory (PNNL) in Richland, Washington. This contract is entered into in furtherance of the performance of the work provided in the Prime Contract, and is subject to the following general provisions:

Definitions (cl. 301 – Oct 2008) \_\_\_\_\_ 1

Acceptance of Contract Terms and Conditions (cl. 302 - Oct 2008) \_\_\_\_\_ 1

Order of Precedence (cl. 309 – Feb 2009) \_\_\_\_\_ 2

Assignment (cl. 357 – Jan 2003) \_\_\_\_\_ 2

Bankruptcy (cl. 318 - Nov 2008) \_\_\_\_\_ 2

Pacific Northwest National Laboratory or Battelle Name (cl. 374 – Oct 2008) \_\_\_\_\_ 2

Permits and Responsibilities (cl. 358 - Nov 1991) \_\_\_\_\_ 2

Contract Administration (cl. 384 - Jan 1986) \_\_\_\_\_ 2

Allowable Cost and Payment (cl. 348 - Feb 2008) \_\_\_\_\_ 2

Taxes (cl. 354b - Apr 1984) \_\_\_\_\_ 4

Laws, Regulations, and DOE Directives (cl. 3121 - Aug 2009) \_\_\_\_\_ 4

Insurance – Liability to Third Persons (cl. 378b - Mar 1996) \_\_\_\_\_ 4

Workers' Compensation (cl. 323 - Nov 1983) \_\_\_\_\_ 5

Notice of Labor Disputes (cl. 359 - Feb 1997) \_\_\_\_\_ 5

Disputes (cl. 331 - Oct 1979) \_\_\_\_\_ 5

Contractor Publication and Release of Information (cl. 3701 - May 2007) \_\_\_\_\_ 6

Compliance with Internet Protocol Version 6 (IPv6) in Acquiring Information Technology (cl. 3750 - May 2006) \_\_\_\_\_ 6

Foreign Travel (cl. 366 - Apr 2009) \_\_\_\_\_ 6

Suspect Material (cl. QA-179 – Mar 2007) \_\_\_\_\_ 6

Guest House at PNNL (cl. 333 / Dec 2008) \_\_\_\_\_ 6

Insurance Requirements (cl. 378, Jan 2009) \_\_\_\_\_ 7

Collective Bargaining Agreements (cl. 397 - Dec 2000) \_\_\_\_\_ 7

Clauses Incorporated by Reference (cl. 3001-CR - Oct 2008) \_\_\_\_\_ 7

**Definitions** (cl. 301 – Oct 2008)

- A. The terms "Battelle," "Pacific Northwest National Laboratory," "PNNL," and "Laboratory" mean Battelle Memorial Institute, Pacific Northwest Division.
- B. The term "Government" means the Government of the United States of America.
- C. The term "DOE" means the U.S. Department of Energy.
- D. "Battelle Contracts Representative" means an employee of Battelle Memorial Institute, Pacific Northwest Division, acting within the limits of a written authorization to execute legally binding commitments on behalf of Battelle.
- E. Except as otherwise provided in this contract, the term "Contract" includes this purchase order or subcontract and the term "Subcontract" refers to lower-tier subcontracts.

**Acceptance of Contract Terms and Conditions** (cl. 302 - Oct 2008)

The Contractor, by signing this Contract or performing the services and/or delivering the supplies identified herein, agrees to comply with all the terms and conditions and all specifications and other documents that this Contract incorporates by reference or attachment. Battelle hereby objects to any terms and conditions contained in any acknowledgment of this Contract that are different from or in addition to those mentioned in this document. Failure of Battelle to enforce any of the provisions of this Contract shall not be construed as evidence to interpret the requirements of this Contract, nor a waiver of any requirements, nor of the right of Battelle to enforce each and every provision. All rights and obligations shall survive final performance of this Agreement.

**Order of Precedence** (cl. 309 – Feb 2009)

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order:

- A. The Schedule (excluding the specifications or statement of work)
- B. Representations and other instructions
- C. General Provisions
- D. Other documents, exhibits, and attachments
- E. The specifications or statement of work

**Assignment** (cl. 357 – Jan 2003)

Battelle may assign this contract to the U.S. Department of Energy (DOE) or a designee of DOE. Upon receipt by the Contractor of written notice that DOE or its designee has been assigned this contract, Battelle shall be relieved of all responsibility hereunder, and the Contractor shall thereafter look solely to the assignee for performance of Battelle's obligations.

The Contractor shall not assign this contract or any interest therein, nor claims thereunder without the prior written consent of Battelle or Battelle's assignee. Any assignment, by operation of law or otherwise, without prior written consent of Battelle or Battelle's assignee shall be void.

**Bankruptcy** (cl. 318 - Nov 2008)

If the Contractor enters into any proceeding related to bankruptcy, it shall give written notice to the Battelle Contracts Representative via certified mail within five days of initiation of the proceeding. The notification shall include the date on which the proceeding was filed, the identity and location of the court, and a listing of the Battelle purchase orders, contracts, or agreements affected.

**Pacific Northwest National Laboratory or Battelle Name** (cl. 374 – Oct 2008)

The Contractor agrees not to use Pacific Northwest National Laboratory's or Battelle's name or identifying characteristics for advertising, sales promotion, raising of capital, recommending investments or other publicity purposes that implies endorsement by the Pacific Northwest National Laboratory or Battelle without the prior written consent of Battelle. This clause shall survive the termination or expiration of this contract.

**Permits and Responsibilities** (cl. 358 - Nov 1991)

The Contractor is an independent contractor, not an agent or employee of Battelle. The Contractor shall, without additional expense to Battelle or the Government, be responsible for obtaining any necessary licenses and permits, and for complying with any Federal, State, and municipal laws, codes, and regulations applicable to the performance of the work. The Contractor shall also be responsible for all damages to persons or property that occur as a result of the Contractor's fault or negligence.

**Contract Administration** (cl. 384 - Jan 1986)

- A. The Contractor's progress and compliance with the technical requirements of this contract may be monitored for Battelle by a Technical Administrator.

The name of the Technical Administrator, if one is designated, will be furnished the Contractor by the Battelle Contracts Representative.

- B. The Battelle Technical Administrator is authorized to receive information, conduct inspections of work in process and witness Contractor tests. He/she has no authority to (1) change or waive any provision of this contract, including but not limited to statements of work, drawings, specifications and standards, whether attached or incorporated by reference; (2) provide interpretations of any provision or requirement of this contract; (3) direct, advise, or recommend any particular course of conduct on the part of the Contractor; or (4) create any legally binding commitment on behalf of Battelle.
- C. The Contractor is solely responsible for strict compliance with all requirements of this contract. No notice, communication or representation in any form or from any person other than a Battelle Contracts Representative shall be effective to relieve the Contractor of such obligation or to stop Battelle from enforcing the contract exactly according to its written terms.

**Allowable Cost and Payment** (cl 348 - Feb 2008)

- A. *Invoicing.*
  - 1. Battelle will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every two weeks, in amounts determined to be allowable by the Battelle Contracts Representative in accordance with Federal Acquisition Regulation (FAR) Subpart 31.2 in effect on the date of this contract and the terms of this contract, except that coach air fare must be used unless otherwise approved in writing by the Battelle Contracts Representative. The Contractor may submit to an authorized representative of the Battelle Contracts Representative, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.
  - 2. Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.
  - 3. Unless otherwise designated in this Contract, the designated payment office will make interim payments for contract financing on the 30<sup>th</sup> day after the designated billing office receives a proper payment request. In the event that Battelle requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.
- B. *Reimbursing costs.*
  - 1. For the purpose of reimbursing allowable costs (except as provided in Paragraph B.2 of this

clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only—

- a. Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;
  - b. When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for—
    - i. Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made (1) In accordance with the terms and conditions of a subcontract or invoice; and (2) Ordinarily within 30 days of the submission of the Contractor's payment request to Battelle;
    - ii. Materials issued from the Contractor's inventory and placed in the production process for use on the contract;
    - iii. Direct labor;
    - iv. Direct travel;
    - v. Other direct in-house costs; and
    - vi. Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Battelle contracts; and
  - c. The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.
2. Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless—
    - a. The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and
    - b. The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).
  3. Notwithstanding the audit and adjustment of invoices or vouchers under Paragraph G of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with Paragraph D of this clause.
  4. Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to Battelle shall be disregarded for purposes of cost-reimbursement under this clause.

C. *Small business concerns.* A small business concern may receive more frequent payments than every 2 weeks.

D. *Final indirect cost rates.*

1. Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.
2.
  - a. The Contractor shall submit an adequate final indirect cost rate proposal to the Battelle Contracts Representative (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Battelle Contracts Representative. The Contractor shall support its proposal with adequate supporting data.
  - b. The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Battelle representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.
3. The Contractor and the appropriate Battelle representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (a) the agreed-upon final annual indirect cost rates, (b) the bases to which the rates apply, (c) the periods for which the rates apply, (d) any specific indirect cost items treated as direct costs in the settlement, and (e) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.
4. Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.
5. Within 120 days (or longer period if approved in writing by the Battelle Contracts Representative) after settlement of the final annual indirect cost rates for all years of a physically complete contract, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.
6.
  - a. If the Contractor fails to submit a completion invoice or voucher within the time specified in Paragraph D.5 of this clause, the Battelle Contracts Representative may—
    - i. Determine the amounts due to the Contractor under the contract; and
    - ii. Record this determination in a unilateral modification to the contract.

- b. This determination constitutes the final decision of the Battelle Contracts Representative in accordance with the Disputes clause.
- E. *Billing rates.* Until final annual indirect cost rates are established for any period, Battelle shall reimburse the Contractor at billing rates established by the Battelle Contracts Representative or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates—
- 1. Shall be the anticipated final rates; and
  - 2. May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.
- F. *Quick-closeout procedures.* Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.
- G. *Audit.* At any time or times before final payment, the Battelle Contracts Representative may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be—
- 1. Reduced by amounts found by the Battelle Contracts Representative not to constitute allowable costs; or
  - 2. Adjusted for prior overpayments or underpayments.
- H. *Final payment.*
- 1. Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with Paragraph D.5 of this clause, and upon the Contractor's compliance with all terms of this contract, Battelle shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.
  - 2. The Contractor shall pay to Battelle any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by Battelle. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Battelle Contracts Representative. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver—
    - a. An assignment to Battelle, in form and substance satisfactory to the Battelle Contracts Representative, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by Battelle under this contract; and
    - b. A release discharging Battelle, its officers, agents, and employees from all liabilities,

obligations, and claims arising out of or under this contract, except—

- i. Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;
- ii. Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Battelle Contracts Representative within 6 years following the release date or notice of final payment date, whichever is earlier; and
- iii. Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of Battelle against patent liability.

**Taxes** *(cl. 354b - Apr 1984)*

Except as may be otherwise provided in this contract, the contract price includes all applicable Federal, State, and local taxes and duties. (Washington State Contractors Note: The supplies/services specified herein are deemed to be for resale to DOE and are exempt from Washington Retail Sales Tax.)

**Laws, Regulations, and DOE Directives** *(cl 3121 - Aug 2009)*

- A. In performing work under this contract, the Contractor shall comply with the requirements of applicable Federal, State, and local laws and regulations (including DOE regulations), unless relief has been granted in writing by the appropriate regulatory agency, DOE or the Battelle Contracts Representative. Applicable DOE Directives have been incorporated, as appropriate, into other requirements of this contract.
- B. Except as otherwise directed by the Battelle Contracts Representative, the Contractor shall procure all necessary permits or licenses required for the performance of work under this contract.
- C. Regardless of the performer of the work, the Contractor is responsible for compliance with the requirements of this clause. The Contractor is responsible for flowing down the requirements of this clause to subcontracts at any tier to the extent necessary to ensure the contractor's compliance with the requirements.

**Insurance – Liability to Third Persons** *(cl. 378b - Mar 1996)*

- A. 1. Except as provided in Paragraph A.2 of this clause, the Contractor shall provide and maintain workers' compensation, employer's liability, comprehensive general liability (bodily injury), comprehensive automobile liability (bodily injury and property damage) insurance, and such other

- insurance as the Battelle Contracts Representative may require under this contract.
2. The Contractor may, with the approval of the Battelle Contracts Representative, maintain a self-insurance program, provided that, with respect to workers' compensation, the Contractor is qualified pursuant to statutory authority.
  3. All insurance required by this paragraph shall be in a form and amount and for those periods as the Battelle Contracts Representative may require or approve and with insurers approved by the Battelle Contracts Representative.
- B. The Contractor agrees to submit for the Battelle Contracts Representative's approval, to the extent and in the manner required by the Battelle Contracts Representative, any other insurance that is maintained by the Contractor in connection with the performance of this contract and for which the Contractor seeks reimbursement.
- C. The Contractor shall be reimbursed—
1. For that portion—
    - a. Of the reasonable cost of insurance allocable to this contract; and
    - b. Required or approved under this clause; and
  2. For certain liabilities (and expenses incidental to such liabilities) to third persons not compensated by insurance or otherwise without regard to and as an exception to the limitation of cost or the limitation of funds clause of this contract. These liabilities must arise out of the performance of this contract, whether or not caused by the negligence of the Contractor or of the Contractor's agents, servants, or employees, and must be represented by final judgments or settlements approved in writing by Battelle. These liabilities are for—
    - a. Loss of or damage to property (other than property owned, occupied, or used by the Contractor, rented to the Contractor, or in the care, custody, or control of the Contractor); or
    - b. Death or bodily injury.
- D. Battelle's liability under Paragraph C of this clause is subject to the availability of appropriated funds at the time a contingency occurs. Nothing in this contract shall be construed as implying that the Congress will, at a later date, appropriate funds sufficient to meet deficiencies.
- E. The Contractor shall not be reimbursed for liabilities (and expenses incidental to such liabilities)—
1. For which the Contractor is otherwise responsible under the express terms of any clause specified in the Schedule or elsewhere in the contract;
  2. For which the Contractor has failed to insure or to maintain insurance as required by the Battelle Contracts Representative; or
  3. That result from willful misconduct or lack of good faith on the part of any of the Contractor's directors, officers, managers, superintendents, or other representatives who have supervision or direction of—
    - a. All or substantially all of the Contractor's business;
    - b. All or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed; or
    - c. A separate and complete major industrial operation in connection with the performance of this contract.
- F. The provisions of Paragraph E of this clause shall not restrict the right of the Contractor to be reimbursed for the cost of insurance maintained by the Contractor in connection with the performance of this contract, other than insurance required in accordance with this clause; *provided*, that such cost is allowable under the Allowable Cost and Payment clause of this contract.
- G. If any suit or action is filed or any claim is made against the Contractor, the cost and expense of which may be reimbursable to the Contractor under this contract, and the risk of which is then uninsured or is insured for less than the amount claimed, the Contractor shall—
1. Immediately notify the Battelle Contracts Representative and promptly furnish copies of all pertinent papers received;
  2. Authorize Battelle representatives to collaborate with counsel for the insurance carrier in settling or defending the claim when the amount of the liability claimed exceeds the amount of coverage; and
- Authorize Battelle representatives to settle or defend the claim and to represent the Contractor in or to take charge of any litigation, if required by Battelle, when the liability is not insured or covered by bond. The Contractor may, at its own expense, be associated with the Battelle representatives in any such claim or litigation.

**Workers' Compensation** *(cl. 323 - Nov 1983)*

The Contractor shall comply with State Industrial Insurance or Workers' Compensation and Unemployment Compensation Laws of any state in which work is performed, to the extent such laws are applicable.

**Notice of Labor Disputes** *(cl. 359 - Feb 1997)*

If the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately give notice, including all relevant information, to the Battelle Contracts Representative.

**Disputes** *(cl. 331 - Oct 1979)*

Except as otherwise provided or agreed any dispute relating to this contract which is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction upon filing of a legal action by the aggrieved party. It is further agreed by the Contractor that litigation shall be limited and confined exclusively to the appropriate state or Federal court located within the State of Washington. Determination of any substantive issue of law shall be based upon application of Federal law. During the pendency of any dispute, the Contractor shall proceed diligently with the performance of the contract and in accordance with the direction of Battelle.

**Contractor Publication and Release of Information** (cl. 3701 - May 2007)

Contractor agrees to allow Battelle to review a copy of any Contractor manuscript that will be submitted for publication or any scientific or technical information generated under this Contract. This review will be facilitated by the Contractor submitting the manuscript to the Battelle Contracts Representative no less than thirty (30) days prior to Contractor's manuscript submission for publication or release of scientific or technical information outside of Contractor's control. Battelle shall review Contractor's manuscript or scientific and technical information consistent with Battelle's information release policies then in effect and may submit any of Contractor's scientific and technical information to the U.S. Department of Energy's (DOE) Office of Scientific and Technical Information (OSTI) as required by Battelle's contract for the management and operation of the Pacific Northwest National Laboratory or any DOE Order made applicable to Battelle thereunder. Battelle's review and submission of Contractor's manuscripts or scientific and technical information does not absolve Contractor's duties to comply with any information or data review, reporting, or disclosure requirements made applicable to Contractor under this Contract.

Contractor agrees to amend any manuscript or scientific and technical information release to remove any information that Battelle identifies which is necessary to protect—(1) Battelle's or the U.S. Government's rights in patentable subject matter conceived or first reduced to practice by Battelle; or (2) proprietary information provided to Contractor under this Contract.

**Compliance with Internet Protocol Version 6 (IPv6) in Acquiring Information Technology** (cl. 3750 - May 2006)

*This clause applies when information technology (e.g., Ethernet cards, network switches, routers, printers, related software, and commercial services for connectivity) will be delivered as a part of this contract.*

- A. This contract involves the acquisition of Information Technology (IT) that uses Internet Protocol (IP) technology. The contractor agrees that—
  - 1. all deliverables that involve IT that uses IP (products, services, software, etc.) will comply with IPv6 standards and interoperate with both IPv6 and IPv4 systems and products
  - 2. it has IPv6 technical support for development and implementation and fielded product management available.
- B. If the contractor plans to offer a deliverable that involves IT that is not initially compliant, the contractor agrees to—
  - 1. obtain the Battelle Contracts Representative's approval before starting work on the deliverable
  - 2. provide a migration path and firm commitment to upgrade to IPv6 for all application and product features by June 2008
  - 3. have IPv6 technical support for development and implementation and fielded product management available.
- C. Should the contractor find that the statement of work or specifications of this contract do not conform to the IPv6 standard, it must notify the Battelle Contracts

Representative of such nonconformance and act in accordance with instructions of the Battelle Contracts Representative.

**Foreign Travel** (cl. 366 - Apr 2009)

- A. Foreign travel means approved travel (whether wholly or partly on official business) 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, travel between foreign countries, by persons, including foreign nationals, whose salaries or travel expenses or both will ultimately be funded in whole or in part by DOE or NNSA from its appropriations. Official foreign travel also includes travel funded by non-DOE or non-NNSA sources for which the traveler represents the Department or NNSA or conducts business on behalf of the U.S. Government.
- B. Foreign travel in connection with the performance of this contract shall be subject to the prior approval of DOE and shall be conducted pursuant to the requirements contained in DOE Order 551.1, Official Foreign Travel, or any subsequent version of the order in effect at the time of award.
- C. Requests for approval of each separate trip shall be submitted to the Battelle Contracts Representative no less than sixty days prior to a planned departure date. The required "Request for Approval of Foreign Travel (RAFT)" form may be obtained from the Battelle Contracts Representative. The Battelle Contracts Representative will route the RAFT for appropriate approvals. The Contractor will not incur any travel costs until after it receives notice of approval from the Battelle Contracts Representative.

**Suspect Material** (cl. OA-179 - Mar 2007)

The Contractor shall assure that all products delivered on this contract do not contain suspect/counterfeit parts as indicated in the S/CI Awareness Training Manual (PDF) [http://www.hss.energy.gov/CSA/CSP/sci/SCI\\_TrainingManual\\_100306\\_rev5.pdf](http://www.hss.energy.gov/CSA/CSP/sci/SCI_TrainingManual_100306_rev5.pdf). If suspect/counterfeit parts are discovered, this may be cause for rejection of the entire shipment and will be reported to the U.S. Department of Energy, Office of Inspector General for possible investigation. The discrepant product(s) will be returned at the Contractor's expense. In addition, the contract may be terminated for default.

**Guest House at PNNL** (cl. 333 / Dec 2008)

If and when the Contractor's personnel travel and require lodging within 25 miles of Richland, Washington, under the scope of this Contract, Contractor's personnel shall stay at the Guest House at PNNL (Guest House, phone: 509-372-6736; email: [guesthouse@pnl.gov](mailto:guesthouse@pnl.gov); website: [www.pnl.gov/guesthouse](http://www.pnl.gov/guesthouse)) unless adequate space is unavailable. Invoices for lodging costs will not be reimbursed under this Contract for lodging elsewhere within 25 miles of Richland, Washington, without documentation from the Guest House of unavailability submitted with the invoice. The allowed price of lodging at the Guest House will be consistent with the Federal Travel Regulation per diem limits in effect at the time of travel.

**Insurance Requirements** (cl. 378, Jan 2009)

Unless otherwise specified in the Contract Schedule, this clause applies when work will be performed on the Pacific Northwest National Laboratory or other DOE-owned or – leased sites (see below), or when Contractors will be driving or operating Battelle-owned or government-owned vehicles or boats.

- A. Contractor shall purchase and maintain during the term of this Contract, at its own expense, and any extensions thereof, insurance in amounts reasonable and customary for the industry in which Contractor is engaged. Contractor shall maintain all insurance which is required by any law, statute, ordinance, or regulation of any jurisdiction having authority in whole or in part over the Contractor’s operations or Contract activities, including without limitation any non-U.S. jurisdictions. Nevertheless, the following minimum insurance coverage shall be maintained:
  1. Workers Compensations: Statutory
  2. Employers’ Liability: \$100,000 per occurrence
  3. Commercial General Liability (including contractual and products and completed operations liability): \$500,000 per occurrence
  4. Business Auto Liability (to include bodily injury and property damage liability covering the operation of all autos owned and unowned used in connection with performance of contract): \$200,000 per person; \$500,000 per occurrence for bodily injury; and \$20,000 per occurrence for property damage
  5. Any additional insurance which may be required by Battelle or the Department of Energy
- B. The insurance coverage shall be with insurer(s) that are satisfactory to Battelle. Battelle shall be designated as an Additional Insured under the Commercial General Liability, Business Auto Liability, and any Umbrella coverages. Contractor’s insurance shall be primary and non-contributing over any and all insurance that may be maintained by Battelle. Contractor and its insurer(s) shall waive all rights of subrogation against Battelle, its officers, directors, agents, trustees and employees.
- C. Contractor shall furnish to Battelle Certificates of Insurance evidencing compliance with the insurance requirements herein. These certificates shall provide for at least 30 days prior written notice to Battelle of any cancellation, non-renewal, or material reduction in coverage. These certificates shall be provided prior to the initiation of contract activities and upon each policy renewal for a total of three years after termination or expiration of this Contract. Failure of Battelle to notify Contractor of any non-compliance with the provisions of this Contract shall not constitute a waiver of Contractor’s obligations under this Contract. Battelle does not warrant or represent that the minimum amounts of coverage required are sufficient to protect the Contractor in fulfilling its obligations under this subcontract. Such minimum insurance limits shall not limit Contractor’s liability under this Contract. Contractor shall require any lower-tier subcontractors to satisfy the requirements of this provision.

**Collective Bargaining Agreements** (cl. 397 - Dec 2000)

When negotiating collective bargaining agreements applicable to the work force under this contract, the Contractor shall use its best efforts to ensure such agreements contain provisions designed to assure continuity of services. All such agreements entered into during the contract period of performance should provide that grievances and disputes involving the interpretation or application of the agreement will be settled without resorting to strike, lockout, or other interruption of normal operations. For this purpose, each collective bargaining agreement should provide an effective grievance procedure with arbitration as its final step, unless the parties mutually agree upon some other method of assuring continuity of operations. As part of such agreements, management and labor should agree to cooperate fully with the Federal Mediation and Conciliation Service. The contractor shall include the substance of this clause in any subcontracts for protective services or other services performed on the DOE-owned site which will affect the continuity of operation of the facility.

**Clauses Incorporated by Reference** (cl. 3001-CR - Oct 2008)

The following additional Federal Acquisition Regulation (FAR) and Department of Energy Acquisition Regulation (DEAR) clauses, which may be located in Chapters 1 and 9, respectively, of Title 48 of the Code of Federal Regulations, are incorporated by this reference as a part of the Contract and as prescribed below. Except as otherwise defined herein, as used in the clauses incorporated by reference, the term “Government” shall mean Battelle Memorial Institute and “Contracting Officers” shall mean Battelle Contracts Representative. However, as used in FAR clauses 52.227-1, -2, -3, -10, -14, -16 and DEAR clauses 952.227-11, -13, and 970.5227-1, -4, -5, -8 “Contracting Officer” shall mean shall mean the DOE Contracting Officer for Prime Contract DE-AC05-76RL01830 with Battelle Memorial Institute (Prime Contract), “Patent Counsel” shall mean the DOE Patent Counsel assisting the procuring activity which has administrative responsibility for the Prime Contract, and “Government” shall mean the U.S. Government.

The Contractor shall include the listed clauses in its subcontracts at any tier to the extent applicable.

- FAR 52.222-21 Prohibition of Segregated Facilities (Feb 1999)
- FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sept 2006)
- FAR 52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004)
- FAR 52.225-13 Restrictions on Certain Foreign Purchases (June 2008)
- FAR 52.227-3 Patent Indemnity (Apr 1984)
- FAR 52.227-10 Filing of Patent Applications – Classified Subject Matter (Dec 2007) – applies if the Contract involves a classified solicitation or contract or a solicitation or contract where the nature of the work reasonably might

	<i>result in a patent application containing classified subject matter</i>	FAR 52.244-6	Subcontracts for Commercial Items (Mar 2007)
FAR 52.227-14	Rights in Data – General (Jun 1987), modified in accordance with FAR 927.409(a) and including Alternate V – <i>applies to this Contract if: (a) technical data or computer software is expected to be produced; or (b) if the Contract is for supplies that contain a requirement for production or delivery of data.</i>  <i>FAR 52.227-14 Alternate II shall apply if the delivery of Limited Rights Data is required under this Contract. The following five purposes shall be included at the end of Alternate II, Paragraph (a):</i>  <i>1. Use (except for manufacture) by other contractors.</i> <i>2. Evaluation by non-government evaluators.</i> <i>3. Use (except for manufacture) by other contractors participating in the Government's program of which the specific contract is a part, for information and use in connection with the work performed under each contract.</i> <i>4. Emergency repair or overhaul work.</i> <i>5. Release to a foreign government, or instrumentality thereof, as the interest of the United States Government may require for information or evaluation, or for emergency repair or overhaul work by such government.</i>  <i>FAR 52.227-14 Alternate III shall apply if delivery of Restricted Computer Software is required under this Contract.</i>  <i>FAR 52.227-14 Alternate IV shall apply if this Contract is awarded for basic or applied research (other than a contract for the management or operation of Government facilities or where international agreements require otherwise), to be performed solely by universities and colleges.</i>	FAR 52.246-5	Inspection of Service – Cost Reimbursement (Apr 1984)
		FAR 52.246-16	Responsibility for Supplies (Apr 1984)
		FAR 52.247-63	Preference for U.S.-Flag Air Carriers (June 2003)
		FAR 52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006)
		FAR 52.249-6	Termination (Cost Reimbursement) (May 2004)
		FAR 52.249-14	Excusable Delays (Apr 1984)
		DEAR 952.204-77	Computer Security (Aug 2006) – <i>applies if contractor will be granted access to computers owned, leased, or operated on behalf of the U.S. Department of Energy</i>
		DEAR 952.227-82	Rights to Proposal Data (Apr 1994) - <i>applies if contract award is based upon a technical proposal.</i>
		DEAR 970.5208-1	Printing (Dec 2000)
		DEAR 970.5223-4	Workplace Substance Abuse Programs at DOE Sites (Dec 2000)
		DEAR 970.5227-1	Rights in Data – Facilities (Dec 2000) – <i>applies if this Contract involves the design or operation of any plants or facilities or specially designed equipment for such plants or facilities that are managed or operated under its contract with DOE or for support services related thereto.</i>
		DEAR 970.5227-8	Refund of Royalties (Aug 2002) – <i>applies if the amount of royalties reported by Contractor during negotiations of this Contract exceeds \$250.</i>
		DEAR 970.5229	State and Local Taxes (Dec 2000)
		DEAR 970.5245-1	Property (Dec 2000); <i>Alternate 1 applies if Contractor is a nonprofit business</i>
		<b>The Following Clauses Apply if the Contract Value Exceeds \$2,500:</b>	
		FAR 52.222-41	Service Contract Act of 1965, as Amended (Nov 2007) - <i>applies if the Contract is principally for the furnishing of services through the use of "service employees" UNLESS the Contract qualifies for class deviation under Section 4(b) of the McNamara-O'Hara Service Contract Act</i>
FAR 52.232-20	Limitation of Cost (Apr 1984) – <i>applies if contract is to be fully funded</i>	FAR 52.225-1	Buy American Act – Supplies (Feb 2009) - <i>unless the requirement is restricted to domestic end products (see FAR 25.101), the goods to be delivered will be used outside the United States, or the goods and</i>
FAR 52.232-21	Limitation of Funds (Apr 1984) – <i>applies if contract is to be incrementally funded</i>		
FAR 52.242-15	Stop-Work Order (Aug 1989) with Alternate I (Apr 1984)		
FAR 52.243-2	Changes – Cost Reimbursement (Aug 1987)		
FAR 52.244-2	Subcontracts (June 2007) with Alternate 1 (June 2007)		



*materials are not available from U.S. manufacturers*

**The Following Clauses Apply if the Contract Value Exceeds \$10,000:**

- FAR 52.222-36 Affirmative Action for Workers with Disabilities (June 1998)
- FAR 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sept 2006)

**The Following Clause Applies if the Contract Value Exceeds \$30,000:**

- FAR 52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Sept 2006)

**The Following Clauses Apply if the Contract Value Exceeds \$100,000:**

- FAR 52.203-6 Restriction on Subcontractor Sales to the Government (Sept 2006)
- FAR 52.203-7 Anti-Kickback Procedures (Jul 1995) – excluding paragraph (c)(1)
- FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (Sep 2007)
- FAR 52.219-8 Utilization of Small Business Concerns (May 2004)
- FAR 52.222-4 Contract Work Hours and Safety Standards Act – Overtime Compensation (Jul 2005)
- FAR 52.222-26 Equal Opportunity (Mar 2007)  
*The Equal Employment Opportunity Act Poster referenced in paragraph (c)(3) of the above clause may be downloaded from the U.S. Department of Labor website at [www.dol.gov/elaws/posters.htm](http://www.dol.gov/elaws/posters.htm)*
- FAR 52.225-8 Duty-Free Entry (Feb 2000) – *applies when supplies may be imported into the United States*
- FAR 52.227-1 Authorization and Consent (Jul 1995) – *applies without Alternate 1 if this Contract is for supplies or services, including construction, architect-engineer services, and materials, supplies, models, samples, and design or testing services.*
- FAR 52.229-3 Federal, State, and Local Taxes (Apr 2003)
- DEAR 952.204-71 Sensitive Foreign National Control (Apr 1994)
- DEAR 952.209-72 Organizational Conflicts of Interest (Jun 1997) - *applies if this contract involves the performance of advisory and assistance services as defined by FAR 37.201.*

DEAR 970.5227-5 Notice and Assistance Regarding Patent and Copyright Infringement (Aug 2002)

DEAR 970.5232-3 Accounts, Records, and Inspection (Jun 2007) – Paragraph (h)(1) is deleted and replaced with ...

(h) Comptroller General

(1) The Comptroller General of the United States, or an authorized representative shall have access to and the right to examine any of the contractor's or subcontractor's directly pertinent records involving transactions related to this contract or a subcontract hereunder and to interview any current employee regarding such transactions.

*This clause applies if costs incurred are a factor in determining the amount payable.*

**The Following Clauses Apply if the Contract Value Exceeds \$500,000:**

DEAR 952.226-74 Displaced Employee Hiring Preference (Jun 1997)

DEAR 970.5226-2 Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Dec 2000)

**The Following Clauses Apply if the Contract Value Exceeds \$550,000**

FAR 52.219-9 Small Business Subcontracting Plan (Apr 2008) - *applies if the contractor is a large business concern*

**The Following Clauses Apply if the Contract Value Exceeds \$650,000**

- FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data (Oct 1997) – *applies if cost or pricing data is required*
- FAR 52.215-11 Price Reduction for Defective Cost or Pricing Data – Modification (Oct 1997)
- FAR 52.215-12 Subcontractor Cost or Pricing Data (Oct 1997) – *applies if cost or pricing data is required*
- FAR 52.215-13 Subcontractor Cost or Pricing Data – Modifications (Oct 1997)
- FAR 52.230-2 Cost Accounting Standards (Oct 2008), *applies unless the contract is exempt*
- FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices (Oct 2008)
- FAR 52.230-6 Administration of Cost Accounting Standards (Mar 2008)

**The Following Clause Applies if the Contract Value Exceeds \$2,000,000**

DEAR 970.5204-3 Access to and Ownership of Records  
(July 2005)

**The Following Clauses Apply if the Contract  
Indicates it is for Experimental, Developmental,  
Research, or Demonstration Work**

DEAR 970.5227-4 Authorization and Consent (Aug  
2003), paragraph A only – *applies if  
the contract value exceeds \$100,000*

FAR 52.227-16 Additional Data Requirements (Jun  
1987) – *applies if this Contract  
involves experimental, developmental,  
research, or demonstration work  
(other than basic or applied research  
to be performed solely by a university  
or college where the contract amount  
will be \$500,000 or less) unless all the  
requirements for data are believed to  
be known at the time of contracting  
and specified in this Contract*

FAR 52.246-8 Inspection of Research  
and Development –Cost  
Reimbursement (May 2001)

DEAR 952.227-11 Patent Rights – Retention by the  
Contractor (Short Form) (Mar 1995) –  
*applies if the Contractor is a small  
business firm or domestic nonprofit  
organization as defined by 35 USC  
201 unless subject to exceptional  
circumstances as defined in 35 USC  
202 and the Prime Contract.*

DEAR 952.227-13 Patent Rights – Acquisition by the  
Government (Sep 1997) – *applies if  
the Contractor is **not** a small business  
firm or domestic nonprofit  
organization as defined by 35 USC  
201. DOE Patent Counsel shall  
determine the Patent Rights if this  
Contract is subject to exceptional  
circumstances as defined in 35 USC  
202 and the Prime Contract.*