

GENERAL TERMS & CONDITIONS
Individuals (IND May 2003)

PART 1.1 CONSIDERATION

Company shall pay Seller the specified rate (price) for such time as Seller actually performs services hereunder at the request of the Company, not to exceed dates or time (e.g., hours, days, weeks, or months) set forth in the subcontract period of performance. A day shall be considered to mean a period consisting of eight hours, or more, all told, in any one calendar day. For each two-hour period or fraction of such portion, one quarter of said rate of compensation shall be payable. Nothing contained in this paragraph shall be construed to authorize payment of more than the specified daily rate for any one calendar day. Except as otherwise provided herein, no portion of the daily rate will be payable (i) for time spent in travel for the Seller's convenience during an assignment or (ii) if travel begins after 6 p.m. one day and ends before 8 a.m. the next day (local time zone) and no work was actually performed under the Agreement during these hours.

PART 1.2 PAYMENT

(a) Seller shall be paid monthly, upon submission of an invoice in an approved form, the consideration stipulated herein, less deductions, if any. Seller shall certify (1) that the claim for payment is just and true in all respects, and (2) that no inventions or discoveries, not previously reported, have been made or conceived during or in connection with the rendering of the services unless such inventions or discoveries are specifically reported in accordance with the "Patent Rights" provisions of this Agreement.

(b) Invoices shall be submitted using Company's "Consultant or Personal Services Subcontractor's Invoice" form. This form is available at Company's Procurement web site (<http://www.ornl.gov/Procurement/docindex.htm>).

(c) Applicable IRS forms must accompany Seller's initial invoice submission. For U. S. citizens, ISR Form W-9, "Request for Taxpayer Identification Number and Certification" is required. For resident aliens, IRS Form 1078, "Certificate of Alien Claiming Residence in the United States" is required. For non-resident aliens, IRS Form W-8, "Certificate of Foreign Status" is required, and, if applicable, IRS Form 8233, "Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual." IRS forms are available at IRS' Internet Home Page (http://www.irs.ustreas.gov/prod/forms_pubs/forms.html).

(d) Company may withhold payment hereunder until requirements of this clause are fulfilled.

PART 1.3 TRAVEL REIMBURSEMENT

If travel is authorized and Seller is to be reimbursed for such expenses, Agreement will specify a ceiling amount in dollars for such reimbursement. Seller will be reimbursed for travel expenses in accordance with the Travel Reimbursement Policy, which is incorporated by reference, up to the amount allowed by the policy or the ceiling amount, whichever is less.

PART 1.4 TERMINATION

Either party hereto may terminate this Agreement at any time by giving not less than thirty days prior written notice to the other. Such termination shall only affect the term of this Agreement and shall otherwise be without prejudice to the rights of the parties hereunder.

1.5 INDEPENDENT CONTRACTOR

Neither this Agreement nor Seller's performance hereunder shall constitute or create an employee/employer relationship. Seller shall not be eligible for any benefits applicable to active employees of Company. Seller shall act solely as an independent contractor, not as an employee or agent of Company. Seller's authority is limited to providing personal services and Seller shall have no authority, without express written consent of Company, to incur any obligation or liability, or make any commitments on behalf of Company.

1.6 INCORPORATION BY REFERENCE

This Agreement incorporates certain provisions by reference. These articles and clauses apply as if they were set forth in their entirety. For FAR and DEAR provisions incorporated by reference, "Contractor" means Seller and "Contracting Officer" means Subcontract Administrator. Company clauses incorporated by reference are available from Company's Procurement web site (<http://www.ornl.gov/Procurement/docindex.htm>). The FAR and DEAR may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., or from Government web sites (<http://www.arnet.gov/far/>) for FAR and (<http://www.pr.doe.gov/dear.html>) for DEAR.

The following clauses are incorporated by reference:

Exhibit 1C, Patent Rights -- Retention By The Seller (Short Form) (Company-Mar 2001)

Exhibit 9, Technical Data (Company-Nov 2000)

Individual Conflicts of Interest (Company - Apr 2000)
Travel Reimbursement Policy (Company-7/99)
FAR 52.203-7 Anti-Kickback Procedures (Jul 1995)
FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (June 1997)
DEAR 952.247-70 Foreign Travel (DEC 2000)
General Terms & Conditions - Commercial Items (CI May 2003)

1.7 REPRESENTATIONS AND CERTIFICATIONS

This clause contains representations and certifications that are material representations of fact upon which Company will rely in subcontracting with Seller. By submitting an offer or quotation, written or oral, or accepting any Agreement, Seller certifies to the representations and certifications as set forth below. Seller shall provide Company immediate written notice if, at any time, he/she learns that his/her representations or certifications were erroneous when submitted or have become erroneous by reason of changed circumstances.

Debarment/Suspension

Seller certifies that, in accordance with FAR 52.209-5, to the best of his/her knowledge and belief: (a) Seller is not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, (b) Seller has not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property, (c) Seller is not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (b) of this provision, (d) Seller has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

Gratuities/Kickbacks

(a) No gratuities (in the form of entertainment, gifts, or otherwise) or kickbacks shall be offered or given by Seller, to any employee of Company with a view toward securing favorable treatment of a supplier.

(b) By accepting this Agreement, Seller certifies and represents that it has not made or solicited and will not make or solicit kickbacks in violation of FAR 52.203-7 or the Anti-Kickback Act of 1986 (42 USC 51-58), both of which are incorporated hereby by this specific reference.

1.8 BADGE AND PROXIMITY CARD

The Seller may require the use of a DOE badge and proximity card issued by the Company in order to perform work under this subcontract. The DOE badge and proximity card remain the property of the U.S. Government and must be returned to the Company upon completion of this subcontract. Failure to do so could result in the loss of future work with the Company.