

LIMITATIONS ON SUBCONTRACTING (Jan 2006)

By execution of this Agreement, the Seller agrees that in performance of this Agreement in the case of a subcontract for:

- (a) Services (Except Construction). At least 50 percent of the cost of subcontract performance incurred for personnel shall be expended for employees of the Seller.
- (b) Supplies (Other Than Procurement From a Nonmanufacturer of Such Supplies). The Seller shall perform work for at least 50 percent of the cost of manufacturing the supplies, not including the cost of materials.
- (c) General Construction. The Seller will perform at least 15 percent of the cost of the Agreement, not including the cost of materials, with its own employees.
- (d) Construction by Special Trade Contractors. The Seller will perform at least 25 percent of the cost of the Agreement, not including the cost of materials, with its own employees.