Subpart 1352.2 - Text of Provisions and Clauses

Parent topic: PART 1352 - SOLICITATION PROVISIONS AND CONTRACT CLAUSES

1352.200 Scope of subpart.

This subpart sets forth the text of all CAR provisions and clauses and provides a cross-reference to the location in the CAR that prescribes their use.

1352.201-70 Contracting Officer's Authority.

As prescribed in 48 CFR 1301.602-170, insert the following clause:

Contracting Officer's Authority.

The Contracting Officer is the only person authorized to make or approve any changes in any of the requirements of this contract, and, notwithstanding any provisions contained elsewhere in this contract, the said authority remains solely in the Contracting Officer. In the event the contractor makes any changes at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contract terms and conditions, including price.

(End of clause)

1352.201-71 Ratification release.

As prescribed in 48 CFR 1301.602-3, insert the following clause:

Ratification Release (APR 2010)

(a) The Government agrees to pay the contractor $_____ for the following items/services:

(b) In consideration for the sum stated above, which is to be paid to the Contractor, or its assignees, the Contractor, upon payment of the said sum by the UNITED STATES OF AMERICA (hereinafter called the Government), does remise, release, and discharge the Government, its officers, agents, and employees of and from all liabilities, obligations, claims, and demands whatsoever under or arising from the said contract, except:

(1) Specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor, as follows: (or state “None”).

(2) Claims, together with reasonable expenses incidental thereto, based upon the liabilities of the Contractor to third parties arising out of the performance of this contract, which are not known to

the Contractor on the date of the execution of this release and of which the Contractor gives notice in writing to the Contracting Officer within the period specified in said contract.

(3) Claims for reimbursement of costs (other than expenses of the Contractor by reason of his indemnification of the Government against patent liability) including reasonable expenses incidental thereto, incurred by the Contractor under any provisions of the said contract relating to patents.

(c) The Contractor agrees, in connection with patent matters and with claims which are not released as set forth above, that it will comply with provisions of the said contract, including without limitation, those provisions relating to notification to the Contracting Officer and relating to the defense or prosecution of litigation.

Contractor's Signature:

Date:

(End of clause)

1352.201-72 Contracting Officer's Representative (COR).

As prescribed in 48 CFR 1301.670-70, insert the following clause:

Contracting Officer's Representative (COR) (APR 2010)

(a) _____ is hereby designated as the Contracting Officer's Representative (COR). The COR may be changed at any time by the Government without prior notice to the contractor by a unilateral modification to the contract. The COR is located at:

Phone Number:

E-mail:

(b) The responsibilities and limitations of the COR are as follows:

(1) The COR is responsible for the technical aspects of the contract and serves as technical liaison with the contractor. The COR is also responsible for the final inspection and acceptance of all deliverables and such other responsibilities as may be specified in the contract.

(2) The COR is not authorized to make any commitments or otherwise obligate the Government or authorize any changes which affect the contract price, terms or conditions. Any contractor request for changes shall be referred to the Contracting Officer directly or through the COR. No such changes shall be made without the express written prior authorization of the Contracting Officer. The Contracting Officer may designate assistant or alternate COR(s) to act for the COR by naming such assistant/alternate(s) in writing and transmitting a copy of such designation to the contractor.

(End of clause)

1352.208-70 Restrictions on printing and duplicating.

As prescribed in 48 CFR 1308.802-70, insert the following clause:

Restrictions on Printing and Duplicating (APR 2010)

(a) The contractor is authorized to duplicate or copy production units provided the requirement does not exceed 5,000 production units of any one page or 25,000 production units in the aggregate of multiple pages. Such pages may not exceed a maximum image size of 10 3/4 by 14 1/4 inches. A "production unit" is one sheet, size 8 1/2 × 11 inches (215 × 280 mm), one side only, and one color ink. Production unit requirements are outlined in the Government Printing and Binding Regulations.

(b) This clause does not preclude writing, editing, preparation of manuscript copy, or preparation of related illustrative material as a part of this contract, or administrative duplicating/copying (for example, necessary forms and instructional materials used by the contractor to respond to the terms of the contract).

(c) Costs associated with printing, duplicating, or copying in excess of the limits in paragraph (a) of this clause are unallowable without prior written approval of the Contracting Officer. If the contractor has reason to believe that any activity required in fulfillment of the contract will necessitate any printing or substantial duplicating or copying, it shall immediately provide written notice to the Contracting Officer and request approval prior to proceeding with the activity. Requests will be processed by the Contracting Officer in accordance with FAR 8.802.

(d) The contractor shall include in each subcontract which may involve a requirement for any printing, duplicating, and copying in excess of the limits specified in paragraph (a) of this clause, a provision substantially the same as this clause, including this paragraph (d).

(End of clause)

1352.209-70 Potential organizational conflict of interest.

As prescribed in 48 CFR 1309.507-1(a), insert the following provision, modified appropriately:

Potential Organizational Conflict of Interest (APR 2010)

(a) There is a potential organizational conflict of interest (*see* FAR Subpart 9.5, Organizational and Consultant Conflicts of Interest) due to [*state the nature of the potential conflict*]. Accordingly:

(1) Restrictions are needed to ensure that (*state the nature of the proposed restraint and the applicable time period*).

(2) As a part of the proposal, the offeror shall provide the Contracting Officer with complete information regarding previous or ongoing work that is in any way associated with the contemplated acquisition.

(b) If award is made to the offeror, the resulting contract may include an organizational conflict of interest limitation applicable to subsequent Government work, at either a prime contract level, at any subcontract tier, or both. During evaluation of proposals, the Government may, after discussions with the offeror and consideration of ways to avoid the conflict of interest, insert a provision in the

resulting contract that shall disqualify the offeror from further consideration for award of specified future contracts.

(c) The organizational conflict of interest clause included in this solicitation may be modified or deleted during negotiations.

Alternate I (Date). At the discretion of the Contracting Officer, substitute the following paragraph (b) for paragraphs (b) and (c) in the basic provision:

(b) The organizational conflict of interest clause in this solicitation may not be modified or deleted.

(End of clause)

1352.209-71 Limitation of future contracting.

As prescribed in 48 CFR 1309.507-2(a), insert the following clause:

Limitation of Future Contracting (APR 2010)

(a) The following restrictions and definitions apply to prevent conflicting roles, which may bias the contractor's judgment or objectivity, or to preclude the contractor from obtaining an unfair competitive advantage in concurrent or future acquisitions.

(1) Descriptions or definitions:

(i) “Contractor” means the business entity receiving the award of this contract, its parents, affiliates, divisions and subsidiaries, and successors in interest.

(ii) “Development” means all efforts towards solution of broadly defined problems. This may encompass research, evaluating technical feasibility, proof of design and test, or engineering of programs not yet approved for acquisition or operation.

(iii) “Proprietary Information” means all information designated as proprietary in accordance with law and regulation, and held in confidence or disclosed under restriction to prevent uncontrolled distribution. Examples include limited or restricted data, trade secrets, sensitive financial information, and computer software; and may appear in cost and pricing data or involve classified information.

(iv) “System” means the system that is the subject of this contract.

(v) “System Life” means all phases of the system's development, production, or support.

(vi) “Systems Engineering” means preparing specifications, identifying and resolving interface problems, developing test requirements, evaluating test data, and supervising design.

(vii) “Technical Direction” means developing work statements, determining parameters, directing other contractors' operations, or resolving technical controversies.

(2) Restrictions: The contractor shall perform systems engineering and/or technical direction, but will not have overall contractual responsibility for the system's development, integration, assembly and checkout, or production. The parties recognize that the contractor shall occupy a highly

influential and responsible position in determining the system's basic concepts and supervising their execution by other contractors. The contractor's judgment and recommendations must be objective, impartial, and independent. To avoid the prospect of the contractor's judgment or recommendations being influenced by its own products or capabilities, it is agreed that the contractor is precluded for the life of the system from award of a DOC contract to supply the system or any of its major components, and from acting as a subcontractor or consultant to a DOC supplier for the system or any of its major components.

Alternate I (Date). As prescribed in CFR 1309.507-2(a)(2), either substitute paragraph (a)(2) of the basic clause with one or both of the following paragraphs, or use one or both in addition to the basic paragraph (a)(2).

(a)(2)(i) The contractor shall prepare and submit complete specifications for nondevelopmental items to be used in a competitive acquisition. The contractor shall not furnish these items to DOC, either as a prime contractor or subcontractor, for the duration of the initial production contract plus [*insert a specific period of time or an expiration date*].

(ii) The contractor shall either prepare or assist in preparing a work statement for use in competitively acquiring the [*identify the system or services*], or provide material leading directly, predictably, and without delay to such a work statement. The contractor may not supply [*identify the services, the system, or the major components of the system*] for a period [*state the duration of the constraint, however, the duration of the initial production contract shall be the minimum*], as either the prime or subcontractor unless it becomes the sole source, has participated in the design or development work, or more than one contractor has participated in preparing the work statement.

Alternate II (Date). As prescribed in 48 CFR 1309.507-2(a)(3), either substitute paragraph (a) (2) of the basic clause with the following paragraph, or add the following in addition to the basic restriction. Redesignate the paragraphs as needed if more than one restriction applies.

(a)(2) The contractor shall participate in the technical evaluation of other contractors' proposals or products. To ensure objectivity, the contractor is precluded from award of any supply or service contract or subcontract for the system or its major components. This restriction shall be effective for (*insert a definite period of time*).

Alternate III (Date). As prescribed in 48 CFR 1309.507-2(a)(4), add the following paragraph (b) to the basic clause:

(b) The contractor may gain access to proprietary information of other companies during contract performance. The contractor agrees to enter into company-to-company agreements to protect another company's information from unauthorized use or disclosure for as long as it is considered proprietary by the other company, and to refrain from using the information for any purpose other than that for which it was furnished. For information purposes, the contractor shall furnish copies of these agreements to the Contracting Officer. These agreements are not intended to protect information which is available to the Government or to the contractor from other sources and information furnished voluntarily without restriction.

Alternate IV (Date). As prescribed in 48 CFR 1309.507-2(a)(5), add the following paragraph (b) to the basic clause substantially as written. If Alternate III is also used, designate this paragraph (c).

(b) The contractor agrees to accept and to complete all issued task orders, and to not contract with Government prime contractors or first-tier subcontractors in such a way as to create an organizational conflict of interest.

Alternate V (Date). As prescribed in 48 CRF 1309.507-2(a)(6), add the following paragraph (b) to the basic clause. If more than one Alternate is used, redesignate this paragraph accordingly.

(b) The contractor agrees to accept and to complete issued delivery orders, provided that no new organizational conflicts of interest are created by the acceptance of such orders. The Contracting Officer shall identify any and all organizational conflicts of interest in each order. The contractor shall not contract with Government prime contractors or first-tier subcontractors in such a way as to create an organizational conflict of interest.

Alterative VI (Date). As prescribed in 48 CFR 1309.507-2(a)(7), add the following paragraph (b) to the basic clause. If either Alternate III or IV or both are used, redesignate this paragraph accordingly.

(b) The above restrictions shall be included in all subcontracts, teaming arrangements, and other agreements calling for performance of work which is subject to the organizational conflict of interest restrictions identified in this clause, unless excused in writing by the Contracting Officer.

(End of clause)

1352.209-72 Restrictions against disclosure.

As prescribed in 48 CFR 1309.507-2(b), insert the following clause:

Restrictions Against Disclosure (APR 2010)

(a) The contractor agrees, in the performance of this contract, to keep the information furnished by the Government or acquired/developed by the contractor in performance of the contract and designated by the Contracting Officer or Contracting Officer's 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 described 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 has occurred.

(b) The contractor agrees that it will not disclose any information described in subsection (a) to any person 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)

1352.209-73 Compliance with the laws.

As prescribed in 48 CFR 1309.507-2(c), insert the following clause:

Compliance With the Laws (APR 2010)

The contractor shall comply with all applicable laws, rules and regulations which deal with or relate

to performance in accord with the terms of the contract.

(End of clause)

1352.209-74 Organizational conflict of interest.

As prescribed in 48 CFR 1309.507-2(d), insert the following clause:

Organizational Conflict of Interest (APR 2010)

(a) *Purpose.* The purpose of this clause is to ensure that the contractor and its subcontractors:

(1) Are not biased because of their financial, contractual, organizational, or other interests which relate to the work under this contract, and

(2) Do not obtain any unfair competitive advantage over other parties by virtue of their performance of this contract.

(b) *Scope.* The restrictions described herein shall apply to performance or participation by the contractor, its parents, affiliates, divisions and subsidiaries, and successors in interest (hereinafter collectively referred to as “contractor”) in the activities covered by this clause as a prime contractor, subcontractor, co-sponsor, joint venturer, consultant, or in any similar capacity. For the purpose of this clause, affiliation occurs when a business concern is controlled by or has the power to control another or when a third party has the power to control both.

(c) *Warrant and Disclosure.* The warrant and disclosure requirements of this paragraph apply with full force to both the contractor and all subcontractors. 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, and that the contractor has disclosed all relevant information regarding any actual or potential conflict. The contractor agrees it shall make an immediate and full disclosure, in writing, to the Contracting Officer of any potential or actual organizational conflict of interest or the existence of any facts that may cause a reasonably prudent person to question the contractor's impartiality because of the appearance or existence of bias or an unfair competitive advantage. Such disclosure shall include a description of the actions the contractor has taken or proposes to take in order to avoid, neutralize, or mitigate any resulting conflict of interest.

(d) *Remedies.* The Contracting Officer may terminate this contract for convenience, in whole or in part, if the Contracting Officer deems such termination necessary to avoid, neutralize or mitigate an actual or apparent organizational conflict of interest. If the contractor fails to disclose facts pertaining to the existence of a potential or actual organizational conflict of interest or misrepresents relevant information to the Contracting Officer, the Government may terminate the contract for default, suspend or debar the contractor from Government contracting, or pursue such other remedies as may be permitted by law or this contract.

(e) *Subcontracts.* The contractor shall include a clause substantially similar to this clause, including paragraphs (f) and (g), in any subcontract or consultant agreement at any tier expected to exceed the simplified acquisition threshold. The terms “contract,” “contractor,” and “Contracting Officer” shall be appropriately modified to preserve the Government's rights.

(f) *Prime Contractor Responsibilities.* The contractor shall obtain from its subcontractors or

consultants the disclosure required in FAR 9.507-1, and shall determine in writing whether the interests disclosed present an actual, or significant potential for, an organizational conflict of interest. The contractor shall identify and avoid, neutralize, or mitigate any subcontractor organizational conflict prior to award of the contract to the satisfaction of the Contracting Officer. If the subcontractor's organizational conflict cannot be avoided, neutralized, or mitigated, the contractor must obtain the written approval of the Contracting Officer prior to entering into the subcontract. If the contractor becomes aware of a subcontractor's potential or actual organizational conflict of interest after contract award, the contractor agrees that the Contractor may be required to eliminate the subcontractor from its team, at the contractor's own risk.

(g) *Waiver.* The parties recognize that this clause has potential effects which will survive the performance of this contract and that it is impossible to foresee each circumstance to which it might be applied in the future. Accordingly, the contractor may at any time seek a waiver from the Head of the Contracting Activity by submitting such waiver request to the Contracting Officer, including a full written description of the requested waiver and the reasons in support thereof.

(End of clause)

1352.209-75 Title 13 and non-disclosure requirements.

As prescribed in 48 CFR 1309.507-2(e), insert the following clause:

Title 13 and Non-Disclosure Requirements (APR 2010)

The Census Bureau's data are protected by Title 13 of the United States Code. The contractor may not use Title 13 data for any purpose other than the intended purpose for which it is supplied or obtained. All contractor personnel who will have access to Title 13 data must take an oath and complete the Census Bureau Form BC-1759 (Special Sworn Status) that requires nondisclosure of Title 13 data. An authorized Census employee or a Notary Public must administer the oath of nondisclosure.

(End of clause)

1352.213-70 Evaluation utilizing simplified acquisition procedures.

As prescribed in 48 CFR 1313.106-2-70, insert the following provision:

Evaluation Utilizing Simplified Acquisition Procedures (Date)

The Government will issue an order resulting from this request for quotation to the responsible offeror whose quotation results in the best value to the Government, considering both price and non-price factors. The following factors will be used to evaluate quotations:

[This section is to be tailored to conform to individual procurements. Text is provided as an example only. Stating relative importance of the evaluation factors is not required.]

(1) Personnel Qualifications. The experience, education, and qualifications of personnel proposed to work on the contract will be evaluated to determine their ability to perform their proposed duties.

(2) Technical Approach and Capability. The offeror's approach to performing contract requirements and its capability to successfully perform the contract will be evaluated.

(3) Past Performance. The offeror's past performance on related contracts will be evaluated to determine, as appropriate, successful performance of contract requirements, quality and timeliness of delivery of goods and services, cost management, communications between contracting parties, proactive management and customer satisfaction.

(4) Price.

(End of clause)

1352.213-71 Instructions for submitting quotations under the simplified acquisition threshold - non-commercial.

As prescribed in 48 CFR 1313.302-1-70, insert the following provision:

Instructions for Submitting Quotations Under the Simplified Acquisition Threshold - Non-Commercial (Date)

(a) *North American Industry Classification System (NAICS) code and small business size standard.* The NAICS code and small business size standard for this acquisition is _____.

(b) *Submission of quotations.* Submit quotations to the office specified in this solicitation at or before the exact time specified in this solicitation. At a minimum, quotations must show -

(1) The solicitation number;

(2) The name, address, and telephone number of the offeror;

(3) Acknowledgment of solicitation amendments;

(4) A technical description showing that the offeror can supply the requirements in the specifications or statement of work in sufficient detail to allow the Government to evaluate the quotation in accordance with the evaluation factors stated in the solicitation.

(5) Past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items and reference information (including contract numbers, points of contact with telephone numbers and other relevant information).

(6) Price and any supporting details for the price, as requested in the solicitation.

(c) Offerors are responsible for submitting quotations, and any modifications thereto, so as to reach the Government office designated in the solicitation by the time specified. The offeror's initial quotation should contain the offeror's best terms from a price and technical standpoint. The Government may reject any or all quotations if such action is in the public interest; accept other than the lowest quotation; and waive informalities and minor irregularities in quotations received.

(End of clause)

1352.215-70 Proposal preparation.

As prescribed in 48 CFR 1315.204-570(a)(1), insert the following provision, tailored as applicable:

Proposal Preparation (Date)

(a) General Instructions. Proposals are expected to conform to solicitation provisions and be prepared in accordance with this section. To aid in evaluation, the proposal shall be clearly and concisely written, neatly presented, indexed (cross-indexed as appropriate), and logically assembled. All pages of each part shall be appropriately numbered and identified with the name of the offeror, the date of the offer, and the solicitation number. Each volume shall be clearly marked by volume number and title.

(b) *Overall Arrangement of Proposal.*

(1) VOLUME I - BUSINESS PROPOSAL

(i) Volume I, Business Proposal, consists of the actual offer to enter into a contract to perform the desired work. It also includes required representations, certifications, and acknowledgments, if applicable; justifications for noncompetitive proposed subcontracts; identification of technical data to be withheld; and any other required administrative information.

(ii) Format and Content. Volume I, Business Proposal, shall include the following documents (in the order listed):

(A) Proposal Form:

(1) Use of the Form - The Proposal Form (Standard Form 33 or 1449), is to be executed fully and used as the cover sheet (or first page) of Volume I. Include three (3) original signed copies of the form in the original Volume I.

(2) Acceptance Period - The acceptance period entered on the Proposal Form by the offeror shall not be less than that prescribed in the solicitation, which shall apply if no other period is offered.

(3) Signature Authority - The person signing the Proposal Form must have the authority to commit the offeror to all of the provisions of the proposal, fully recognizing that the Government has the right, by terms of the Solicitation, to make an award without discussion if it so elects.

(B) Other documentation identified in Section (A) above. The offeror shall submit one original of Volume I, marked as such.

(2) VOLUME II - TECHNICAL PROPOSAL

(i) *General.*

(A) Volume II, technical proposal, consists of the offeror's proposal delineating its capabilities and how it intends to perform contract requirements. The Technical proposal will be evaluated in accord with the criteria contained in Section M.

(B) In order that the technical proposal may be evaluated strictly on the merit of the material submitted, no contractual price information is to be included in Volume II. However, the type and quantity of labor and materials is to be included in the Technical Proposal, without any associated cost information.

(C) The technical proposal must be typed, double-spaced, with one inch margins, using elite font, 12 pitch type (or equivalent) and printed, unreduced in size, on 8 1/2″ by 11″ paper, not exceeding ____ pages, single-sided, exclusive of resumes and related corporate experience documentation. Any pages in excess of ____ will be disregarded, and will not be included in the proposal evaluation. Failure of the offeror to comply with the page limitations, resulting in the excess pages not being evaluated, shall not constitute grounds for a protest.

(ii) Format and Content. Volume II, Technical Proposal, shall include the following contents:

(A) Table of Contents

(B) List of Tables and Figures

(C) Summary of Technical Proposal

(D) Technical Proposal

(E) Exceptions and Deviations. These major headings may be subdivided or supplemented by the offeror as appropriate.

(1) Summary. This section shall provide a summary that addresses each of the technical evaluation factors set out in Section M.

(2) Technical Proposal. The offeror shall clearly address each of the technical evaluation criteria in Section M, and, at a minimum, cover each subfactor.

(3) Exceptions and Deviations. This section shall identify and explain any exceptions or deviations taken to any part of the solicitation or conditional assumptions made with respect to the technical requirements of the solicitation. Offerors should note that taking exceptions to the Government's requirements may indicate an unwillingness or inability to perform the contract, and the proposal may be evaluated as such.

(iii) Specific areas to be addressed:

[This section is to be tailored to conform to the technical evaluation factors. Text is provided as an example. Provide instructions concerning what information is required in order to evaluate proposals in accord with the evaluation factors. Do not request information that is not covered in an evaluation factor.]

Evaluation Factor 1 - Technical Approach. Provide information on how the project is to be organized, staffed, and managed that demonstrates the offeror's understanding and effective management of important events or tasks. If applicable, the offeror shall (i) describe the facilities and equipment which will be used in the performance of the contract, and (ii) how the management and coordination of consultant and subcontractor efforts will be accomplished. Fully discuss how the contract requirements will be met and the means used to accomplish them. Merely repeating the contract requirements and stating that they will be accomplished, without discussing how the offeror will accomplish them, is not acceptable.

Evaluation Factor 2 - Experience. In a general fashion, describe the offeror's experience and qualifications to perform the contract requirements. Explain how the experience provides confidence that the offeror can perform all contract requirements.

Evaluation Factor 3 - Key Personnel. Provide the names, titles, and a description of the duties of those individuals proposed as key personnel to be assigned to the contract. For each key person, submit a resume that provides information concerning their education, background, recent work experience, and accomplishments. Specify the approximate percentage of time each individual will be available for this project, and, if necessary, explain why the key person possesses the qualifications to perform the proposed position.

Evaluation Factor 4 - Past Performance. Complete the Past Performance Questionnaire (Attachment X) for all contracts containing requirements similar in scope those in the Statement of Work performed in whole or part over the last ____ years. References can include both Government and commercial contracts and subcontracts.

The offeror shall submit one original of Volume II, marked as such, and _____ copies.

(3) Volume III - Price/cost proposal

(i) Price/Cost proposals must generally adhere to the pricing structure established in Section B, Schedule of Prices. The offeror shall submit one original of Volume III, marked as such, and _____ copies.

[INSERT FOR COST TYPE CONTRACTS:]

(ii) The offeror must also submit the following detailed information to support its proposed costs, as applicable:

(A) Direct Labor: Breakdown of direct labor cost by named person or labor category including number of labor-hours and current actual average hourly rates based on a work year of 2,080 hours. Indicate whether current rates or escalated rates are used. If escalation is included, state the degree (percent) and methodology. Direct labor or levels of effort are to be identified as labor-hours and not as a percentage of an individual's time. Indicate fringe benefit rate, if separate from indirect cost rate.

(B) Other Direct Costs: Specify the amount proposed for duplication/reproduction, meetings and conferences, postage, communication and any other applicable items. Travel, subsistence and local transportation shall be supported with a breakdown, which shall include: number of trips anticipated, number of person days, cost-per-trip-per person, destination(s) proposed, number of person(s) scheduled for travel, mode of transportation, and mileage allowances, if privately-owned vehicles will be used.

(C) Materials: Cost breakdown of materials or equipment must be supported with the methodology used and vendor quotations supplied as applicable.

(D) Consultants: If consultants are proposed, state the total estimated price of the services to be required and the consultant's quoted daily or hourly rate. Include Consulting Agreements entered into between consultant(s) and the offeror, or invoices submitted by consultant(s) for similar services previously provided to the offeror.

(E) Subcontracts: If proposed, cost information for each subcontractor shall be furnished in the same format and level of detail as prescribed for the prime offeror. Additionally, in relation to such

subcontracts, the offeror shall submit the following information:

(*1*) A description of the items to be furnished by the subcontractor;

(*2*) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the extent of competition;

(*3*) The proposed subcontract price and cost detail and performance/delivery schedule; and

(*4*) Identification of the type of subcontract to be used.

(F) Indirect Rates: Offerors lacking Government-approved indirect cost rates must provide detailed background data indicating the cost elements included in the applicable pool and a statement that such treatment is in accordance with the company's established accounting practice. Offerors with established rate agreements with cognizant Federal agencies shall submit one copy of such agreements.

(G) Profit: Specify the profit proposed and the rationale justifying the amount of profit.

[INSERT FOR FIXED-PRICE TYPE CONTRACTS:]

(iii) Each offeror's price proposal must be based on the offeror's own technical proposal, the Government's specifications, and other contractual requirements. If the prices to be used are based on a published price list or catalog, the offeror shall so state, and provide a copy of the document with its price proposal. If the prices are to be based on established market prices, not otherwise published, or are prices applicable only to the proposed contract, the offeror shall so state.

(iv) The Government expects that this contract will be awarded based upon adequate price competition. However, in order to determine that offered prices are fair and reasonable, the Government reserves the right to request that the offeror to provide cost breakdowns to support proposed prices. Information to support unit prices should include, but not be limited to, the following:

(A) Salary/wage information with associated payroll expenses, for personnel to be used in performance of the contract;

(B) Cost for equipment, supplies, and consumable materials;

(C) A breakout of related support costs, such as equipment maintenance, rental, transportation, *etc.*;

(D) Overhead costs;

(E) General Administrative expenses; and

(F) Profit

(End of clause)

1352.215-71 Instructions for oral presentations.

As prescribed in 48 CFR 1315.204-570(a)(2), insert the following provision:

Instructions for Oral Presentations (Date)

The Government intends to conduct oral presentations with the offerors in the competitive range as part of the evaluation process.

Oral presentations will be conducted at the following location:

[INSERT LOCATION]

The Contracting Officer will determine the order of oral presentations and the schedule. The Contracting Officer will contact each offeror to schedule the date and time for oral presentations and provide detailed instructions. Once a presentation date and time are confirmed, rescheduling is at the discretion of the Contracting Officer.

(End of clause)

1352.215-72 Inquiries.

As prescribed in 48 CFR 1315.204-570(a)(3), insert the following provision:

Inquiries (Date)

Offerors must submit all questions concerning this solicitation in writing to ____. Questions should be received no later than ____ calendar days after the issuance date of this solicitation. Any responses to questions will be made in writing, without identification of the questioner, and will be included in an amendment to the solicitation. Even if provided in other form, only the question responses included in the amendment to the solicitation will govern performance of the contract.

(End of clause)

1352.215-73 Evaluation quantities - indefinite quantity contract.

As prescribed in 48 CFR 1315.204-570(b)(1), insert the following provision:

Evaluation Quantities - Indefinite Quantity Contract (Date)

To evaluate offers for award purposes, the Government will apply the offeror's proposed fixed-prices/rates to the estimated quantities included in the solicitation (and add to this amount other direct costs, if applicable).

(End of clause)

1352.215-74 Best value evaluation.

As prescribed in 48 CFR 1315.204-570(b)(2), insert the following provision:

Best Value Evaluation (Date)

(a) Award will be made to the offeror: whose offer conforms to the solicitation requirements; who is determined responsible in accordance with FAR Subpart 9.1 by possessing the financial and other capabilities to fulfill the requirements of the contract; and whose proposal is judged, by an integrated assessment of price/cost and non-price evaluation factors, to provide the best value to the Government in accordance with CAR 1352.215-75, *Evaluation Criteria*.

(b) The Government intends to award [specify "a single contract" or "multiple contracts"] in response to the solicitation. The Government reserves the right not to award a contract depending on the quality of the proposals submitted and the availability of funds.

(c) Evaluation of Proposals.

(1) Initial Evaluation of Proposals. All offers received will be evaluated in accordance with the stated evaluation factors. The Government reserves the right to make an award without discussions based solely upon initial proposals. Therefore, offerors should ensure that their initial proposal constitutes their best offer in terms of both price and the technical solution being proposed.

If award is not made upon initial proposals, then the Contracting Officer will establish a competitive range comprised of the most highly rated proposals. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly-rated proposals. Only those offerors in the competitive range will be offered an opportunity to participate further in the procurement.

(2) Discussions/Final Proposal Revisions. The Contracting Officer will engage in discussions with all offerors in the competitive range in accordance with FAR 15.306. At the conclusion of discussions, a final common cut-off date for submission of final proposal revisions will be established. Those offerors remaining in the competitive range will be notified to submit Final Proposal Revisions.

(3) Final Evaluation of Offers. A final proposal evaluation will be performed after receipt of Final Proposal Revisions.

(End of clause)

1352.215-75 Evaluation criteria.

As prescribed in 48 CFR 1315.204-570(b)(2) and (3), insert the following provision:

Evaluation Criteria (Date)

[This section is to be tailored to conform to individual procurements. Text is provided as an example only.]

In determining which proposal provides the best value to the Government, non-price (technical) evaluation factors are [significantly more important/somewhat more important/approximately equal in importance/somewhat less important/significantly less important] than evaluated price.

[Insert relative importance among the technical evaluation factors.]

Based upon the results of the integrated assessment of the technical and cost/price proposals, the Government may make an award to other than the lowest-priced offeror or the offeror with the highest technical score if the source selection official determines that to do so would result in the best value to the Government.

(a) Technical Evaluation Factors.

Factor 1 - TECHNICAL APPROACH. The proposal will be evaluated on how the offeror intends to organize, staff and manage the contract and the means that will be used to accomplish the contract requirements. The degree to which the proposal demonstrates an understanding of the requirements will be evaluated, as well as the offeror's planned management of consultants and subcontractors, if applicable.

Factor 2 - EXPERIENCE. The offeror's background, experience, and qualifications will be assessed to determine the likelihood that that offeror can successfully perform the contract requirements and the degree of the risk of non-performance.

Factor 3 - KEY PERSONNEL. The education, experience, and accomplishments of key personnel will be evaluated to determine the degree to which they possess the qualifications to perform their proposed duties under the contract.

Factor 4 - PAST PERFORMANCE. The offeror's past performance on related contracts will be evaluated to determine, as appropriate, successful performance of contract requirements, quality and timeliness of delivery of goods and services, effective management of subcontractors, cost management, level of communication between the contracting parties, proactive management and customer satisfaction.

The Government reserves the right to assess the past performance of proposed subcontractors.

The Government will use its discretion to determine the sources of past performance information used in the evaluation, and the information may be obtained from references provided by the offeror, the agency's knowledge of contractor performance, other government agencies or commercial entities, or past performance databases.

If an offeror does not have a history of relevant contract experience, or if past performance information is not available, the offeror will receive a neutral past performance rating; however, an offeror without a history of relevant experience may receive a lowered rating for the experience evaluation factor.

(b) Cost/Price Evaluation.

(1) The proposed prices/costs will be evaluated but not scored. The cost evaluation will determine whether the proposed costs are realistic, complete, and reasonable in relation to the solicitation requirements. Proposed costs must be entirely compatible with the technical proposal.

(2) The Government may use the results of cost/price realism analysis to adjust the offeror's proposal to a most probable cost to the Government. The analysis may include information from a government auditing agency, Government technical personnel, and other sources.

(End of clause)

1352.215-76 Cost or pricing data.

As prescribed in 48 CFR 1315.204-570(b)(4), insert the following provision:

Cost or Pricing Data

Additional Instructions for Preparation of Cost/Price Proposals

(a) *General.* In addition to the information required by CAR 1352.215-70, the cost/price proposal must contain an explanation of the offeror's and proposed subcontractors' fully burdened rates, including direct salary rates, overhead rates, and profit; and information regarding other direct costs.

(b) *Specific Requirements.*

(1) Direct Salary Rates: The offeror shall list the categories of professional or technical personnel required to perform the Statement of Work. A brief definition of the education and experience requirements which qualify an employee for inclusion in a listed category should be provided. Further, if some proposed labor categories are classified by multiple grades within a given discipline (*e.g.,* Architect I and II, or Senior and Junior Engineer), a brief explanation as to how they are differentiated shall be provided.

(2) The offeror, and major subcontractors, should provide individual rates for key personnel. Designation of an individual as a key person is subject to agreement of the parties. Where no key personnel are listed, category average rates are appropriate. Rates should be provided by year for the life of the contract. If rates are escalated, the degree (percent) and methodology must be shown. Escalation increases should reflect recent experience or established personnel policy. Types of salary increases given - merit, cost of living, *etc.* - should be discussed.

(3) Overhead Costs. Generally, the offeror's accounting system and estimating practices will determine the method used to allocate overhead costs. The offeror's established practices, if in accordance with generally accepted accounting principles, will be accepted. Proposed overhead rates should represent the offeror's best estimate of the rates to be experienced during the contract period as projected by company budgets or by recent experience adjusted for factors which will influence trends. A narrative statement outlining the offeror's policies and practices for accumulating overhead costs and the method used to compute the proposed rate or rates is required. In the case of multi-branch firms, joint ventures or affiliates, it is expected that overhead costs applicable to the specific location(s) where work is to be performed will be proposed. Company-wide, joint venture, or affiliate rate averages may not be appropriate. The rates should be tailored to the work location(s).

(4) Profit.

(i) A fair and reasonable provision for profit cannot be made by simply applying a certain predetermined percentage to the total estimated cost. Rather, profit should be established as a percentage/dollar amount after considering such factors as:

(A) Degree of risk;

(B) Nature of the work to be performed;

(C) Joint venture responsibilities;

(D) Extent of offeror's investment;

(E) Subcontracting of work; and

(F) Other criteria discussed in FAR 15.404-4.

(ii) Separate percentage rates for profit are also required for major subcontractors.

(5) Markup. The offeror may request a markup on subcontract labor. If it does so, it should state the percentage and provide a justification for that figure.

(6) Other Direct Costs. The offeror shall briefly describe the following:

(i) Travel/Subsistence costs;

(ii) Subcontractor costs; and

(iii) How subcontracting costs were analyzed.

(c) Audit Reports. If the offeror or any subcontractor has been audited by a Government agency within the last two years, or has approved indirect cost rates, provide a copy of the audit report, or, if not available, the name, address, and telephone number of the audit office. Similarly, information on any Government-approved indirect cost rates should be provided.

(End of clause)

1352.216-70 Estimated and allowable costs.

As prescribed in 48 CFR 1316.307(a), insert the following clause:

Estimated and Allowable Costs (Date)

(a) Estimated Costs. The estimated cost of this contract is $_____ [insert total cost of contract], which consists of $_____ [insert amount of cost that is reimbursable] for reimbursable costs and $_____ [insert amount of fixed fee] for fixed/incentive fee. These costs shall be subject to the provisions of FAR clause 52.232-20, “Limitation of Cost,” FAR clause 52.216-7, “Allowable Cost and Payments,” and FAR clause 52.216-8, “Fixed Fee.”

(b) Subject to Availability of Funds [Insert paragraph (b) when the contract is issued subject to the availability of funds].

“The amount of funding for this contract is $_____ [insert amount being funded], which consists of $_____ [insert amount of reimbursable costs funded] for reimbursable costs and $ _____ [insert amount of fixed fee funded] for Fixed/Incentive Fee. These costs shall be subject to the provisions of FAR 52.232-22, “Limitations of Funds.” ”

(c) Allowable Costs.

(1) Final annual indirect cost rate(s) and the appropriate base(s) shall be established in accordance

with FAR Subpart 42.7, in effect for the period covered by the indirect cost rate proposal.

(2) Until final annual indirect cost rates are established for any period, the Government shall reimburse the contractor at billing rates established by the Contracting Officer (or cognizant Federal agency official) or auditor in accordance with FAR 42.704, subject to adjustment when the final rates are established. The established billing rates are currently as follows:

_____ [Insert billing rate]

(End of clause)

1352.216-71 Level of effort (cost-plus-fixed-fee, term contract).

As prescribed in 48 CFR 1316.307(b), insert the following clause:

Level of Effort (Cost-Plus-Fixed-Fee, Term Contract) (Date)

(a) In performance of the effort directed in this contract, the contractor shall provide the total of Direct Productive Labor Hours (DPLH) as specified in Part I, Section B during the term specified in Section _____. DPLH is defined as actual work hours exclusive of vacation, holidays, sick leave, and other absences.

(b) Only the DPLH categories indicated below shall be charged directly to the contract. It is estimated that the DPLH will be expended approximately as follows:

Labor category	Base period	Option period I	Option period II	Option period III
xxxxxxxxxx	xxxx	xxxx	xxxx	xxxx
xxxxxxxxxx	xxxx	xxxx	xxxx	xxxx
Total Direct Labor	xxxx	xxxx	xxxx	xxxx

(c) The hours specified above are provided as estimates only. If the actual amount of hours incurred falls within 90% to 110% of this estimate, the fee shall not be adjusted.

(d) In the event that the contractor shall be required to provide less than 90% of the estimated DPLH, the fixed fee of the contract shall be equitably adjusted by unilateral modification to the contract. The fixed fee adjustment shall be based solely upon the difference between the DPLH actually provided and 90% of the estimated DPLH, calculated as follows:

Adjusted Fixed Fee = (Actual DPLH/(.9 × Estimated DPLH)) × Specified Fixed Fee

(e) In the event that the contractor shall be required to provide more than 110% of the estimated

DPLH, the fixed fee of the Contract shall be equitably adjusted by unilateral modification to the Contract. The fixed fee adjustment shall be based solely upon the difference between the DPLH actually provided and 110% of the estimated DPLH, calculated as follows:

Adjusted Fixed Fee = (Actual DPLH/(1.1 × Estimated DPLH)) × Specified Fixed Fee

(f) These terms and conditions do not supersede the requirements of either FAR clause 52.232-20 “Limitation of Cost” or FAR clause 52.232-22 “Limitation of Funds.”

(End of clause)

1352.216-72 Determination of award fee.

As prescribed in 48 CFR 1316.405-2, insert the following clause:

Determination of Award Fee (Date)

Based upon the quality of its performance and the results of the Government's performance evaluation, the contractor may earn an award fee.

(a) The total amount of award fee available under this contract is assigned according to the following:

[Insert appropriate information]

(b) A Performance Evaluation Plan shall be unilaterally established by the Government as part of the contract and used for the determination of award fees. This plan shall include the criteria that will be used to evaluate the contractor's performance and to determine the percentage of award fee (if any) available for each performance period.

(c) The criteria contained within the Performance Evaluation Plan may relate to:

(1) Quality of performance of the contract requirements;

(2) Effective management of the contract; and

(3) Cost controls.

(d) The Performance Evaluation Plan may be revised unilaterally by the Government at any time during the period of performance, however unless mutually-agreed to a revision shall not affect the current evaluation period. Notification of such changes shall be provided to the contractor [insert number] calendar days prior to the start of the evaluation period to which the change will apply.

(e) At the conclusion of each evaluation period, and in accordance with the performance evaluation plan, a determination of the amount of the award fee earned shall be made in writing to the contractor by the Government Fee Determination Official (FDO). The FDO's unilateral determination of the amount of award fee earned in any evaluation period or a determination that no fee was earned shall be conclusive.

(f) The contractor may submit a self-evaluation of its performance in an evaluation period. The FDO shall consider the self-evaluation, as the FDO deems appropriate.

(g) The contractor shall submit a voucher for payment of any earned award fee.

(End of clause)

1352.216-73 Distribution of award fee.

As prescribed in 48 CFR 1316.406, insert the following clause:

Distribution of Award Fee (APR 2010)

(a) The total amount of award fee available under this contract is assigned according to the following:

[Insert appropriate information]

(b) Payment of the base fee and award fee shall be made, provided that after payment of 85 percent of the base fee and potential award fee, the Government may withhold further payment of the base fee and award fee until a reserve is set aside in an amount that the Government considers necessary to protect its interest. This reserve shall not exceed 15 percent of the total base fee and potential award fee.

(c) In the event of contract termination for convenience, either in whole or in part, the amount of award fee available shall represent a prorated distribution associated with evaluation period activities or events as determined by the Government.

(d) The Government will promptly make payment of any award fee upon submission by the contractor to the Contracting Officer's authorized representative of a public voucher or invoice in the amount of the total fee earned for the period evaluated. Payment may be made without executing a contract modification.

(End of clause)

1352.216-74 Task orders.

As prescribed in 48 CFR 1316.501-2-70, insert the following clause:

Task Orders (APR 2010)

(a) In task order contracts, all work shall be initiated only by issuance of fully executed task orders issued by the Contracting Officer. The work to be performed under these orders must be within the scope of the contract. The Government is only liable for labor hours and costs expended under the terms and conditions of this contract to the extent that a fully executed task order has been issued and covers the required work and costs. Charges for any work not authorized shall be disallowed.

(b) For each task order under the contract, the Contracting Office shall send a request for proposal to the contractor(s). The request will contain a detailed description of the tasks to be achieved, a schedule for completion of the task order, and deliverables to be provided by the contractor.

(c) The contractor shall submit a proposal defining the technical approach to be taken to complete

the task order, work schedule and proposed cost/price.

(d) After any necessary negotiations, the contractor shall submit a final proposal.

(e) Task orders will be considered fully executed upon signature of the Contracting Officer. The contractor shall begin work on the task order in accordance with the effective date of the order.

(f) The contractor shall notify the Contracting Officer of any instructions or guidance given that may impact the cost, schedule or deliverables of the task order. A formal modification to the task order must be issued by the Contracting Officer before any changes can be made.

(g) Task orders may be placed during the period of performance of the contract. Labor rates applicable to hours expended in performance of an order will be the contract rates that are in effect at the time the task order is issued.

(h) If multiple awards are made by the Government, the CO shall provide each awardee a fair opportunity to be considered for each task order over the micro-purchase threshold unless one of the exceptions at FAR 16.505(b) applies.

(End of clause)

1352.216-75 Minimum and maximum contract amounts.

As prescribed in 48 CFR 1316.506(a), insert the following clause:

Minimum and Maximum Contract Amounts (APR 2010)

During the term of the contract, the Government shall place orders totaling a minimum of _____. The amount of all orders shall not exceed _____.

(End of clause)

1352.216-76 Placement of orders.

As prescribed in 48 CFR 1316.506(b), insert the following clause:

Placement of Orders (APR 2010)

(a) The contractor shall provide goods and/or services under this contract only as directed in orders issued by authorized individuals. In accordance with FAR 16.505, each order will include:

(1) Date of order;

(2) Contract number and order number;

(3) Item number and description, quantity, and unit price or estimated cost or fee;

(4) Delivery or performance date;

(5) Place of delivery or performance (including consignee);

(6) Packaging, packing, and shipping instructions, if any;

(7) Accounting and appropriation data;

(8) Method of payment and payment office, if not specified in the contract;

(9) Any other pertinent information.

(b) In accordance with FAR 52.216-18, *Ordering,* the following individuals (or activities) are authorized to place orders against this contract:

(c) If multiple awards have been made, the contact information for the DOC task and delivery order ombudsman is _____.

(End of clause)

1352.216-77 Ceiling price.

As prescribed in 48 CFR 1316.601-70 and 1316.602-70, insert the following clause:

Ceiling Price (APR 2010)

The ceiling price of this contract is $_____. The contractor shall not make expenditures nor incur obligations in the performance of this contract which exceed the ceiling price specified herein, except at the contractor's own risk.

(End of clause)

1352.219-70 Section 8(a) direct award (Deviation).

As prescribed in 48 CFR 1319.811-3(a), insert the following clause:

Section 8(A) Direct Award (Dl) (APR 2010)

(a) This contract is issued as a direct award between the contracting activity and the 8(a) contractor pursuant to a Partnership Agreement between the Small Business Administration (SBA) and the Department of Commerce (DOC). Accordingly, the SBA, even if not identified in Section A of this contract, is the prime contractor and retains responsibility for 8(a) certification, 8(a) eligibility determinations and related issues, and providing counseling and assistance to the 8(a) contractor under the 8(a) program. The cognizant SBA district office is:

[To be completed by the Contracting Officer at time of award]

(b) The contracting activity is responsible for administering the contract and taking any action on behalf of the Government under the terms and conditions of the contract. However, the contracting

activity shall give advance notice to the SBA before it issues a final notice terminating performance, either in whole or in part, under the contract. The contracting activity shall also coordinate with SBA prior to processing any novation agreement. The contracting activity may assign contract administration functions to a contract administration office.

(c) The 8(a) contractor agrees:

(1) To notify the Contracting Officer, simultaneously with its notification to SBA (as required by SBA's 8(a) regulations), when the owner or owners upon whom 8(a) eligibility is based plan to relinquish ownership or control of the concern. Consistent with 15 U.S.C. 637(a)(21), transfer of ownership or control shall result in termination of the contract for convenience, unless SBA waives the requirement prior to the actual relinquishing of ownership or control; and

(2) To adhere to the requirements of FAR 52.219-14, Limitations on Subcontracting.

(End of clause)

1352.219-71 Notification to delay performance (Deviation).

As prescribed in 48 CFR 1319.811-3(b), insert the following clause:

Notification To Delay Performance (Deviation) (APR 2010)

The contractor shall not begin performance under this purchase order until 2 working days have passed from the date of its receipt. Unless the contractor receives notification from the Small Business Administration that it is ineligible for this 8(a) award, or otherwise receives instructions from the Contracting Officer, performance under this purchase order may begin on the third working day following receipt of the purchase order. If a determination of ineligibility is issued within the 2-day period, the purchase order shall be considered cancelled.

(End of clause)

1352.219-72 Notification of competition limited to eligible 8(a) concerns, Alternate III (Deviation).

As prescribed in 48 CFR 1319.811-3 (c), insert the following clause:

Notification of Competition Limited to Eligible 8(a) Concerns, Alternate III (Deviation) (APR 2010)

(a) Offers are solicited only from small business concerns expressly certified by the Small Business Administration (SBA) for participation in the SBA's 8(a) Program and which meet the following criteria at the time of submission of offers -

(1) The Offeror is in conformance with the 8(a) support limitation set forth in its approved business plan; and

(2) The Offeror is in conformance with the Business Activity Targets set forth in its approved business plan or any remedial action directed by the SBA.

(b) By submission of its offer, the Offeror represents that it meets all of the criteria set forth in paragraph (a) of this clause.

(c) Any award resulting from this solicitation shall be made directly by the Contracting Officer to the successful 8(a) offeror selected through the evaluation criteria set forth in this solicitation.

(d)

(1) *Agreement.* A small business concern submitting an offer in its own name shall furnish, in performing the contract, only end items manufactured or produced by small business concerns in the United States or its outlying areas. If this procurement is processed under simplified acquisition procedures and the total amount of this contract does not exceed $25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply to construction or service contracts.

(2) _____ [*insert name of contractor*] will notify the _____ [*insert name of contracting agency*] Contracting Officer in writing immediately upon entering an agreement (either oral or written) to transfer all or part of its stock or other ownership interest to any other party.

(End of clause)

1352.227-70 Rights in data, assignment of copyright.

As prescribed in 48 CFR 1327.404-4(a), insert the following clause:

Rights in Data, Assignment of Copyright (APR 2010)

In accordance with 48 CFR 52.227-17, Rights in Data - Special Works, the contractor agrees to assign copyright to data, including reports and other copyrightable materials, first produced in performance of this contract to the United States Government, as represented by the Secretary of Commerce.

(End of clause)

1352.228-70 Insurance coverage.

As prescribed in 48 CFR 1328.310-70(a), insert the following clause:

Insurance Coverage (APR 2010)

(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 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) When special circumstances apply in accordance with FAR 28.307-2(b), Property Damage Liability Insurance shall be required in the amount of $_____ [insert zero unless special circumstances apply, if applicable, insert dollar amount.].

(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 Contractor shall provide, vessel collision liability and protection and indemnity liability insurance as determined by the Government.

(End of clause)

1352.228-71 Deductibles under required insurance coverage - cost reimbursement.

As prescribed in 48 CFR 1328.310-70(c), insert the following clause:

Deductibles Under Required Insurance Coverage - Cost Reimbursement (APR 2010)

(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 paragraphs (a) through (d) of clause 1352.228-70. 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)

1352.228-72 Deductibles under required insurance coverage - fixed price.

As prescribed in 48 CFR 1328.310-70(d), insert the following clause:

Deductibles Under Required Insurance Coverage - Fixed Price (APR 2010)

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 a deductible. The Contracting Officer may offset the amount of recovery against any payment due to the contractor.

(End of clause)

1352.228-73 Loss of or damage to leased aircraft

As prescribed in 48 CFR 1328.310-70(e) and 1328.310-70(f), insert the following clause:

Loss of or Damage to Leased Aircraft (APR 2010)

(a) The Government assumes all risk of loss of, or damage (except normal wear and tear) to, the leased aircraft during the term of this lease while the aircraft is in the possession of the Government.

(b) In the event of damage to the aircraft, the Government, at its option, shall make the necessary repairs with its own facilities or by contract, or pay the contractor the reasonable cost of repair of the aircraft.

(c) In the event the aircraft is lost or damaged beyond repair, the Government shall pay the contractor a sum equal to the fair market value of the aircraft at the time of such loss or damage, which value may be specifically agreed to in clause 1252.228-74, *Fair Market Value of Aircraft,* less the salvage value of the aircraft. However, the Government may retain the damaged aircraft or dispose of it as it wishes. In that event, the contractor will be paid the fair market value of the aircraft as stated in the clause.

(d) The contractor agrees that the contract price does not include any cost attributable to hull insurance or to any reserve fund it has established to protect its interest in the aircraft. If, in the event of loss or damage to the leased aircraft, the contractor receives compensation for such loss or damage in any form from any source, the amount of such compensation shall be:

(1) Credited to the Government in determining the amount of the Government's liability; or

(2) For an increment of value of the aircraft beyond the value for which the Government is responsible.

(e) In the event of loss of or damage to the aircraft, the Government shall be subrogated to all rights of recovery by the contractor against third parties for such loss or damage and the contractor shall promptly assign such rights in writing to the Government.

(End of clause)

1352.228-74 Fair market value of aircraft.

As prescribed in 48 CFR 1328.310-70(e) and 48 CFR 1328.310-70(g) insert the following in all applicable contracts for leased aircraft:

Fair Market Value of Aircraft (APR 2010)

For purposes of the clause entitled “Loss of or Damage to Leased Aircraft,” it is agreed that the fair market value of the aircraft to be used in the performance of this contract shall be the lesser of the two values set out in paragraphs (a) and (b) of this clause:

(a) $_____; or

(b) If the contractor has insured the same aircraft against loss or destruction in connection with other operations, the amount of such insurance coverage on the date of the loss or damage is the maximum amount for which the Government may be responsible under this contract.

(End of clause)

1352.228-75 Risk and indemnities.

As prescribed in 48 CFR 1328.310-70(e) and 48 CFR 1328.310-70(h), insert the following in all applicable contracts for leased aircraft:

Risk and Indemnities (APR 2010)

The contractor hereby agrees to indemnify and hold harmless the Government, its officers and employees from and against all claims, demands, damages, liabilities, losses, suits and judgments (including all costs and expenses incident thereto) which may be suffered by, accrue against, be charged to or recoverable from the Government, its officers and employees by reason of injury to or death of any person other than officers, agents, or employees of the Government or by reason of damage to property of others of whatsoever kind (other than the property of the Government, its officers, agents or employees) arising out of the operation of the aircraft. In the event the contractor holds or obtains insurance in support of this covenant, evidence of insurance shall be delivered to the Contracting Officer.

1352.228-76 Approval of group insurance plans.

As prescribed in 48 CFR 1328.310-70(i), insert the following clause:

Approval of Group Insurance Plans (APR 2010)

Under cost-reimbursement contracts, before buying insurance under a group insurance plan, the contractor shall submit the plan for approval to the Contracting Officer. Any change in benefits provided under an approved plan that can reasonably be expected to increase significantly the cost to the Government shall require similar approval.

(End of clause)

1352.228-77 Contractor assurance of subcontractor payments.

As prescribed in 48 CFR 1328.102-3, insert the following clause:

Contractor Assurance of Subcontractor Payments May 2015

(a) To protect the interests of subcontractors participating in the performance of this contract, the Government requires the assurance that all monies due to subcontractors is timely and properly made prior to the submission of the contractor's final invoice.

(b) By accepting this award, in writing or by performance, the offeror/contractor represents that - it will provide full payment to all subcontractors utilized in the performance of the resultant contract prior to the submission of its final invoice.

(c) No later than five (5) days after contract award the contractor shall provide the Contracting Officer with a list of all subcontractors to be utilized in the performance of this contract. The contractor must provide updates to the Contracting Officer throughout the contract, should changes be made.

(d) The following shall be completed and provided accordingly:

Subcontractor List - Contract No._____

Name of subcontractor business	Subcontractor point of contact with contact information (number/e-mail)	Contract line item(s) to which subcontract work is tied	Applicable trade (electrical, mechanical, etc.)

(e) Reports by subcontractors of delayed or non-payment during the performance of the contract may impact the Government's continued payment of contractor invoices on a percentage of completion basis. (CAR clause, 1352.271-71, *Method of Payment and Invoicing Instructions for Ship Repair*).

(f) The contractor shall include the following statement on its final invoice - “By submission of this invoice, assurance is herein provided that all monies due to any and all subcontractors used in the performance of this contract have been paid in full prior to the submission of this final invoice.”

(g) Failure to pay subcontractors could adversely affect the contractor's past performance evaluation for this contract and have a negative impact on its eligibility for future contract awards.

(h) The Government may seek any available remedies in the event the contractor fails to comply with the provisions of this clause.

1352.231-70 Precontract costs.

As prescribed in 48 CFR 1331.205-32, insert the following clause:

Precontract Costs (APR 2010)

The contractor is entitled to reimbursement for allowable, allocable, and reasonable costs incurred during the period of _____ to the award date of this contract in an amount not to exceed $_____.

(End of clause)

1352.231-71 Duplication of effort.

As prescribed in 48 CFR 1331.205-70, insert the following clause:

Duplication of Effort (APR 2010)

The contractor hereby certifies that costs for work to be performed under this contract and any subcontract hereunder are not duplicative of any costs charged against any other Government contract, subcontract, or other Government source. The contractor agrees to advise the Contracting Officer, in writing, of any other Government contract or subcontract it has performed or is performing which involves work directly related to the purpose of this contract. The contractor also certifies and agrees that any and all work performed under this contract shall be directly and exclusively for the use and benefit of the Government, and not incidental to any other work, pursuit, research, or purpose of the contractor, whose responsibility it will be to account for it accordingly.

(End of clause)

1352.233-70 Agency protests.

As prescribed in 48 CFR 1333.103(a), insert the following provision:

Agency Protests (APR 2010)

(a) An agency protest may be filed with either:

(1) The contracting officer, or (2) at a level above the contracting officer, with the appropriate agency Protest Decision Authority. *See* 64 FR 16,651 (April 6, 1999).

(b) Agency protests filed with the Contracting Officer shall be sent to the following address: [Insert Contracting Officer name and Address]

(c) Agency protests filed with the agency Protest Decision Authority shall be sent to the following address: [Insert appropriate Protest Decision Authority name and Address]

(d) A complete copy of all agency protests, including all attachments, shall be served upon the Contract Law Division of the Office of the General Counsel within one day of filing a protest with either the Contracting Officer or the Protest Decision Authority.

(e) Service upon the Contract Law Division shall be made as follows: U.S. Department of Commerce, Office of the General Counsel, Chief, Contract Law Division, Room 5893, Herbert C. Hoover Building, 14th Street and Constitution Avenue, NW., Washington, DC 20230. FAX: (202) 482-5858.

(End of clause)

1352.233-71 GAO and Court of Federal Claims protests.

As prescribed in 48 CFR 1333.104-70(a), insert the following provision:

GAO and Court of Federal Claims Protests (APR 2010)

(a) A protest may be filed with either the Government Accountability Office (GAO) or the Court of Federal Claims unless an agency protest has been filed.

(b) A complete copy of all GAO or Court of Federal Claims protests, including all attachments, shall be served upon (i) the Contracting Officer, and (ii) the Contract Law Division of the Office of the General Counsel, within one day of filing a protest with either GAO or the Court of Federal Claims.

(c) Service upon the Contract Law Division shall be made as follows: U.S. Department of Commerce, Office of the General Counsel, Chief, Contract Law Division, Room 5893, Herbert C. Hoover Building, 14th Street and Constitution Avenue, NW., Washington, DC 20230. FAX: (202) 482-5858.

(End of clause)

1352.235-70 Protection of human subjects.

As prescribed in 48 CFR 1335.006(a), insert the following provision:

Protection of Human Subjects (APR 2010)

(a) Research involving human subjects is not permitted under this award unless expressly authorized in writing by the Contracting Officer. Such authorization will specify the details of the approved research involving human subjects and will be incorporated by reference into this contract.

(b) The Federal Policy for the Protection of Human Subjects (the “Common Rule”), adopted by the Department of Commerce at 15 CFR part 27, requires contractors to maintain appropriate policies and procedures for the protection of human subjects in research. The Common Rule defines a “human subject” as a living individual about whom an investigator conducting research obtains data through intervention or interaction with the individual, or identifiable private information. The term “research” means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. The Common Rule also

sets forth categories of research that may be considered exempt from 15 CFR part 27. These categories may be found at 15 CFR 27.101(b).

(c) In the event the human subjects research involves pregnant women, prisoners, or children, the contractor is also required to follow the guidelines set forth at 45 CFR part 46 subpart B, C and D, as appropriate, for the protection of members of a protected class.

(d) Should research involving human subjects be included in the proposal, prior to issuance of an award, the contractor shall submit the following documentation to the Contracting Officer:

(1) Documentation to verify that contractor has established a relationship with an appropriate Institutional Review Board ("cognizant IRB"). An appropriate IRB is one that is located within the United States and within the community in which the human subjects research will be conducted;

(2) Documentation to verify that the cognizant IRB possesses a valid registration with the United States Department of Health and Human Services' Office for Human Research Protections ("OHRP");

(3) Documentation to verify that contractor has a valid Federal-wide Assurance (FWA) issued by OHRP.

(e) Prior to starting any research involving human subjects, the contractor shall submit appropriate documentation to the Contracting Officer for institutional review and approval. This documentation may include:

(1) Copies of the human subjects research protocol, all questionnaires, surveys, advertisements, and informed consent forms approved by the cognizant IRB;

(2) Documentation of approval for the human subjects research protocol, questionnaires, surveys, advertisements, and informed consent forms by the cognizant IRB;

(3) Documentation of continuing IRB approval by the cognizant IRB at appropriate intervals as designated by the IRB, but not less than annually; and/or

(4) Documentation to support an exemption for the project from the Common Rule [*Note:* this option is not available for activities that fall under 45 CFR part 46 subpart C].

(f) In addition, if the contractor modifies a human subjects research protocol, questionnaire, survey, advertisement, or informed consent form approved by the cognizant IRB, the contractor shall submit a copy of all modified material along with documentation of approval for said modification by the cognizant IRB to the Contracting Officer for institutional review and approval. The contractor shall not implement any IRB approved-modification without written approval by the Contracting Officer.

(g) No work involving human subjects may be undertaken, conducted, or costs incurred and/or charged to the project, until the Contracting Officer approves the required appropriate documentation in writing.

(End of provision)

1352.235-71 Protection of human subjects - exemption.

As prescribed in 48 CFR 1335.006(b), insert the following clause:

Protection of Human Subjects (APR 2010)

(a) Contractor has satisfied the requirements set forth in solicitation #_____, related to the Protection of Human Subjects in research. The Government has determined that the research involving human subjects to be conducted under this contract is exempt from the requirements of the Common Rule for the Protection of Human Subjects. The exemption memorandum executed by the Government and the attachments are hereby incorporated by reference into this contract. If contractor uses an informed consent form for the exempt research, contractor must use the informed consent form contained in the attachments in its conduct of research involving human subjects under this contract.

(b) If the conditions upon which the exemption is based should change in any way, contractor shall immediately notify the Contracting Officer in writing of the specified change. The Government will review the change and make a determination as to whether the change requires a change to the exemption approval. Contractor shall not proceed until notified in writing of the Contracting Officer's approval. Contractor shall obtain prior written approval from the Contracting Officer for any change to the existing human subjects protocol or informed consent form before proceeding.

(c) No other research involving human subjects is permitted under this award unless expressly authorized in writing by the Contracting Officer. Such writing will specify the details of the approved research involving human subjects and will be incorporated by reference into this contract.

(d) The Federal Policy for the Protection of Human Subjects (the “Common Rule”), adopted by the Department of Commerce at 15 CFR Part 27, requires contractors to maintain appropriate policies and procedures for the protection of human subjects in research. The Common Rule defines a “human subject” as a living individual about whom an investigator conducting research obtains data through intervention or interaction with the individual, or identifiable private information. The term “research” means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.

(e) The Common Rule also sets forth categories of research that may be considered exempt from this policy. These categories may be found at 15 CFR 27.101(b).

(f) In the event the human subjects research involves pregnant women, prisoners, or children, contractor is also required to follow the guidelines set forth at 45 CFR part 46 subpart B, C and D, as appropriate, for the protection of members of a protected class.

(g) Should additional research involving human subjects be required under the contract, prior to beginning such research, contractor shall submit the following documentation to the Contracting Officer:

(1) Documentation to verify that contractor has established a relationship with an appropriate Institutional Review Board (“cognizant IRB”). An appropriate IRB is one that is located within the United States and within the community in which the human subjects research will be conducted;

(2) Documentation to verify that the cognizant IRB is registered with the United States Department of Health and Human Services' Office for Human Research Protections (“OHRP”) and is designated

as contractor's cognizant IRB;

(3) Documentation to verify that contractor has a valid Federal-wide Assurance (FWA) issued by OHRP; or

(4) Documentation necessary to support a determination that the research is exempt from the requirements of the Common Rule for the Protection of Human Subjects.

(h) Prior to starting any additional research involving human subjects, the contractor shall submit appropriate documentation to the Contracting Officer for institutional review and approval or exemption determination. This documentation may include:

(1) Copies of the human subjects research protocol, all questionnaires, surveys, advertisements, and informed consent forms approved by the cognizant IRB;

(2) Documentation of approval for the human subjects research protocol, questionnaires, surveys, advertisements, and informed consent forms by the cognizant IRB;

(3) Documentation of continuing IRB approval by the cognizant IRB at appropriate intervals as designated by the IRB, but not less than annually; and/or

(4) Documentation to support an exemption for the project from the Common Rule [*Note:* this option is not available for activities that fall under 45 CFR part 46 subpart C].

(i) In addition, if the contractor modifies a human subjects research protocol, questionnaire, survey, advertisement, or informed consent form approved by the cognizant IRB, the contractor shall submit a copy of all modified material along with documentation of approval for said modification by the cognizant IRB to the Contracting Officer for institutional review and approval. The contractor may not implement any IRB approved modification without written approval by the Contracting Officer.

No work involving human subjects may be undertaken, conducted, or costs incurred and/or charged to the project, until the Contracting Officer approves the required appropriate documentation in writing.

(End of clause)

1352.235-72 Protection of human subjects - institutional approval.

As prescribed in 48 CFR 1335.006(c), insert the following clause:

Protection of Human Subjects - Institutional Approval (APR 2010)

(a) This contract/order includes non-exempt human subjects research that must be conducted pursuant to the requirements of the Federal Policy for the Protection of Human Subjects (the “Common Rule”), adopted by the Department of Commerce at 15 CFR part 27. Contractor has submitted documentation establishing review and approval of the human subjects research protocol, including all informed consent forms, advertisements, and other recruitment materials, by a qualified Institutional Review Board (IRB) that has a current Federal-wide Assurance (FWA) issued by the Department of Health and Human Services (DHHS).

(b) By accepting this contract/order, the contractor certifies the accuracy of the documentation provided to its cognizant IRB and to the Government in support of the human subjects research specified therein. Based upon the contractor's documentation, and following the Government institutional review thereof, the following specific involvement of human subjects in research is hereby approved by the Contracting Officer:

Name of IRB:

(IRB # _____)

Title of IRB Protocol:

Recruiting Letter Approval Date (if appropriate):

Consent Form Approval Date:

Assurance of Compliance Number:

(c) Unless incorporated by written contract modification approved by the Contracting Officer, no other involvement of human subjects in research under this contract may be undertaken or conducted, or costs incurred and/or charged to the project, except as specified in the study plan reviewed and approved by the cognizant IRB and Government. Therefore, if the contractor modifies a human subjects research protocol, advertisement, or informed consent form approved by the cognizant IRB, contractor shall submit a copy of all modified material, along with documentation of approval for said modification by the cognizant IRB, to the Contracting Officer for agency institutional review and approval. Contractor may not implement any IRB-approved modification without written approval by the Contracting Officer.

Documentation of continuing IRB approval is required each year by the renewal date assigned by the cognizant IRB. Documentation of continuing IRB approval must be submitted to the Government for review and approval as soon as it occurs. Continuing approval of the human subjects research must be obtained from the cognizant IRB and provided to the Government until the research is completed or terminated. The contractor may proceed with previously approved human subjects research, if any, under this contract while the Government is conducting continuing review and approval of the human subjects research protocol. In the event that the Government determines, during the course of its review, that the human subjects research in this contract is not in compliance with the regulations set forth at 15 CFR part 27, or this contract, the Contracting Officer may take the appropriate enforcement action, including disallowing costs, suspending or terminating the human subjects protocol or the contract, by notifying the contractor in writing.

(d) It is incumbent upon contractor to ensure that continuing IRB review approval occurs in accordance with 15 CFR part 27. In the event that continuing review approval does not occur as set forth by 15 CFR part 27, contractor is to notify the Contracting Officer immediately.

(e) Contractor must report all adverse events to the cognizant IRB and to the Contracting Officer. In the event that adverse events are reported to the cognizant IRB and the Contracting Officer, the Government may suspend this contract pending a full review of the adverse event by the cognizant IRB.

(f) If the conditions upon which IRB approval is based should change in any way, contractor shall immediately notify the Contracting Officer, in writing, of the specified change.

(g) Failure to comply with this contract clause will be considered material noncompliance with the

contract, and the Contracting Officer may take appropriate enforcement action, including disallowing costs, suspension or termination of the contract.

(End of clause)

1352.235-73 Research involving human subjects - after initial contract award.

As prescribed in 48 CFR 1335.006(d), insert the following clause:

Research Involving Human Subjects - After Initial Contract Award (APR 2010)

(a) No research involving human subjects is currently included in this contract/task order, and no research involving human subjects is permitted under this contract/task order unless expressly authorized, in writing, by the Contracting Officer.

(b) The Federal Policy for the Protection of Human Subjects (the “Common Rule”), adopted by the Department of Commerce at 15 CFR part 27, requires that contractors maintain appropriate policies and procedures for the protection of human subjects in research. The Common Rule defines a “human subject” as a living individual about whom an investigator conducting research obtains data through intervention or interaction with the individual, or identifiable private information. The term “research” means a systematic investigation, including research, development, testing and evaluation, designed to develop or contribute to generalizable knowledge.

(c) The Common Rule also sets forth categories of research that may be considered exempt from this policy. These categories are specified at 15 CFR 27.101(b).

(d) In the event that human subjects research involves pregnant women, prisoners, or children, the contractor is also required to follow the guidelines set forth at 45 CFR part 46 subparts B, C and D, as appropriate, for the protection of members of a protected class.

(e) Should research involving human subjects become necessary for carrying out this contract/task order, prior to undertaking or conducting such human subjects research, contractor shall submit the following documentation to the Contracting Officer:

(1) Documentation to verify that contractor has established a relationship with an appropriate Institutional Review Board (“cognizant IRB”). An appropriate IRB is one that is located within the United States and within the community in which the human subjects research will be conducted;

(2) Documentation to verify that the cognizant IRB is registered with the United States Department of Health and Human Services' Office for Human Research Protections (“OHRP”);

(3) Documentation to verify that contractor has a valid Federal-wide Assurance (FWA) issued by the OHRP.

(f) Prior to starting any research involving human subjects, contractor shall submit appropriate documentation to the Contracting Officer for Government institutional review and approval. This documentation may include:

(1) Copies of the human subjects research protocol, advertisements, recruitment material, and

informed consent forms approved by the cognizant IRB;

(2) Documentation of approval for the human subjects research protocol, advertisements, recruitment material, and informed consent forms by the cognizant IRB;

(3) Documentation of continuing IRB approval by the cognizant IRB at appropriate intervals as designated by the IRB, but not less than annually; and/or

(4) Documentation to support an exemption for the project from the Common Rule [*Note:* this option is not available for activities that fall under 45 CFR part 46 subpart C].

(g) In addition, if contractor modifies a human subjects research protocol, advertisement, recruitment material, or informed consent form approved by the cognizant IRB, contractor shall submit a copy of all modified material, along with documentation of approval for said modification by the cognizant IRB, to the Contracting Officer for Agency institutional review and approval. Contractor may not implement any IRB-approved modification without written approval by the Contracting Officer.

(h) No work involving human subjects may be undertaken, conducted, or costs incurred and/or charged to the project, until the Contracting Officer approves the required appropriate documentation in writing.

(End of clause)

1352.237-70 Security processing requirements - high or moderate risk contracts.

As prescribed in 48 CFR 1337.110-70 (b), insert the following clause:

Security Processing Requirements - High or Moderate Risk Contracts (APR 2010)

(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 owned, leased, or controlled facility in the United States or overseas, or to obtain access to 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) Investigative requirements for Non-IT Service Contracts are:

(i) High Risk - Background Investigation (BI).

(ii) Moderate Risk - Moderate Background Investigation (MBI).

(2) Investigative requirements for IT Service Contracts are:

(i) High Risk IT - Background Investigation (BI).

(ii) Moderate Risk IT - Background Investigation (BI).

(b) In addition to the investigations noted above, non-U.S. citizens must have a pre-appointment check that includes an Immigration and Customs Enforcement agency check.

(c) 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) Obtained advance approval from the servicing Security Officer of the contracting operating unit in consultation with the DOC 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.)

(d) Security Processing Requirement. Processing requirements for High and Moderate Risk Contracts are as follows:

(1) The contractor must complete and submit the following forms to the Contracting Officer's 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.

(2) The Sponsor will ensure that these forms have been properly completed, initiate the CD-254, Contract Security Classification Specification, and forward the documents to the cognizant Security Officer.

(3) Upon completion of security processing, the Office of Security, through the servicing Security Officer and the Sponsor, will notify the contractor in writing of an individual's eligibility to be provided access to a Department of Commerce facility or Department of Commerce IT system.

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

(e) Notification of Disqualifying Information. If the Office of Security receives disqualifying information on a contract employee, the COR will be notified. The Sponsor, in coordination with the Contracting Officer, will immediately remove the contract employee from duties 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 crime of violence or of a misdemeanor involving moral turpitude;

(2) Falsification of information entered on security screening forms or on 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 was directly related to the contract;

(4) Any behavior judged to pose a potential threat to Departmental information systems, personnel, property, or other assets.

(f) Failure to comply with security processing requirements may result in termination of the contract or removal of contract employees from Department of Commerce facilities or denial of access to IT systems.

(g) 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.

(h) The contractor shall include the substance of this clause, including this paragraph, in all subcontracts.

(End of clause)

1352.237-71 Security processing requirements - low risk contracts.

As prescribed in 48 CFR 1337.110-70(c), insert the following clause:

Security Processing Requirements - Low Risk Contracts (APR 2010)

(a) Investigative Requirements for Low Risk Contracts. All contractor (and subcontractor) personnel proposed to be employed under a Low 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 owned, leased, or controlled facility in the United States or overseas, or to obtain access to 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.

(b) Investigative requirements for Non-IT Service Contracts are:

(1) Contracts more than 180 days - National Agency Check and Inquiries (NACI).

(2) Contracts less than 180 days - Special Agency Check (SAC).

(c) Investigative requirements for IT Service Contracts are:

(1) Contracts more than 180 days - National Agency Check and Inquiries (NACI).

(2) Contracts less than 180 days - National Agency Check and Inquiries (NACI).

(d) In addition to the investigations noted above, non-U.S. citizens must have a background check that includes an Immigration and Customs Enforcement agency check.

(e) Additional Requirements for Foreign Nationals (Non-U.S. Citizens). Non-U.S. citizens (lawful permanent residents) to be employed under this contract within the United States must have:

(1) Official legal status in the United States;

(2) Continuously resided in the United States for the last two years; and

(3) Obtained advance approval from the servicing Security Officer in consultation with the Office of Security headquarters.

(f) DOC Security Processing Requirements for Low Risk Non-IT Service Contracts. Processing requirements for Low Risk non-IT Service Contracts are as follows:

(1) Processing of a NACI is required for all contract employees employed in Low Risk non-IT service contracts for more than 180 days. The Contracting Officer's Representative (COR) will invite the prospective contractor into e-QIP to complete the SF-85. The contract employee must also complete fingerprinting.

(2) Contract employees employed in Low Risk non-IT service contracts for less than 180 days require processing of Form OFI-86C Special Agreement Check (SAC), to be processed. The Sponsor will forward a completed Form OFI-86C, FD-258, Fingerprint Chart, and Credit Release Authorization to the servicing Security Officer, who will send the investigative packet to the Office of Personnel Management for processing.

(3) Any contract employee with a favorable SAC who remains on the contract over 180 days will be required to have a NACI conducted to continue working on the job site.

(4) For Low Risk non-IT service contracts, the scope of the SAC will include checks of the Security/Suitability Investigations Index (SII), other agency files (INVA), Defense Clearance Investigations Index (DCII), FBI Fingerprint (FBIF), and the FBI Information Management Division (FBIN).

(5) In addition, for those individuals who are not U.S. citizens (lawful permanent residents), the Sponsor may request a Customs Enforcement SAC on Form OFI-86C, by checking Block #7, Item I. In Block 13, the Sponsor should enter the employee's Alien Registration Receipt Card number to aid in verification.

(6) Copies of the appropriate forms can be obtained from the Sponsor or the Office of Security. Upon receipt of the required forms, the Sponsor will forward the forms to the servicing Security Officer. The Security Officer will process the forms and advise the Sponsor and the Contracting Officer whether the contract employee can commence work prior to completion of the suitability determination based on the type of work and risk to the facility (*i.e.*, adequate controls and restrictions are in place). The Sponsor will notify the contractor of favorable or unfavorable findings of the suitability determinations. The Contracting Officer will notify the contractor of an approved contract start date.

(g) Security Processing Requirements for Low Risk IT Service Contracts. Processing of a NACI is required for all contract employees employed under Low Risk IT service contracts.

(1) Contract employees employed in all Low Risk IT service contracts will require a National Agency Check and Inquiries (NACI) to be processed. The Contracting Officer's Representative (COR) will invite the prospective contractor into e-QIP to complete the SF-85. Fingerprints and a Credit Release Authorization must be completed within three working days from start of work, and provided to the Servicing Security Officer, who will forward the investigative package to OPM.

(2) For Low Risk IT service contracts, individuals who are not U.S. citizens (lawful permanent

residents) must undergo a NACI that includes an agency check conducted by the Immigration and Customs Enforcement Service. The Sponsor must request the ICE check as a part of the NAC.

(h) Notification of Disqualifying Information. If the Office of Security receives disqualifying information on a contract employee, the Sponsor and Contracting Officer will be notified. The Sponsor shall coordinate with the Contracting Officer for the immediate removal of the 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 reasons:

(1) Conviction of a felony 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 was directly related to the contract.

(4) Any behavior judged to pose a potential threat to Departmental information systems, personnel, property, or other assets.

(i) Failure to comply with security processing requirements may result in termination of the contract or removal of contract employees from Department of Commerce facilities or denial of access to IT systems.

(j) 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.

(k) The contractor shall include the substance of this clause, including this paragraph, in all subcontracts.

(End of clause)

1352.237-72 Security processing requirements - national security contracts.

As prescribed in 48 CFR 1337.110-70(d), use the following clause:

Security Processing Requirements - National Security Contracts (APR 2010)

(a) Security Investigative Requirements for National Security Contracts. National Security Contracts require contractor employees to gain access to national security information in the performance of their work. Regardless of the contractor employees' location, appropriate security access and fulfillment of cleared facility requirements, as determined by the National Industrial Security Program (NISP) Operation Manual must be met. All contractors are subject to the appropriate investigations indicated below and may be granted appropriate security access by the Office of Security based on favorable results. No national security material or documents shall be removed from a Department of Commerce facility. The circumstances of the work performance must allow the Department of Commerce to retain control over national security information and keep the number

of contract personnel with access to the information to a minimum.

(b) All employees working on Special or Critical Sensitive contracts require an updated personnel security background investigation every five (5) years. Employees on Non-Critical Sensitive contracts will require an updated personnel security background investigation every ten (10) years.

(c) *Security procedures.* Position sensitivity/risk assessments must be conducted on all functions that are performed under the contract. Risk assessments for contractor employees are determined in the same manner as assessment of those functions performed by government employees. The Contracting Officer and Contracting Officer's Representative should determine the level of sensitivity or risk with the assistance of the servicing Security Officer.

(1) Contractor employees working on National Security Contracts must have a completed investigation and be granted an appropriate security level clearance by the Office of Security before start of work.

(2) The Contracting Officer's Representative must send the contract employee's existing security clearance information, if applicable, or appropriate investigative request package, to the servicing Security Officer, who will review and forward it to the Office of Security.

(3) The Office of Security must confirm that contract employees have the appropriate security clearance before starting any work under a National Security Contract.

(d) *Security forms required.* For Critical-Sensitive positions with Top Secret access, Critical-Sensitive positions with Secret access, and Non-Critical Sensitive positions with Secret or Confidential access, the following forms are required:

(1) Form SF-86, Questionnaire for National Security Positions, marked “CON” in Block 1, Position Title, to distinguish it as a contractor case;

(2) Form FD-258, Fingerprint Chart, with OPM's designation in the ORI Block; and

(3) Credit Release Authorization Form.

(e) Contracting Officer's Representative Responsibilities are:

(1) Coordinate submission of a proper investigative request package with the servicing Security Officer, the Contracting Officer, and the contractor.

(2) Review the request package for completeness, ensuring that the subject of each package is identified as a contract employee, the name of the contractor is identified, and that each package clearly indicates the contract sensitivity designation.

(3) Send the request package to the servicing Security Officer for investigative processing.

(f) Servicing Security Officer Responsibilities are:

(1) Review the package for completeness.

(2) Ensure that the forms are complete and contain all the pertinent information necessary to request the background investigation.

(3) Forward the request for investigation to the Defense Investigative Service Coordinating Office (DISCO).

(4) Maintain records of contractor personnel in their units subject to the NISP.

(5) Ensure that all contractor personnel have been briefed on the appropriate procedures for handling and safeguarding national security information.

(g) The contractor shall include the substance of this clause, including this paragraph, in all subcontracts.

(End of clause)

1352.237-73 Foreign national visitor and guest access to departmental resources.

As prescribed in 48 CFR 1337.110-70 (e), insert the following clause:

Foreign National Visitor and Guest Access to Departmental Resources (APR 2010)

(a) The contractor shall comply with the provisions of Department Administrative Order 207-12, Foreign National Visitor and Guest Access Program; Bureau of Industry and Security Export Administrative Regulations Part 734, and [insert operating unit counsel specific procedures]. The contractor shall provide the Government with notice of foreign nationals requiring access to any Department of Commerce facility or through a Department of Commerce IT system.

(b) The contractor shall identify each foreign national who requires access to any Departmental resources, and shall provide all requested information in writing to the Contracting Officer's Representative.

(c) The contractor shall include the substance of this clause, including this paragraph, in all subcontracts.

(End of clause)

1352.237-74 Progress reports.

As prescribed in 48 CFR 1337.110-71(a), insert the following clause:

Progress Reports (APR 2010)

The contractor shall submit, to the Government, a progress report every _____ [insert time period] month(s) after the effective date of the contract, and every _____ [insert time period] thereafter during the period of performance. The contractor shall deliver progress reports that summarize the work completed during the performance period, the work forecast for the following period, and state the names, titles and number of hours expended for each of the contractor's professional personnel assigned to the contract, including officials of the contractor. The report shall also include any additional information - including findings and recommendations - that may assist the Government in evaluating progress under this contract. The first report shall include a detailed work outline of the project and the contractor's planned phasing of work by reporting period.

(End of clause)

1352.237-75 Key personnel.

As prescribed in 48 CFR 1337.110-71(b), insert the following clause:

Key Personnel (APR 2010)

(a) The contractor shall assign to this contract the following key personnel:

(Name) (Position Title)

(Name) (Position Title)

(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, unless an exception is approved by the Contracting Officer.

(c) Requests for changes in key personnel 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)

1352.239-70 Software license addendum.

As prescribed in 48 CFR 1339.107, insert the following clause:

Software License Addendum (APR 2010)

(a) This Addendum incorporates certain terms and conditions relating to Federal procurement actions. The terms and conditions of this Addendum take precedence over the terms and conditions contained in any license agreement or other contract documents entered into between the parties.

(b) Governing Law: Federal procurement law and regulations, including the Contract Disputes Act, 41 U.S.C. Section 601 *et. seq.,* and the Federal Acquisition Regulation (FAR), govern the agreement between the parties. Litigation arising out of this contract may be filed only in those fora that have jurisdiction over Federal procurement matters.

(c) Attorney's Fees: Attorney's fees are payable by the Federal government in any action arising under this contract only pursuant to the Equal Access in Justice Act, 5 U.S.C. Section 504.

(d) No Indemnification: The Federal government will not be liable for any claim for indemnification; such payments may violate the Anti-Deficiency Act, 31 U.S.C. Section 1341(a).

(e) Assignment: Payments may only be assigned in accordance with the Assignment of Claims Act, 31 U.S.C. Section 3727, and FAR Subpart 32.8, “Assignment of Claims.”

(f) Invoices: Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. Section 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment.

(g) Patent and Copyright Infringement: Patent or copyright infringement suits brought against the United States as a party may only be defended by the U.S. Department of Justice (28 U.S.C. Section 516).

(h) Renewal of Support after Expiration of this Award: Service will not automatically renew after expiration of the initial term of this agreement.

(i) Renewal may only occur in accord with

(1) the mutual agreement of the parties; or (2) an option renewal clause allowing the Government to unilaterally exercise one or more options to extend the term of the agreement.

(End of clause)

1352.239-71 Electronic and information technology.

As prescribed in 48 CFR 1339.270(a), insert the following provision:

Electronic and Information Technology (APR 2010)

(a) To be considered eligible for award, offerors must propose electronic and information technology (EIT) that meet the applicable Access Board accessibility standards at 36 CFR 1194 designated below:

_____ 1194.21 Software applications and operating systems

_____ 1194.22 Web-based intranet and internet information and applications

_____ 1194.23 Telecommunications products

_____ 1194.24 Video and multimedia products

_____ 1194.25 Self-contained, closed products

_____ 1194.26 Desktop and portable computers

_____ 1194.31 Functional performance criteria

_____ 1194.41 Information, documentation and support

(b) The standards do not require the installation of specific accessibility-related software or the attachment of an assistive technology device, but merely require that the EIT be compatible with such software and devices so that it can be made accessible if so required by the agency in the future.

(c) Alternatively, offerors may propose products and services that provide equivalent facilitation.

Such offers will be considered to have met the provisions of the Access Board standards for the feature or components providing equivalent facilitation. If none of the offers that meet all applicable provisions of the standards could be accepted without imposing an undue burden on the agency or component, or if none of the offerors propose products or services that fully meet all of the applicable Access Board's provisions, those offerors whose products or services meet some of the applicable provisions will be considered eligible for award. Awards will not be made to an offeror meeting all or some of the applicable Access Board provisions if award would impose an undue burden upon the agency.

(d) Offerors must submit representation information concerning their products by completing the VPAT template at *http://www.Section508.gov*.

(End of clause)

1352.239-72 Security requirements for information technology resources.

As prescribed in 48 CFR 1339.270(b), insert the following clause:

Security Requirements for Information Technology Resources (APR 2010)

(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 by a contractor that process or store information that directly supports the mission of the Agency.

(b) *Definitions.* For purposes of this clause, the term “Sensitive” is defined by the guidance set forth in the Computer Security Act of 1987 (Pub. L. 100-235), including the following definition of the term:

(1) Sensitive information is “ * * * 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.

(ii) The DOC Security Manual, Chapter 18.

(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* (*see* DOC, Office of the Chief Information Officer Web site), or equivalent/more specific agency or operating unit counsel guidance as specified immediately hereafter [insert agency or operating unit counsel specific guidance, if applicable].

(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.*

(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 on which DOC data will be stored or processed, the contractor shall provide, implement, and maintain a System Accreditation Package in accordance with the *DOC IT Security Program Policy.* Specifically, the contractor shall:

(1) Within 14 days after contract award, 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* and [Insert agency or operating unit counsel specific guidance, if applicable]. The Certification Work Plan, approved by the COR, in consultation with the DOC IT Security Officer, or Agency/operating unit counsel 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, 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, 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 6.3.1.1.

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

(End of clause)

1352.242-70 Postaward conference.

As prescribed in 48 CFR 1342.503-70, insert the following provision:

Postaward Conference (APR 2010)

A postaward conference with the successful offeror may be required. If required, the Contracting Officer will contact the contractor within 10 days of contract award to arrange the conference.

(End of clause)

1352.245-70 Government furnished property.

As prescribed in 48 CFR 1345.107-70, insert the following clause:

Government Furnished Property (APR 2010)

The Government will provide the following item(s) of Government property to the contractor . The contractor shall be accountable for, and have stewardship of, the property in the performance of this contract. This property shall be used and maintained by the contractor in accordance with provisions of the “Government Property” clause included in this contract.

Item No.	Description	Quantity	Delivery date	Property/Tag No. (if applicable)

(End of clause)

1352.246-70 Place of acceptance.

As prescribed in 1346.503, insert the following clause:

Place of Acceptance (APR 2010)

(a) The Contracting Officer or the duly authorized representative will accept supplies and services to be provided under this contract.

(b) The place of acceptance will be:

(End of clause)

1352.270-70 Period of performance.

As prescribed in 48 CFR 1370.101, insert the following clause:

Period of Performance (APR 2010)

(a) The base period of performance of this contract is from _____ through _____. If an option is exercised, the period of performance shall be extended through the end of that option period.

(b) The option periods that may be exercised are as follows:

Period	Start date	End date
Option I		
Option II		
Option III		
Option IV		

(c) The notice requirements for unilateral exercise of option periods are set out in FAR 52.217-9.

(End of clause)

1352.270-71 Pre-bid/pre-proposal conference and site visit.

As prescribed in 48 CFR 1370.102, insert the following provision:

Pre-Bid/Pre-Proposal Conference and Site Visit (APR 2010)

(a) The Government is planning a pre-proposal conference, during which potential contractors may obtain a better understanding of the work required.

(b) Offerors are encouraged to submit all questions in writing at least [____] days prior to the conference. Questions will be considered at any time prior to, or during, the conference; however, offerors will be asked to confirm verbal questions in writing. Subsequent to the conference, an amendment to the solicitation containing an abstract of the questions and the Government's answers, and a list of attendees, will be made publicly available.

(c) In order to facilitate conference preparations, contact the person identified in [Block __] on Standard Form [__] of this solicitation to make arrangements for security processing for entry of attendees into the Government facility.

(d) In no event shall failure to attend the pre-proposal conference constitute grounds supporting a protest or contract claim.

(e) Offerors are cautioned that, notwithstanding any remarks, clarifications, or responses provided at the conference, all terms and conditions of the solicitation remain unchanged unless they are changed by written amendment. It is the responsibility of each offeror, prior to submitting a proposal, to seek clarification of any perceived ambiguity in the solicitation or created by an amendment of the solicitation.

(f) The pre-proposal conference will be held:

Date:

Time:

Location:

:

(g) During the conference, an opportunity to visit the site of the work, and, if applicable, inspect equipment on which maintenance or repairs are to be performed will be offered to attendees.

(h) Offerors are expected to satisfy themselves regarding all conditions that may affect the work required or the cost of contract performance. In no event shall failure to inspect the site and/or equipment constitute grounds for any protest or contract claim.

(End of clause)

1352.271-70 Inspection and manner of doing work.

As prescribed in 48 CFR 1371.101, insert the following clause:

Inspection and Manner of Doing Work (APR 2010)

(a) All work and material shall be subject to the approval of the Contracting Officer or duly

authorized representative. Work shall be performed in accordance with the plans and specifications of this contract as modified by any contract modification.

(b) Unless otherwise specifically provided for in the contract, all operational practices of the contractor and all workmanship and material, equipment and articles used in the performance of work shall be in accordance with American Bureau of Shipping “Rules for Building and Classing Steel Vessels”, U.S. Coast Guard Marine Engineering Regulations and Material Specifications (46 CFR Subchapter F), U.S. Coast Guard Electrical Engineering Regulations (46 CFR Subchapter J), and U.S. Public Health Service “Handbook on Sanitation of Vessel Construction”, in effect at the time of the contract award; and the best commercial maritime practices, except where military specifications are specified, in which case such standards of material and workmanship shall be followed.

(c) All material and workmanship shall be subject to inspection and test at all times during the contractor's performance of the work to determine their quality and suitability for the purpose intended and compliance with the contract. In case any material or workmanship furnished by the contractor is found to be defective prior to redelivery of the vessel, or not in accordance with the requirements of the contract, the Government shall have the right prior to redelivery of the vessel to reject such material or workmanship, and to require its correction or replacement by the contractor at the contractor's cost and expense. This Government right is in addition to its rights under any Guarantee clause in this contract. If the contractor fails to proceed promptly with the replacement or correction of such material or workmanship, as required by the Contracting Officer, the Government may, by contract or otherwise, replace or correct such material or workmanship and charge to the contractor the excess cost to the Government. The contractor shall provide and maintain an inspection system acceptable to the Government covering the work specified in the contract. Records of all inspection work by the contractor shall be kept complete and available to the Government during the performance of the contract and for a period of two (2) years after delivery of the vessel to the Government.

(d) No welding, including tack welding and brazing, shall be permitted in connection with repairs, completions, alterations, or addition to hulls, machinery or components of vessels unless the welder is, at the time, qualified to the standards established by the U.S. Coast Guard, the American Bureau of Shipping, or the Department of the Navy. The welder's qualifications shall be appropriate for the particular service application, filler material type, position of welding, and welding process involved in the work being undertaken. A welder may be required to re-qualify if the Contracting Officer believes there is a reasonable doubt concerning the welder's ability. Welders' qualifications for this purpose shall be governed by the U.S. Coast Guard Marine Engineering Regulations and Material Specifications (46 CFR Subchapter F). When a welding process other than manual shielded arc is proposed or required, the contractor or fabricator shall submit procedure qualification tests for approval prior to production welding. Procedure qualification tests shall be conducted in accordance with the United States Coast Guard Marine Engineering Regulations and Material Specifications (46 CFR Subchapter F).

(e) The contractor shall exercise reasonable care to protect the vessel from fire, and the contractor shall maintain a reasonable system of inspection over the activities of welders, burners, riveters, painters, plumbers and similar workers, particularly where such activities are undertaken in the vicinity of the vessel's fuel oil tanks, magazines or storerooms containing flammable material. A reasonable number of hose lines shall be maintained by the contractor ready for immediate use on the vessel at all times while the vessel is berthed alongside the contractor's pier or in dry dock or on a marine railway. All tanks or bilge areas under alteration or repair shall be cleaned, washed, and steamed out or otherwise made safe by the contractor if and to the extent necessary as required by good marine practice or by current Occupational Safety and Health Administration regulations. The

Contracting Officer's Representative (COR) shall be furnished with a “gas free” or “safe for hot work” or “safe for workers” certificate before any hot work or entry is done. Unless otherwise provided in this contract, the contractor shall at all times maintain a reasonable fire watch about the vessel, including a fire watch on the vessel while work is being performed thereon.

(f) The contractor shall place proper safeguards and/or effect such safety precautions as necessary, including suitable and sufficient lighting, for the prevention of accidents or injury to persons or property during the prosecution of work under this contract and/or from time of receipt of the vessel until acceptance by the Government of the work performed.

(g) Except as otherwise provided in this contract, when the vessel is in the custody of the contractor or in dry dock or on a marine railway and the temperature becomes as low as 35 degrees Fahrenheit, the contractor shall keep all pipelines, fixtures, traps, tanks, and other receptacles on the vessel drained to avoid damage from freezing, or if this is not practicable, the vessel shall be kept heated to prevent such damage. The vessel's stern tube and propeller hubs shall be protected from frost damage by applied heat through the use of a salamander or other proper means, as approved by the COR.

(h) Whenever practicable, the work shall be performed in a manner which does not interfere with the berthing and messing of personnel attached to the vessel. The contractor shall ensure that assigned personnel have access to the vessel at all times. It is understood that such personnel will not interfere with the work or the contractor's workers.

(i) The Government does not guarantee the correctness of the dimensions, sizes, and shapes shown in any sketches, drawings, plans or specifications prepared or furnished by the Government. Prior to submitting an offer, it is the responsibility of the bidder/offeror to verify the dimensions, sizes, and shapes in materials provided by the Government. Where practical, the Government will make the vessel available for inspection prior to bid opening or the date for receipt of proposals. If the contractor, as a result of inspection or otherwise, discovers any error in the sketches, drawings, plans or specifications, it shall immediately inform the Contracting Officer of the error and proceed in accord with instructions received from the Contracting Officer. The Government is not liable for any claims or charges resulting from additional work performed by the contractor as a result of a patent ambiguity in the sketches, drawings, plans or specifications that was not brought to the attention of the Contracting Officer. The contractor shall be responsible for the correctness of the shape, sizes and dimensions of parts furnished by the contractor under the contract.

(j) The contractor shall at all times keep the site of the work on the vessel free from accumulation of waste material or rubbish caused by contractor employees or the work, and at the completion of the work shall remove all rubbish from and about the site of the work and shall leave the work and its immediate vicinity “broom-clean” unless more exactly specified in this contract.

(k) While in drydock or on a marine railway, the contractor shall be responsible for the closing, before the end of working hours, of all valves and openings upon which work is being done by its workers when such closing is practicable. The contractor shall establish a list and keep the COR cognizant of the closure status of all valves and openings upon which the contractor's workers have been working.

(l) Without additional expense to the Government, the contractor shall employ specialty subcontractors where required by the specifications or when necessary for satisfactory performance of the work.

(m)

(1) Unless otherwise stated in the contract, the contractor shall notify the COR at least 72 hours in advance:

(i) Prior to starting inspections or tests; and

(ii) When supplies will be ready for Government inspection.

(2) Such notification shall be provided either verbally or in writing at the discretion of the COR.

(End of clause)

1352.271-71 Method of payment and invoicing instructions for ship repair.

As prescribed in 48 CFR 1371.102, insert the following clause:

Method of Payment and Invoicing Instructions for Ship Repair (APR 2010)

(a) The Government will make payment under this contract based on a percentage of completion. The contractor may invoice for the percentage completed for each work item as work progresses. The amount invoiced shall be calculated based on prices stated in the Schedule, as follows: A work item may not be invoiced until the percentage complete reaches 25 percent. Future invoices for that work item have no limitation as to the percentage of completion required before invoicing, but in no event may invoices be submitted more frequently than every 2 weeks, or for amounts less than $10,000, unless it is the final payment. The minimum percentage of completion (25%) to be reached prior to billing each work item may be waived by the Contracting Officer for large dollar work items on a case-by-case basis.

(b) Invoices submitted by the contractor which are deemed not proper, in accordance with FAR 52.232-25, will be returned. Invoices shall include:

(1) Name and Address of the contractor;

(2) DUNS Number;

(3) Invoice Date;

(4) Contract Number/Modification Number;

(5) CLIN/Work Item Number, to include: Description, Quantity, Unit of Measure, Unit Price and Extended Price;

(6) Shipping and Payment Terms; and,

(7) Contractor Point of Contact, including: Name, Title, Phone Number, and Mailing Address;

(8) The percentage of completion for each CLIN/work item identified;

(9) Name of the Contracting Officer ;

(10) Ship name;

(11) The overall percentage and dollar amount previously billed, currently billed and unbilled.

(c) When invoicing for changed work, the contractor shall identify it as a contract change and shall identify the modification authorizing the change, and the CLIN/Work Item associated with the change.

(d) All items of work invoiced under this contract will be verified and confirmed by the Contracting Officer's Representative as accurate and complete and approved by the designated billing office before payment will be made.

(e) Mail the original invoice to:

[insert]

(f) The contractor's final invoice submitted under the contract must be marked as follows: “THIS INVOICE CONSTITUTES THE FINAL INVOICE - UPON PAYMENT OF THIS INVOICE NO OTHER MONIES ARE DUE UNDER CONTRACT NUMBER _____.” (To be assigned at contract award)

(End of clause)

1352.271-72 Additional Item Requirements (AIR) - growth work

As prescribed in 48 CFR 1371.103, insert the following clause:

Additional Item Requirements (Air) - Growth Work (APR 2010)

(a) This clause applies to Additional Item Requirements (AIR), also known as growth and emergent work ordered by the Contracting Officer pursuant to the Changes - Ship Repair clause or mutually agreed upon by the parties. The contractor shall perform AIR at the labor billing rates designated in the Schedule, as described in paragraph (c) of this clause. The AIR handling fee designated in the Schedule shall be the sole fee used for direct material purchases and subcontractor handling. The estimated quantity of labor hours and handling fees represent the Government's best estimate for growth that may be required throughout the contract performance period. All growth work shall be paid at the prices stated in the Schedule.

(b) The contractor shall take into account the potential for ordering all estimated AIR quantities in developing the Production Schedule. The ordering of any portion of the AIR quantities does not in itself warrant an extension to the original contract completion date; however, for planning purposes, the Government anticipates ordering AIR in accordance with the following schedule:

(1) No more than 75% of the hours during the first half of the contract period of performance.

(2) No more than 50% of the hours during the third quarter of the contract period of performance.

(3) No more than 30% of the hours during the fourth quarter of the contract period of performance.

(c) The AIR labor rate shall be a flat, hourly rate to cover the entire effort and shall be burdened to include:

(1) Direct production labor hour functions only. Direct production labor hours are hours of skilled labor at the journeyman level expended in direct production. Direct production is defined as work performed by a qualified craftsman that is directly related to the alteration, modification, or repair of the item or system identified as needing alteration, modification, or repair. The following functions are identified as direct production: Abrasive Cleaning/Water Blasting, Tank Cleaning, Welding, Burning, Brazing, Blacksmithing, Machining (inside and outside), Carpentry, Electrical/Electronic Work, Crane Operation, Shipfitting, Lagging/Insulating, Painting, Boilermaking, Pipe Fitting, Engineering (Production), Sheetmetal Work, Staging/Scaffolding, and Rigging.

(2) Non-production labor hours (whether charged directly or indirectly by contractor's accounting system) shall be for labor in support of production functions. For purposes of this clause, support functions are defined as functions that do not directly contribute to the alteration, modification, or repair of the item or system identified as needing alteration, modification, or repair. Necessary support functions should be priced into the burdened rate for production labor hours. Examples of support functions include: Testing, Quality Assurance (inspection), Engineering (support), Planning (including involvement of craft foreman/journeyman in planning a task), Estimating (including determination of necessary materials and equipment needed to perform a task), Material Handling, Set-up (moving tools and equipment from shop to ship to perform a task), Fire Watch, General Labor (including general support of journeyman tasks), Cleaning (including debris pickup and removal), Surveying, Security, Transportation, Supervision, and Lofting (sail/pattern making).

(d) Additional Item Requirements do not include replacement work performed pursuant to the Inspection and Manner of Doing Work or Guarantees clauses.

(e) It is the Government's intention to award any growth work identified during the repair to the contractor, if a fair and reasonable price can be negotiated for such work, based upon Schedule rates. If a fair and reasonable price cannot be negotiated, the Government may, at its discretion, obtain services outside of the contract. Such services may be performed while the ship is undergoing repair in the contractor's facility pursuant to the Access to Vessels clause.

(f) The contractor shall submit to the Contracting Officer the following information in all AIR proposals:

(1) Number of labor hours estimated; broken down by specific direct production labor category.

(2) Material estimates, individually broken out and priced. When requested by the Contracting Officer, material quotes shall be provided.

(3) Subcontractor estimates, individually broken out and priced along with the actual subcontractor quotes. The requirement to submit subcontractor quotes may be waived if deemed appropriate by the Contracting Officer.

(4) Material/subcontractor handling fee and the basis for the fee.

(g) The contractor shall not be entitled to payment for any hours ordered pursuant to this clause until such time as a written contract modification is executed.

(End of clause)

1352.271-73 Schedule of work.

As prescribed in 48 CFR 1371.104, insert the following clause.

Schedule of Work (APR 2010)

(a) Notwithstanding other requirements specified in this contract, the contractor shall provide to the Contracting Officer and COR the following documents within five (5) working days of the vessel's arrival at the contractor's facility:

(1) Production Schedule.

(2) Work Package Network.

(3) Total Manpower Loading Curve.

(4) Trade Manning Curves.

(5) Subcontracting List.

(b) The Production Schedule shall list the earliest, latest, and scheduled start and completion date for each work item awarded and shall identify the critical path. The Work Package Network shall show the work items, milestones, key events, and activities and shall clearly identify the critical path. The Total Manpower Loading Curve shall show the required manning for the duration of the contract. The Trade Manning Curves shall show the required manning for each trade for the duration of the contract. The Subcontracting List shall show work items, milestones, key events, and activities to be accomplished by subcontractors.

(c) Additional Item Requirements ordered and agreed upon, whether or not yet formalized via a change order (contract modification), shall be added to the Production Schedule, Trade Manning Curves, and Subcontracting List and submitted to the Contracting Officer and COR at each weekly Progress Meeting. Any anticipated or unanticipated deviation (greater than five (5) calendar days) from the Production Schedule shall be immediately brought to the attention of the Contracting Officer and COR.

(d) Any unauthorized deviation in the Production Schedule which results in a delay in the completion of work on a vessel past the established performance period completion date may entitle the Government to remedies for late performance, including, but not limited to, liquidated damages.

(End of clause)

1352.271-74 Foreseeable cost factors pertaining to different shipyard locations.

As prescribed in 48 CFR 1371.105, insert the following provision:

Foreseeable Cost Factors Pertaining to Different Shipyard Locations (APR 2010)

(a) The Contracting Officer will evaluate certain foreseeable costs that will vary with the location of

the commercial shipyard to be used by bidders/offerors under this solicitation. Costs will be calculated based on the bidder's/offeror's shipyard location and these costs will be added, for the purposes of evaluation only, to the bidder's/offeror's overall price.

(b) These elements of foreseeable costs consist of the following:

(1) *Vessel Transit:*

(i) Vessel delivery costs will be based on one round trip from the vessel's homeport of _____ to the contractor's facility at a cruising speed of ____ knots. Distances will be based on the NOAA publication, “Distance Between U.S. Ports”.

(ii) Daily vessel operational cost to navigate the vessel between its homeport and the contractor's offered place of performance is $_____ per day. The number of days to transit to the contractor's offered place of performance from the vessel's homeport will be multiplied by the per-day operational cost.

(iii) No operational costs will be applied if the ship can be delivered to the contractor's facility from its homeport within eight (8) hours port-to-port. If the delivery time exceeds eight (8) hours, but is less than 24 hours, it will be considered one full day. Any fraction of subsequent day(s) will be considered as a full day.

(2) *Shore Leave Costs:* If the contractor's facility is outside of a 50-mile radius of the vessel's homeport -

(i) An assessment of $_____ for each 15-day period or portion thereof, beginning with the vessel's departure from the homeport and concluding with the vessel's return to homeport.

(ii) There will be an additional transportation cost for _____ vessel crew members for one (1) round trip(s) between the contractor's offered place of performance and the vessel's homeport at the cost of coach-type airfare.

(3) *Travel and Per Diem Costs:* If the contractor's facility is outside of a 50-mile radius of the vessel's homeport -

(i) There will be a transportation cost for one (1) Contracting Officer's Representative (COR) for ____ round trip(s) between the contractor's offered place of performance and the COR's official duty station at the cost of coach-type airfare.

(ii) There will be a per diem expense for ____ *calendar days to support one (1) COR while in the city of the place of contract performance, to be determined in accordance with the Joint Federal Travel Regulations (JFTR). The cost of car rental for the estimated performance period will also be included.*

(iii) There will be a transportation cost for one (1) Contracting Officer for ____ round trip(s) between the Contracting Officer's official duty station and the contractor's offered place of performance at the cost of coach-type airfare, plus per diem expenses and a rental car.

(End of clause)

1352.271-75 Delivery and shifting of the vessel.

As prescribed in 48 CFR 1371.106, insert the following clause:

Delivery and Shifting of the Vessel (APR 2010)

(a) The Government shall deliver the vessel to the contractor, at the location specified in the contract.

(b) Whether the specified location of performance is the contractor's own facility or any other authorized facility, it shall be understood to mean the fairway of the facility. The contractor shall provide necessary tugs and pilot services to move the vessel from the fairway to the pier or dock, and, upon completion of all work, from the pier or dock to the fairway of the facility.

(c) While the vessel is in the possession of the contractor, any necessary movement of the vessel incidental to the work specified in the contract shall be furnished by the contractor without additional charge to the Government.

(End of clause)

1352.271-76 Performance.

As prescribed in 48 CFR 1371.107, insert the following clause:

Performance (APR 2010)

(a) The contractor shall not commence work until a notice to proceed has been issued by the Contracting Officer.

(b) The Government shall deliver the vessel described in the contract at such time and location as may be specified in the contract. Upon completion of the work, the Government shall accept delivery of the vessel at such time and location as may be specified in the contract.

(c) Without additional charge to the Government, and without specific requirement in the contract, the contractor shall:

(1) Make available, at the facility, to personnel of the vessel while in drydock or on a marine railway, sanitary facilities adequate for the number of personnel using them and acceptable to the Contracting Officer;

(2) Supply and maintain, in such condition as the Contracting Officer may reasonably require, suitable brows and gangways from the pier, drydock or marine railway to the vessel;

(3) Perform, or pay the cost of, any repair, reconditioning or replacement made necessary as the result of the use by the contractor of any of the vessel's machinery, equipment or fittings, including, but not limited to, winches, pumps, riggings, or pipe lines; and

(4) Furnish suitable offices, office equipment and telephones at or near the site of the work as the Contracting Officer reasonably requires for personnel designated by the Government.

(d) Except as otherwise provided in the contract, the contractor shall furnish all necessary material, labor, supervision, services, equipment, tools, supplies, power, accessories, facilities, and other things and services necessary for accomplishing the work.

(e) The contractor shall conduct dock and sea trials of the vessel as required by the contract. Unless otherwise expressly provided in the contract, during the conduct of these trials the vessel shall be under the control of the vessel's commander and crew with representatives of the contractor and the Government on board to determine whether the work provided by the contractor has been satisfactorily performed. Dock and sea trials not specified which the contractor requires for its own benefit shall not be undertaken by the contractor without prior notice to and approval of the Contracting Officer; any such dock or sea trial shall be conducted at the risk and expense of the contractor. The contractor shall provide and install all fittings and appliances which may be necessary for the dock and sea trials to enable the representatives of the Government to determine whether the requirements of the contract plans and specifications have been met. The contractor shall also be responsible for the care, installation and removal of any instruments and apparatus furnished by the Government for such trials.

(End of clause)

1352.271-77 Delays.

As prescribed in 48 CFR 1371.108, insert the following clause:

Delays (APR 2010)

When, during the performance of this contract, the contractor is required to delay the work on a vessel temporarily, due to orders or actions of the Government respecting stoppage of work to permit shifting the vessel, stoppage of hot work to permit bunkering, fueling, embarking or debarking of passengers or loading or discharging of cargo, and the contractor is not given sufficient advance notice or is otherwise unable to avoid incurring additional costs on account thereof, an equitable adjustment may be made in the contract. Any such request for equitable adjustment shall be asserted in writing as soon as practicable after the delay or disruption, but not later than the day of final payment under the contract.

(End of clause)

1352.271-78 Minimization of delay due to Government furnished property.

As prescribed in 48 CFR 1371.109, insert the following clause:

Minimization of Delay Due to Government Furnished Property (APR 2010)

(a) In order to assure timely performance under this contract, it is imperative that delay in the contract's performance period resulting from late, damaged, or unsuitable Government furnished property be held to an absolute minimum. In order to achieve minimization of delay, it is agreed that:

(1) Subject to adjustment as provided in paragraph (b) of this clause, the Government shall deliver each item of Government furnished property to the contractor on or before the date specified in the contract or, if later, in sufficient time for the contractor to meet the contract performance period.

(2) The Government may forego furnishing any item of Government property to the contractor. In that event, the contractor shall prepare the vessel in terms of piping, wiring, structure, foundation, ventilation, and any other pre-installation requirements of the item, so that the work on the vessel may continue without delay and disruption resulting from the absence of the item. If the Government does not furnish an item designated as Government furnished property, the contract price may be adjusted accordingly.

(b) The delivery or performance dates for the supplies or services to be furnished by the contractor under this contract are based upon the expectation that Government furnished property suitable for use (except for such property furnished “as is”) will be delivered to the contractor at the time stated in the specification or, if not so stated, in sufficient time to enable the contractor to meet such delivery or performance dates. If the Government furnished property is not furnished in the time stated in the contract, or, if a date is not specified, and the late delivery does not give the contractor sufficient time to enable the contractor to meet required contract delivery or performance dates, the contractor shall notify the Government in writing of the late delivery. Notification shall include cost and schedule impacts, including delays and disruptions to schedules. This notification shall be submitted as soon as practical or known.

(c) The provisions in subsection (b) of this clause and in FAR 52.245-1, if applicable, provide the exclusive remedies to the contractor resulting from delay in delivery of Government furnished property or delivery of such property in a condition not suitable for its intended use.

(End of clause)

1352.271-79 Liability and insurance.

As prescribed in 48 CFR 1371.110, insert the following clause:

Liability and Insurance (APR 2010)

(a) The contractor shall exercise reasonable care and use its best efforts to prevent accidents, injury or damage to all employees, persons and property, in and about the work, and to the vessel or part thereof upon which work is done.

(b) The contractor shall be responsible for and make good at its own cost and expense any and all loss of or damage of whatsoever nature to the vessel (or part thereof), its equipment, movable stores and cargo, and Government-owned material and equipment for the repair, completion, alteration of or addition to the vessel in the possession of the contractor, whether at the plant or elsewhere, arising or growing out of the performance of the work, except where the contractor can affirmatively show that such loss or damage was due to causes beyond the contractor's control, was proximately caused by the fault or negligence of agents or employees of the Government, or which loss or damage the contractor by exercise of reasonable care was unable to prevent. However, the contractor shall not be responsible for any such loss or damage discovered after redelivery of the vessel unless the loss or damage is discovered within 90 days after redelivery of the vessel and loss or damage is affirmatively shown to be the result of the fault or negligence of the contractor. To induce the contractor to perform the work for the compensation provided, it is specifically agreed

that the contractor's aggregate liability on account of loss of or damage to the vessel (or part thereof), its equipment, movable stores and cargo and Government-owned materials and equipment, shall in no event exceed the sum of $1,000,000.00. As to the contractor, the Government assumes the risk of loss or damage to the Government-owned vessel (or part thereof), its equipment, movable stores and cargo and said Government-owned materials and equipment in excess of $1,000,000.00. This assumption of risk includes but is not limited to loss or damage from negligence of whatsoever degree of the contractor's servants, employees, agents or subcontractors, but specifically excludes loss or damage from willful misconduct or lack of good faith on the part of contractor's personnel, who have supervision or direction of all or substantially all of the contractor's business, or all or substantially all of the contractor's operation at any one plant. However, as to such risk assumed and borne by the Government, the Government shall be subrogated to any claim, demand or cause of action against third persons which exists in favor of the contractor, and the contractor shall, if required, execute a formal assignment or transfer of claims, demands or causes of action. Nothing contained in this paragraph shall create or give rise to any right, privilege or power in any person except the contractor, nor shall any person (except the contractor) be or become entitled thereby to proceed directly against the Government, or join the Government as a co-defendant in any action against the contractor brought to determine the contractor's liability, or for any other purpose.

(c) The contractor indemnifies and holds harmless the Government, its agencies and instrumentalities, and the vessel against all suits, actions, claims, costs or demands (including without limitation, suits, actions, claims, costs or demands resulting from death, personal injury and property damage) to which the Government, its agencies and instrumentalities, or the vessel may be subject or put by reason of damage or injury (including death) to the property or person of anyone other than the Government, its agencies, instrumentalities and personnel, or the vessel, arising or resulting in whole or in part from the fault, negligence, wrongful act or wrongful omission of the contractor, or any subcontractor, its or their servants, agents or employees; provided that the contractor's obligation to indemnify under this paragraph (c) shall not exceed the sum of $1,000,000.00 on account of any one accident or occurrence in respect of any one vessel. Such indemnity shall include, without limitation, suits, actions, claims, costs or demands of any kind whatsoever, resulting from death, personal injury or property damage occurring during the period of performance of work on the vessel or within 90 days after redelivery of the vessel. Any new equipment warranties that extend beyond the 90 days after redelivery of the vessel shall be assigned to the Government upon redelivery of the vessel. With respect to any such suits, actions, claims, costs or demands resulting from death, personal injury or property damage occurring after the expiration of such period, the rights and liabilities of the Government and the contractor shall be as determined by other provisions of this contract and by law; provided that such indemnity shall apply to death occurring after such period which results from any personal injury received during the period covered by the contractor's indemnity as provided herein.

(d) The contractor shall, at its own expense, procure, and thereafter maintain such casualty, accident and liability insurance, in such forms and amounts as may be approved by the Contracting Officer, insuring the performance of its obligations under paragraph (c) of this clause. In addition, the contractor shall at its own expense procure and thereafter maintain such ship repairer's legal liability insurance as may be necessary to insure the contractor against its liability as ship repairer in the amount of $1,000,000.00, or the value of the vessel as determined by the Contracting Officer, whichever is the lesser, with respect to each vessel on which work is performed. The contractor shall cause the Government to be named as an additional insured under any and all liability insurance policies, however, at the discretion of the Contracting Officer, such insurance need not be procured whenever the job order requires work on parts of a vessel only and the work is to be performed at a plant other than the site of the vessel. Further, the contractor shall procure and maintain in force Worker's Compensation Insurance (or its equivalent) covering its employees engaged in the work

and shall ensure the procurement and maintenance of such insurance by all subcontractors engaged in the work. The contractor shall provide evidence of insurance as required by the Government.

(e) The contractor shall receive no allowance in the contract price for inclusion of any premium expense or charge for any reserve made on account of self-insurance for coverage against any risk assumed by the Government under this clause.

(f) As soon as practicable after the occurrence of any loss or damage, the risk of which the Government has assumed, written notice of the damage shall be given by the contractor to the Contracting Officer. The notice shall contain full particulars of the loss or damage. If claim is made or suit is brought thereafter against the contractor as the result or because of such event, the contractor shall immediately deliver to the Government every demand, notice, summons or other process received by it or its representatives. The contractor shall cooperate with the Government, and, upon the Government's request, shall assist in effecting settlements, securing and giving evidence; obtaining the attendance of witnesses, and other assistance required in the conduct of suits. The Government shall pay to the contractor the expense, other than the cost of maintaining the contractor's usual organization, incurred in this assistance. Except at its own cost, the contractor shall not voluntarily make any payment, assume any obligation or incur any expense not imperative for the protection of the vessel or vessels at the time of the event.

(End of clause)

1352.271-80 Title.

As prescribed in 48 CFR 1371.111, insert the following clause:

Title (APR 2010)

(a) Title to all materials and equipment acquired, produced for, or allocated to the performance of this contract and incorporated in or placed on the vessel or any part thereof, shall vest in the Government.

(b) The contractor shall assume, without limitation, the risk of loss for any contractor-furnished materials and equipment until final acceptance by the Government of work performed under the contract.

(End of clause)

1352.271-81 Discharge of liens.

As prescribed in 48 CFR 1371.112, insert the following clause:

Discharge of Liens (APR 2010)

The contractor shall immediately discharge or cause to be discharged any lien or right *in rem* of any kind, other than in favor of the Government, which at any time exists or arises in connection with work done or materials furnished under the contract. If any such lien or right *in rem* is not immediately discharged, the Government may discharge or cause to be discharged such lien or right at the expense of the contractor.

(End of clause)

1352.271-82 Department of Labor occupational safety and health standards for ship repair.

As prescribed in 48 CFR 1371.113, insert the following clause:

Department of Labor Occupational Safety and Health Standards for Ship Repair (APR 2010)

The contractor, in performance of all work under the contract, shall comply with the requirements of 29 CFR 1910.15. Nothing contained in this contract shall be construed as relieving the contractor from any obligations which it may have for compliance with the aforesaid regulations.

(End of clause)

1352.271-83 Government review, comment, acceptance and approval.

As prescribed in 48 CFR 1371.114, insert the following clause:

Government Review, Comment, Acceptance and Approval (APR 2010)

(a) Documentation, including drawings and other engineering products and reports, required by the contract to be submitted for review, comment, acceptance or approval will be acted upon by the Government within 30 calendar days after receipt by the Government, unless another period of time is specified.

(b) The Government shall respond to Condition Reports, as defined in the Specifications, within five (5) working days, unless the Government notifies the contractor that a longer period of time will be required. If the contractor requests a response in less than five (5) working days, the Government will attempt to accommodate the request, but does not guarantee a response in less than the time limits stated above.

(c) Review, comment, acceptance or approval by the Government as required under this contract and applicable specifications shall not relieve the contractor of its obligation to comply with the specifications and with all other requirements of the contract, nor shall it impose upon the Government any liability it would not have had in the absence of such review, comment and acceptance or approval.

(End of clause)

1352.271-84 Access to the vessel.

As prescribed in 48 CFR 1371.115, insert the following clause:

Access to the Vessel (APR 2010)

(a) As authorized by the Contracting Officer, a reasonable number of officers, employees and personnel designated by the Government, or representatives of other contractors and their subcontractors shall have admission to the facility and access to the vessel at all reasonable times to perform and fulfill their respective obligations to the Government on a noninterference basis. The contractor shall make reasonable arrangements to provide access for these personnel to office space, work areas, storage or shop areas, and other facilities and services reasonable and necessary to perform their duties. All such personnel shall comply with contractor rules and regulations governing personnel at its shipyard, including those regarding safety and security.

(b) The contractor further agrees to allow a reasonable number of officers, employees, and designated personnel of offerors on other contemplated work, the same privileges of admission to the contractor's facility and access to the vessel(s) on a noninterference basis, subject to contractor rules and regulations governing personnel in its shipyard, including those regarding safety and security.

(End of clause)

1352.271-85 Documentation of requests for equitable adjustment.

As prescribed in 48 CFR 1371.116, insert the following clause:

Documentation of Requests for Equitable Adjustment (APR 2010)

(a) For the purpose of this clause, the term “change” includes not only a change made pursuant to a written order designated as a “change order,” but also any act or omission to act on the part of the Government where a request is made for equitable adjustment.

(b) Whenever the contractor requests or proposes an equitable adjustment to the contract price for a change or an act or omission on the part of the Government, the request shall include a breakdown of the price adjustment in such form and supported by such reasonable detail as the Contracting Officer may request. As a minimum, the contractor shall provide a breakdown of direct labor hours, labor dollars, overhead, material, subcontracts, contingencies and profit for each change and a justification for any extension of the delivery date.

(c) Whenever the contractor requests or proposes an equitable adjustment of $100,000 or greater gross (aggregate increases and/or decreases) for a change made pursuant to a written order designated as a “change order,” or whenever the contractor requests an equitable adjustment in any amount for any other act or omission to act on the part of the Government, the proposal supporting such request shall contain the following information for each individual item or element of the request:

(1) A description of the unperformed work required by the contract before the change which has been deleted by the change and the work deleted by the change that already has been completed in whole or in part. The description shall include a list of components, equipment, and other identifiable property involved. Also, the status of manufacture, procurement, or installation of such property shall be indicated. A separate description shall be furnished for design and production work. Items of raw material, purchased parts, components, and other identifiable hardware which are made excess by the change, and which are not to be retained by the contractor, are to be listed for later disposition;

(2) A description of the work necessary to undo work already completed which has been deleted by the change;

(3) A description of the work substituted or added by the change that was not required by the terms of the contract before the change. A list of components and equipment (not bulk material or items) involved should be included. A separate description shall be furnished for design work and production work;

(4) A description of any interference or inefficiency encountered in performing the change;

(5) A description of disruption attributable solely to the change, which shall include the following information:

(i) A specific description of each element of disruption which states how the work has been, or will be, disrupted;

(ii) The calendar time period when disruption occurred, or will occur, illustrated via critical path analysis;

(iii) The area(s) aboard ship where disruption occurred, or will occur;

(iv) The trade(s) disrupted, with a breakdown of man-hours for each trade;

(v) The scheduling of trades before, during, and after the period of disruption;

(vi) A description of measures taken to lessen the disruptive effect of the change.

(6) The delay in delivery attributable solely to the change;

(7) A description of other work attributed to the change;

(8) A narrative statement of the direct causal relationship between any alleged Government act or omission and the claimed result, cross-referenced to the detailed information required above; and

(9) A statement setting forth a comparative enumeration of the amounts “budgeted” for the cost elements, including the materials cost, labor hours, and indirect costs pertinent to the change estimated by the contractor in preparing its proposal(s) for this contract, and the amounts claimed to have been incurred, or projected to be incurred, corresponding to each such “budgeted cost” element.

(10) At the time of agreement upon the price of the equitable adjustment, the contractor shall submit a signed Certificate of Current Cost or Pricing Data.

(d) Pending execution of a bilateral agreement or the direction of the Contracting Officer pursuant to the Changes clause, the contractor shall proceed diligently with contract performance without regard to the effect of any such proposed change.

(End of clause)

1352.271-86 Lay days.

As prescribed in 48 CFR 1371.117, insert the following clause:

Lay Days (APR 2010)

(a) A lay day is defined as an additional day on dry dock or marine railway caused by a Government-issued change. Reimbursement for lay days shall be paid at the rate stated in the Schedule.

(b) No amount for lay day time shall be paid until all contract line items (including optional items) that require drydocking of the vessel have been completed. Lay days for work ordered pursuant to the Additional Item Requirements Clause shall not be compensable unless all dry dock work included in the contract line items is complete.

(c) Days of hauling out and floating, whatever the hour, shall not be paid as lay day time, and days when no work is performed by the contractor shall not be paid as lay day time. Days in which work is performed that are considered normal “non-work” days (weekends or holidays) shall not be paid as lay day time if the ship would have otherwise been in dry dock.

(d) Payment of lay day time shall constitute complete compensation for all costs associated with lay days except for costs directly related to the changed work.

(End of clause)

1352.271-87 Changes - ship repair.

As prescribed in 48 CFR 1371.118, insert the following clause:

Changes - Ship Repair (APR 2010)

(a) The Contracting Officer may, at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract, in any one or more of the following:

(1) Drawings, designs, or specifications, when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications;

(2) Method of shipment or packing;

(3) Place of performance of the work;

(4) Time of commencement or completion of the work; and

(5) Other requirements within the general scope of the contract.

(b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract accordingly.

(c) The contractor must submit any proposal for adjustment under this clause within 5 days from the date of receipt of the written order. At the Contracting Officer's discretion, the 5-day period may be shortened. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

(d) If the contractor's proposal includes the cost of property rendered obsolete or excess by the

change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.

(e) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the contractor from proceeding with the contract as changed.

(End of clause)

1352.271-88 Guarantees.

As prescribed in 48 CFR 1371.119, insert the following clause:

Guarantees (APR 2010)

(a) In the event any work performed or materials furnished by the contractor under this contract prove defective or deficient within ____ days from the date of redelivery of the vessel, the contractor, as directed by the Contracting Officer and at its own expense, shall correct and repair the deficiency to the satisfaction of the Contracting Officer.

(b) The Government shall be entitled to rely upon any guarantee secured by the contractor or any sub-contractor covering work done or materials furnished which exceeds the ____day period until its expiration.

(c) With respect to any individual work item identified and listed as incomplete at the redelivery of the vessel, the guarantee period shall run from the date of completion of such item.

(d) If and when practicable, the Government shall afford the contractor an opportunity to effect such corrections and repairs.

(1) If the Contracting Officer determines it is impracticable or is otherwise not advisable to return the vessel to the contractor, or the contractor fails to proceed promptly with any such repairs as directed by the Contracting Officer, the Contracting Officer may direct that the repairs be performed elsewhere, at the contractor's expense.

(2) Where corrections and repairs are to be made by other than the contractor due to nonreturn of the vessel to the contractor, the contractor's liability may be discharged by an equitable deduction in the price of the contract.

(e) The contractor's liability shall only extend for an additional ____ day guarantee period on those defects or deficiencies which it corrected. However, this clause does not limit the responsibility or relieve the liability of the contractor under the Liability and Insurance clause.

(f) At the Contracting Officer's option, defects and deficiencies may be left in their uncorrected condition. In that event, the contractor and the Contracting Officer shall agree on an equitable deduction in the contract price. Failure to agree upon an equitable reduction shall constitute a dispute under the Disputes clause of this contract.

(g) The rights and remedies of the Government provided in this clause are in addition to and do not limit any rights afforded to the Government by any other clause of the contract. If a defect or deficiency that exists at the time of redelivery of the vessel was not discovered by a reasonable inspection and is discovered after the expiration of the time frame stated in this clause, it is not

subject to the time limitations stated in this clause.

(End of clause)

1352.271-89 Temporary services.

As prescribed in 48 CFR 1371.120, insert the following clause:

Temporary Services (APR 2010)

(a) Temporary services are services incidental to the performance of work which are required in the schedule or specifications to be provided by the contractor. Temporary services may include the furnishing of water, electricity, telephone service, toilet facilities, garbage removal, office space, parking places or similar facilities.

(b) If performance time is extended due to Government-caused delay, the contractor may request an equitable adjustment for providing temporary services at the rate stated in the Schedule.

(End of clause)

1352.271-90 Insurance requirements.

As prescribed in 48 CFR 1371.121, insert the following clause:

Insurance Requirements (APR 2010)

(a) The contractor shall procure and thereafter maintain the following insurance:

(1) Ship contractor's legal liability insurance to insure the risks described in paragraph (b) of clause 1352.271-79. This insurance shall be for $1,000,000.00.

(2) Comprehensive general liability insurance and automobile insurance to insure the risks described in paragraph (c) of clause 1352.271-79. This insurance shall be for $1,000,000.00 on account of any one accident or occurrence with respect to each vessel, boat, and/or barge upon which work is performed. The contractor shall cause the Government to be named as an additional insured under any and all liability insurance policies.

(3) Full coverage in accordance with the State Worker's Compensation law; and

(4) Full coverage in accordance with the United States Longshoremen's and Harbor Worker's Act.

(b) As evidence that it has obtained the insurance specified in paragraph (a) of this clause, the contractor shall furnish the Contracting Officer with a certificate or certificates executed by an agent of the insurer authorized to execute such certificates. Such certificates shall be furnished prior to commencement of the work. Each certificate shall state that (name of insurer) has insured (name of contractor) awarded contract number _____ for repair/alteration of (name of vessel) in accordance with the Liability and Insurance clause and the Insurance Requirements clause contained herein. Each certificate shall set forth that each policy of insurance represented thereby will expire on (APR 2010) and that each such policy contains the following clause:

“It is agreed that in the event of cancellation or any material change in the policy adversely affecting the interest of the Government in this insurance, 30 days prior written notice will be given to the Contracting Officer.”

(End of clause)