# MISSION SUPPORT AND TEST SERVICES, LLC FIXED PRICE COMMERCIAL SUPPLY SUBCONTRACT

# **GENERAL CONDITIONS**

# **TABLE OF CONTENTS**

<u>NO.</u>	<u>TITLE</u>	PAGE
C-1	Title and Administration	2
C-2	Acceptance of Terms and Conditions	2
C-3	Warranties	2
C-4	New Materials	2
C-5	Transportation	
C-6	Payment and Invoices	2
C-7	Taxes	
C-8	Contractor Authorized Representative	3
C-9	Suspension	
C-10	Termination for Convenience	
C-11	Government Restricted Parties and Commodities	
C-12	Assignment of Subcontract by Contractor	
C-13	Assignment by Subcontractor (Monies and Performance)	4
C-14	Suspect/Counterfeit Items or Components	5
C-15	Publicity and Advertising	5
C-16	Order of Precedence	5
C-17	Quality Assurance (QA)	5
C-18	Incorporation by Reference	
C-19	Applicable to all Agreements As Identified in the Special Application Instructions	6
C-20	Applicable If Performance Involves Special Items and Services	
C-21	Applicable If Subcontract Involves Security or Access to Classified Information	7
C-22	Applicable to Subcontracts Over \$5,000,000	7

# FIXED PRICE COMMERCIAL SUPPLY SUBCONTRACT GENERAL CONDITIONS

#### C-1 TITLE AND ADMINISTRATION

All property rights and interests in the property resulting from this subcontract shall pass directly from SUBCONTRACTOR to the Government. The CONTRACTOR shall make payments under this order from funds advanced by the Government. The CONTRACTOR may assign the order to the Government or its designee, and in case of such transfer and notice thereof to SUBCONTRACTOR, CONTRACTOR shall have no further responsibilities hereunder. The SUBCONTRACTOR shall cooperate in the proper and orderly transition to the successor CONTRACTOR chosen to perform any uncompleted portion of this order.

#### C-2 ACCEPTANCE OF TERMS AND CONDITIONS

SUBCONTRACTOR, by signing the subcontract, agrees to comply with all the terms and conditions and all specifications and other documents that this order incorporates by reference or attachment.

# C-3 WARRANTIES

SUBCONTRACTOR expressly warrants that items delivered under the order shall be in accordance with SUBCONTRACTOR'S (or manufacturer's) affirmation, description, sample, or model and compliant with all requirements of the order. If any nonconformity with item appears within that time, SUBCONTRACTOR shall promptly repair or replace such items. Transportation of replacement items and return of nonconforming items shall be at SUBCONTRACTOR'S expense. If repair or replacement is not timely, CONTRACTOR may elect to return the nonconforming items or repair or replace them at SUBCONTRACTOR'S expense.

#### C-4 New Materials

Unless otherwise specified in the subcontract, all items delivered shall consist of new materials. New is defined as previously unused which may include residual inventory or unused former Government surplus property. This doesn't exclude the use of recycled or recovered material as defined by the Environmental Protection Agency in 40 CFR 247.

# C-5 TRANSPORTATION

Transportation shall be as specified on the order and no excess insurance cost shall be allowed unless authorized in writing on the specific order.

#### C-6 PAYMENT AND INVOICES

Electronic funds transfer is the preferred method of payment used by MSTS. To take advantage of this expedited payment process, complete form FRM-0870. The form can be found at: www.nnss.gov/docs/docs\_procurement/frm0870.pdf.

Unless otherwise provided, terms of payment shall be net 30 days from the later of (1) receipt of SUBCONTRACTOR's proper invoice, if required, or (2) delivery of items/completion of work. Any offered discount shall be taken if payment is made within the discount period that SUBCONTRACTOR indicates. Payments may be made either by check or electronic funds transfer.

To expedite payment, e-mail all invoices directly to the MSTS Accounts Payable Department at

<u>apinvprd@nv.doe.gov</u>. Invoice images are accepted only in PDF and TIF format with each invoice to be submitted separately. This e-mail address is to be used for invoices only, not for Statements and Billing Slips.

SUBCONTRACTOR shall submit all billings, including the final billing, detailed by Purchase Order Line Item Number on the original invoice to:

Mission Support and Test Services, LLC P.O. Box 98521, M/S NLV025 Las Vegas, NV 89193-8521 Attention: Accounts Payable Reference: Purchase Order No.

# C-7 TAXES

Seller shall collect and pay taxes if Seller has a Nevada Tax ID. If not, CONTRACTOR shall pay applicable taxes.

#### C-8 CONTRACTOR AUTHORIZED REPRESENTATIVE

Only the Procurement Representative is authorized on behalf of CONTRACTOR to issue changes whether formal or informal.

#### C-9 SUSPENSION

The CONTRACTOR may, for any reason, direct the SUBCONTRACTOR to suspend performance of any part of or all of the performance of the order for a period of time not to exceed 90 days unless mutually agreed. If any such suspension significantly delays the progress of or causes the SUBCONTRACTOR additional direct expenses in the performance of the order, not due to the fault or negligence of the SUBCONTRACTOR, the compensation to the SUBCONTRACTOR shall be adjusted by a modification to the order and the time of performance shall be extended by the actual duration of the suspension. Any claim by the SUBCONTRACTOR for compensation of a schedule extension must be supported by an appropriate document asserted within ten days from the date an order is given to the SUBCONTRACTOR to resume the performance of the order.

#### C-10 TERMINATION FOR CONVENIENCE

The CONTRACTOR may, in its sole discretion, terminate the order, at any time, by giving the SUBCONTRACTOR a written notice of termination. Upon receipt of a notice of termination, the SUBCONTRACTOR shall, unless the notice requires otherwise, discontinue all performance on the date and to the extent specified in the notice, and shall otherwise minimize costs to the CONTRACTOR. Payment for items already completed or in the process of completion, shall be adjusted between the SUBCONTRACTOR and the CONTRACTOR in a fair and reasonable manner, but such payment shall exclude any allowance for the uncompleted portion of the items, or any anticipated profits thereon. Such payment for items already completed or in the process of completion shall be the total compensation due to the SUBCONTRACTOR for termination for Convenience of the CONTRACTOR.

# C-11 GOVERNMENT RESTRICTED PARTIES AND COMMODITIES

SUBCONTRACTOR acknowledges that all applicable export rules and regulations of the origin countries shall apply to the exports of commodities, software and technology (technical data and assistance) under this Subcontract. SUBCONTRACTOR also acknowledges that other rules and regulations may restrict the

use of certain parties under this Subcontract. Such rules and regulations are generally described below.

- 1. Restricted Parties Lists
  - Country governments and international organizations such as the United Nations and European Union publish Restricted Parties Lists ("Lists") that identify parties (such as known or suspected terrorists, money launderers and drug traffickers) restricted from certain or all types of transactions. SUBCONTRACTOR shall review all applicable Lists prior to initiating transactions with any third party for the performance of all or any portion of the Work to ensure such third party is not identified on any applicable Lists. SUBCONTRACTOR shall not enter into any transactions with any third party identified on any applicable Lists.
- 2. <u>Licensing Requirements</u>
  - (a) <u>General:</u> Each country has export regulations that control commodities, software and technology for various reasons, such as national security, foreign policy, anti-terrorism, and to avoid the proliferation of weapons and potential weapons, e.g. certain nuclear, chemical or biological agents. Numerous countries have export regulations that specifically address dual-use items, meaning commercial items with the potential to be applied to military and/or weapon proliferation uses. SUBCONTRACTOR shall ensure that all necessary export licenses are obtained, or license exceptions confirmed, prior to the export of any commodity, software or technology.
  - (b) <u>United States of America (USA) Export Licensing Requirements:</u> SUBCONTRACTOR is solely responsible for obtaining any required USA export licenses for all commodities, software, and technology being supplied in the performance of the Work, except for any commodity, software or technology supplied by CONTRACTOR. A copy of the export license, or rationale as to why a license is not required, shall be provided to CONTRACTOR upon request.

SUBCONTRACTOR shall be responsible for any delay resulting from SUBCONTRACTOR'S failure to comply fully and timely with any such rule or regulation described above. SUBCONTRACTOR hereby agrees to indemnify, defend and hold CONTRACTOR, each of their respective affiliates and the respective directors, officers, employees and representatives of each harmless from and against any and all claims, legal or regulatory actions, final judgments, reasonable attorneys' fees, civil fines and any other losses which any of them may incur as a result of SUBCONTRACTOR'S failure to comply with its obligations under this clause.

# C-12 ASSIGNMENT OF SUBCONTRACT BY CONTRACTOR

SUBCONTRACTOR agrees that the subcontract rights and duties of the CONTRACTOR may be freely assigned to the government or a successor CONTRACTOR.

SUBCONTRACTOR shall cooperate in the proper and orderly transition to the successor CONTRACTOR chosen to perform any uncompleted portion of this Subcontract.

# C-13 ASSIGNMENT BY SUBCONTRACTOR (MONIES AND PERFORMANCE)

Any assignment of this Subcontract or rights hereunder, in whole or part, without the prior written consent of CONTRACTOR shall be void, except that upon ten (10) calendar days written notice to CONTRACTOR, SUBCONTRACTOR may assign monies due or to become due under this Subcontract, provided that any assignment of monies shall be subject to proper set-offs in favor of CONTRACTOR and any deductions provided for in this Subcontract. No assignment or Subcontract will be approved which would relieve SUBCONTRACTOR or its sureties, if any, of their responsibilities under this Subcontract.

SUBCONTRACTOR shall not subcontract with any third party for the performance of all or any portion of the Work without the advance written approval of CONTRACTOR. Lower-tier Subcontracts and purchase orders must include provisions to secure all rights and remedies of CONTRACTOR and Government provided under this Subcontract, and must impose upon the lower-tier SUBCONTRACTOR and supplier all of the general duties and obligations required to fulfill this Subcontract.

Copies of all purchase and Subcontract agreements are to be provided to CONTRACTOR upon request. Pricing may be deleted unless the compensation to be paid there under is reimbursable under this Subcontract.

# C-14 Suspect/Counterfeit Items or Components

Equipment/material provided under this Subcontract may be considered safety critical. Accordingly the Subcontractor will implement a Suspect/Counterfeit Items (S/CI) prevention process to whatever extent necessary to prevent the introduction of S/CI which includes, at a minimum, the conduct of inspection of this equipment/material prior to shipment. This inspection will incorporate, among other things, an inspection for suspect/counterfeit items (S/CI) or components contained within, or on the equipment in accordance with DOE "Guide No. G 414.1-2B Quality Assurance Program Guide" Including any applicable changes. Notwithstanding, any other provisions of this subcontract, should any S/CI or components be found within or on this equipment during Contractor receipt inspection, Subcontractor shall, at its expense, promptly replace such items or components. This requirement shall be flowed down to all levels of Subcontractors as it pertains to this procurement activity.

#### C-15 PUBLICITY AND ADVERTISING

SUBCONTRACTOR shall not make any announcement, take any photographs, or release any information concerning this Subcontract, or the CONTRACTOR'S Prime Contract, or the Government's operations, or any part thereof to any member of the public, press, business entity, or any official body unless prior written consent is obtained from CONTRACTOR.

SUBCONTRACTOR shall not allow any publication or public presentation of information developed during the Work (including without limitation reports, journal articles, thesis or dissertations, conference presentations and the like) without prior clearance from CONTRACTOR and approval by the Government. SUBCONTRACTOR should allow at least 45 days for the clearance process, or a longer time if Classified, Controlled Nuclear, or other sensitive information is involved.

# C-16 ORDER OF PRECEDENCE

The Subcontract Agreement Form and all documents listed therein are essential parts of the Subcontract and a requirement occurring in one is binding as though occurring in all. The order of precedence for the Subcontract Agreement Form and all documents listed therein shall be as follows:

- 1. Task Order/Blanket Agreement Form (Only applies to Task Order & Blanket Type Subcontracts)
- 2. Subcontract Agreement Form
- 3. Exhibit D Special Conditions
- 4. Exhibit C General Conditions
- 5. Exhibit B Statement of Work, Drawings, and Specifications
- 6. Exhibit A Quantities and Prices

The foregoing notwithstanding, conflicts, discrepancies, errors or omissions among the various Subcontract documents shall be submitted immediately by SUBCONTRACTOR for decision and such decision shall be final.

# C-17 QUALITY ASSURANCE (QA)

The Subcontractor shall implement and maintain a Quality Assurance (QA) Program equivalent to the following Quality Assurance Criteria and Requirements:

- DOE Order 414.1D, "Quality Assurance" including Attachments 1-4, Contractor Requirements Document AND
- ISO 9001:2008

# C-18 INCORPORATION BY REFERENCE

This order incorporates certain clauses by reference. These clauses apply as if they were incorporated in their entirety. For FAR provisions incorporated by reference, "CONTRACTOR" means SUBCONTRACTOR and "Contracting Officer" means CONTRACTOR (NSTec) or the Procurement Representative. The following clauses are incorporated by reference.

# C-19 APPLICABLE TO ALL AGREEMENTS AS IDENTIFIED IN THE SPECIAL APPLICATION INSTRUCTIONS

FAR/DEAR CLAUSE	TITLE	SPECIAL APPLICATION INSTRUCTIONS
52.222-21	Prohibition of Segregated Facilities (02/1999)	Applicable to all subcontracts
52.222-26	Equal Opportunity (03/2007)	Applicable to all subcontracts
52.222.35	Equal Opportunity for Veterans (07/2014)	Applicable to all subcontracts
52.222-36	Equal Opportunity for Workers with Disabilities (07/2014)	Applies to subcontracts over \$15K
52.222-37	Employment Reports on Veterans (07/2014)	Applicable to all subcontracts – establishes annual reporting requirements
52.222-40	Notification of Employee Rights Under the National Labor Relations Act (12/2010)	Applies to subcontracts over \$10K
52.222-50	Combating Trafficking in Persons (02/2009)	Applicable to all subcontracts
52.223-15	Energy Efficiency in Energy-Consuming Products (12/2007)	Applicable when ENERGY STAR Program or FEMP products will be delivered, acquired, furnished or specified
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving (08/2011)	Applies to subcontracts that exceed the micro-purchase threshold
52.225-1	Buy American Act – Supplies (05/2014)	Applicable to subcontracts over \$3K
52.225-13	Restrictions on Certain Foreign Purchases (06/2008)	Applicable to all subcontracts
52.244-6	Subcontracts for Commercial Items (07/2014)	Applicable to subcontracts for commercial items
52.247-64	Preference for Privately Owned U.SFlag Commercial Vessels (02/2006)	

# C-20 APPLICABLE IF PERFORMANCE INVOLVES SPECIAL ITEMS AND SERVICES

FAR/DEAR CLAUSE	TITLE	SPECIAL APPLICATION INSTRUCTIONS
52.208-8	Required Sources for Helium and Helium	Applicable to any order that involves a

	Usage Data (04/2014)	helium requirement
52.224-1	Privacy Act Notification (04/1984)	
52.224-2	Privacy Act (04/1984)	
52.225-8	Duty-Free Entry (10/2010)	Applicable to supplies over \$15K – supplies identified to be accorded duty-free entry imported into the customs territory of the United States
952.247-70	Foreign Travel (06/2010)	Applicable when foreign travel may be required under the subcontract

# C-21 APPLICABLE IF SUBCONTRACT INVOLVES SECURITY OR ACCESS TO CLASSIFIED INFORMATION

FAR/DEAR CLAUSE	TITLE	SPECIAL APPLICATION INSTRUCTIONS
952.204-2	Security (03/2011)	
952.204-70	Classification/Declassification (09/1997)	Applicable to subcontracts that involve access to classified information
952.204-77	Computer Security (08/2006)	Applicable to subcontracts that provide access to computers owned, leased or operated on behalf of the DOE

# C-22 APPLICABLE TO SUBCONTRACTS OVER \$5,000,000

FAR CLAUSE	TITLE	SPECIAL APPLICATION INSTRUCTIONS
52.203-13	Contractor Code of Business Ethics and Conduct (04/2010)	Applies to subcontracts with a performance period of more than 120 days