

October 15, 2010

To: Contract & Grants Officers

Subject: LANS – UC Standard Research Basic Agreement No. 77137

This Memo transmits the new Los Alamos National Security (LANS) Standard Research Basic Agreement No. 77137 [For Unclassified Work] with the University of California. The Agreement is effective September 9, 2010 through September 9, 2015. It replaces the current LANS – UC Basic Agreement RSG-01-06. Any subcontracts from LANS to UC campuses under RSG-01-06 will continue under that Agreement until termination. All new subcontracts from LANS to UC campuses will be under the attached Basic Agreement No. 77137.

Terms and Conditions:

The terms and conditions of this Agreement are similar to those of other Department of Energy Management and Operating Laboratory subcontracts with educational institutions.

The Payments, Clause 5, and Invoicing, Clause 8, both indicate that invoices shall be by major line-item categories, in accordance with University approved accounting practices. Documentation supporting invoices shall be retained by the campuses for audit purposes. Applicable federal indirect cost rates shall be used.

Prior written approval from LANS is required for:

- Subcontract not in the accepted proposal budget (Clause 6);
- Equipment and “other tangible personal property” not in the approved cost proposal; (Clause 9. a.);
- Title to equipment and “other tangible personal property” costing less than \$5,000 (Clause 9.c.);
- Travel not in the approved cost proposal and all foreign travel (Clause 10); and
- Visits to LANS by foreign national employees or their access to DOE technologies not released to the public (Clause 11.)

Appendix I – Statement of Work, states that all work will be performed in non-LANS facilities, except for meetings held in LANS facilities. If the campus Scope of Work involves any of the items listed in Appendix I, other clauses may be added to the campus’ subcontract to address LANS site specific requirements.

Subcontract Process:

Appendix A to the Basic Agreement is the subcontract document which campuses will receive when LANS makes an award. Campuses must provide Appendix II to Appendix A, Subcontractor Proposed Budget, in any proposal submitted to LANS. Subcontracts are directly between the campus and LANS.

Please contact Andrew C. Boulter if you have any questions concerning this LANS Research Basic Agreement.

[Andrew C. Boulter](#)

(510) 987-9840



Ellen R. Auriti
Executive Director
Research Policy Analysis & Coordination

[Attachment](#)

Dated 9/8/2010

**Standard Research
Educational Institution or Nonprofit Organization
Basic Agreement
[For Unclassified Work]**

Subcontractor: The Regents of the University of California
Address: 1111 Franklin St. 11th Floor
Oakland, CA. 94607
Contact: Andrew Boulter
Telephone: 510-987-9840
Facsimile: 510-987-9456
E-mail: Andrew.boulter@ucop.edu
D-U-N-S No.: 00-398-5512

Agreement No.: 77137

This Basic Agreement (Agreement), effective on the date of signature by the last party to sign, is hereby made and entered into by and between Los Alamos National Security, LLC (CONTRACTOR), and the above named SUBCONTRACTOR, in furtherance of the services to be provided by CONTRACTOR to the United States Department of Energy National Nuclear Security Administration under Contract No. DE-AC52-06NA25396 dated December 21, 2005 for the management and operation of Los Alamos National Laboratory (LANL).

This Agreement replaces the prior Basic Agreement number 66087-001-08 (originally RSG-01-06) entered into by the parties.

This Agreement is for unclassified research and development work, not related to nuclear, chemical, biological, or radiological weapons of mass destruction or the production of special nuclear material. The specific requirements, statement of work, and the methods of study for the research task shall be described in subcontracts issued under this Agreement.

1. COORDINATION OF CONTRACT DOCUMENTS (Jan 2010)

- a. This Agreement is not a subcontract. The execution of this Agreement shall in no manner provide or imply any agreement on the part of CONTRACTOR to assign any specific number of research and development subcontracts to SUBCONTRACTOR.
- b. A separate subcontract as exemplified by the document shown in Appendix A, Standard Research Educational Institution or Nonprofit Organization Subcontract Form of Agreement, shall be issued to SUBCONTRACTOR for the work specified therein, under the terms and conditions set forth in this Agreement.
- c. The provisions of this Agreement, each subcontract issued under this Agreement, and the SUBCONTRACTOR'S proposals for research and development are intended to be mutually complementary. In case of discrepancy, the provisions of this Agreement shall prevail over the subcontract and the subcontract shall prevail over the research proposal submitted by SUBCONTRACTOR.
- d. The termination or modification of this Agreement shall not affect any prior subcontract issued under and incorporating this Agreement.

Dated 9/8/2010

2. PURPOSE, SCOPE, AND METHODS (Jan 2010)

- a. This Agreement provides a mechanism for CONTRACTOR to acquire scientific and engineering research and development services from SUBCONTRACTOR and to expedite the placement of subcontracts for such services.
- b. This Agreement sets forth the terms and conditions that will govern future subcontracts issued to SUBCONTRACTOR under this Agreement and thereby contemplates that each separate future subcontract will incorporate this Agreement by reference.

3. TERM (Jan 2010)

The term of this Agreement shall be continuous through September 9, 2015 or until a written notice of termination has been issued, whichever occurs first. This Agreement may be terminated upon 30 day written notice by either party. The term of this Agreement may be extended upon the mutual, written consent of CONTRACTOR and SUBCONTRACTOR. This Agreement shall be reviewed annually before the anniversary of its effective date and revised as necessary. This Agreement may need to be revised before the annual review due to mandatory statutory requirements. This Agreement may be changed only by modifying the Agreement itself and not by a subcontract issued under and incorporating this Agreement.

4. COST (Jan 2010)

SUBCONTRACTOR shall propose a budget for each subcontract, specified by major budget category as set forth in Appendix A, Standard Research Educational Institution or Nonprofit Organization Subcontract Form of Agreement, Appendix II Subcontractor's Proposed Budget, and the total estimated cost will be established in the subcontract. SUBCONTRACTOR shall notify CONTRACTOR of any change in the cost of major budget categories when such change may affect the proposed budget of any subcontract issued under this Agreement. CONTRACTOR may request, at its sole discretion, revised budgets for any, or all, of the subcontracts issued under this Agreement when the change may affect the total estimated cost of these subcontracts or increase the allocation of funds needed to ensure continuity of the work. No notice is required for budget adjustments made for close out and final billing of a subcontract.

5. PAYMENT (Jan 2010)

- a. Payment to SUBCONTRACTOR shall be as specified in a subcontract and will be for actual direct costs and related indirect costs incurred in the performance of the work and services authorized. SUBCONTRACTOR shall use its approved accounting practices and procedures for determining salaries and wages that are charged to a subcontract. Labor and associated costs shall be in general conformance with the progress of the work; if this is not the case, CONTRACTOR may stop payment to SUBCONTRACTOR until the progress improves to CONTRACTOR'S satisfaction.
- b. Reimbursement for indirect overhead attributable to a subcontract will be made in an amount not to exceed the percent of the direct costs specified in a subcontract. The indirect costs authorized shall be in accordance with SUBCONTRACTOR'S current "Federal Rate Agreement for Colleges and Universities". Reimbursement shall be limited to the maximum amount authorized by a subcontract.
- c. SUBCONTRACTOR shall pay all costs incurred in performing a Statement of Work and shall be reimbursed upon approval by CONTRACTOR of SUBCONTRACTOR'S billings. SUBCONTRACTOR shall retain all documents supporting claims for any on-site audit by CONTRACTOR in accordance with the Audit Clause. Invoices detailing the charges and expenses by major budget category incurred shall be submitted to CONTRACTOR for payment as specified in a subcontract. The final billing shall be submitted within ninety (90) days of the termination of a subcontract and shall be identified by the word "Final." Audits will be made in

Dated 9/8/2010

accordance with current Federal OMB Circular A-133.

6. SUBCONTRACTING (Jan 2010)

The services of SUBCONTRACTOR are to be directed by the Principal Investigator identified in a subcontract. SUBCONTRACTOR shall not assign, sublet, or transfer any of the work other than as specified in a subcontract without written approval from CONTRACTOR'S Subcontract Administrator.

7. REPORT PREPARATION REQUIREMENTS (Jan 2010)

- a. These instructions apply to all formal reports, including the final report, as required for each subcontract under this Agreement. It does not apply to letter reports or reports specifically identified as milestones for informal reports as identified for each subcontract.
- b. The final report shall contain a comprehensive summary of all work results and conclusions. All reports shall fairly and completely describe the efforts applied to and the results obtained toward achievement of objectives of the subcontract work. If an objective is not accomplished, such failure shall be fully documented and explained in the report.
- c. Reports shall include the following elements: (1) a brief abstract of the report which describes the overall objectives and results; (2) a full statement of each objective and description of the effort performed and the accomplishments achieved; (3) a list of any publication or information release made of material developed or maintained through the performance of the subcontract; and (4) any other relevant information.
- d. SUBCONTRACTOR shall submit three copies of the final and any intermediate reports to the CONTRACTOR'S Subcontractor Technical Representative and one copy of such reports to the Subcontract Administrator upon completion of the work and, when a subcontract contains milestone requirements, on the indicated milestone dates. When requested by CONTRACTOR'S Subcontractor Technical Representative, SUBCONTRACTOR shall submit a draft copy of the final report for review and comment prior to finalization.

8. INVOICES FOR PAYMENT (Jan 2010)

- a. Payments for subcontract work shall be made monthly based on invoices submitted by SUBCONTRACTOR for work performed. Invoices shall bear the following certification signed by a responsible official of SUBCONTRACTOR:

"I hereby certify that all payments requested are for appropriate purposes in accordance with the Agreement set forth in the application and award document."

- b. Invoices must identify the Agreement number, the subcontract number, the period covered, and the total expenditures claimed for each of the following categories: salaries, fringe benefits, travel, materials and supplies, equipment, subcontracts/consultants, other direct costs such as rent, when applicable, and indirect or Facility and Administration costs.
- c. Invoices shall be sent electronically to invoices@lanl.gov or mailed to Los Alamos National Laboratory, Attn: Accounts Payable M/S P240, P.O. Box 1663, Los Alamos, NM 87545.
- d. CONTRACTOR will use reasonable efforts to process invoices for payment within 30 days of receipt; provided, however, that payments made more than 30 days after receipt of an invoice shall not be subject to penalty, interest, or late charges.
- e. Invoices, which include the cost of property acquired by the SUBCONTRACTOR at a cost of \$5,000 or more, shall include a description of the property and shall identify the assigned property number, manufacturer, serial number, model number, acquisition date, unit price, quantity, total cost, and location of such property.

Dated 9/8/2010

9. CONTRACTOR-FURNISHED GOVERNMENT PROPERTY AND SUBCONTRACTOR-ACQUIRED PROPERTY (Jan 2010)

- a. Purchase of equipment or other tangible personal property, which is not identified in SUBCONTRACTOR'S approved cost proposal for a subcontract and for which the SUBCONTRACTOR is entitled to be reimbursed as a direct item of cost under the subcontract, shall be approved in advance by the Subcontract Administrator.
- b. All property furnished by CONTRACTOR or acquired by SUBCONTRACTOR, as a direct cost under a subcontract, title to which vests in the Government, shall be identified, controlled, and protected as required by the FAR 52.245-1 *Government Property* clause of this Agreement. Disposition of such property upon completion of a subcontract shall be as directed by the Subcontract Administrator.
- c. Title to equipment and other tangible personal property purchased with funds available for research, and having an acquisition cost of less than \$5,000, shall vest in SUBCONTRACTOR upon acquisition or as soon thereafter as feasible, provided that SUBCONTRACTOR has obtained the Subcontract Administrator's written approval.
- d. If CONTRACTOR provides SUBCONTRACTOR property that is marked as "high-risk property" for use under a subcontract, SUBCONTRACTOR shall ensure that adequate safeguards are in place, and adhered to, for the handling, control and disposition of this property in accordance with the policies, practices and procedures for property management contained in the DOE Property Management regulations (41 CFR 109-1.53). Title to all property marked as "high risk property" vests in the Government.

10. TRAVEL REQUIREMENTS (Jan 2010)

- a. All travel not included in SUBCONTRACTOR'S cost proposal must be approved in advance by the Subcontract Administrator.
- b. All foreign travel must be approved in advance by the Subcontract Administrator, even if the cost is included in SUBCONTRACTOR'S cost proposal for a subcontract.

11. FOREIGN VISITS AND ASSIGNMENTS (Jan 2010)

Pursuant to DOE Order 142.3, *Unclassified Foreign Visits and Assignments Program*, all SUBCONTRACTOR foreign national employees or other SUBCONTRACTOR foreign national representatives who visit Los Alamos National Laboratory facilities, or will have access to DOE information, technology, or equipment that is not releasable to the public, are required to have approval from the LANL Foreign Visits and Assignments office prior to such visit or access. SUBCONTRACTOR is responsible for flowing down the requirements of this clause including this paragraph to its subcontractors at any tier to the extent necessary to ensure SUBCONTRACTOR'S compliance with this clause.

12. CONTACTS (Jan 2010)

- a. CONTRACTOR designates the below named individual as the Subcontract Administrator to administer this Agreement and act as CONTRACTOR'S authorized representative.

Joleen Montoya
Los Alamos National Security, LLC
Los Alamos National Laboratory
P.O. Box 1663, Mail Stop P215
Los Alamos, NM 87545-1663
Phone: (505) 665-5799

Dated 9/8/2010

Fax: (505) 665-8748
Email: montoyaj@lanl.gov

All correspondence concerning this Agreement shall be issued and received by the designated Subcontract Administrator. CONTRACTOR'S Acquisition Services Management Division Manager, or the Manager's designee, may change the Subcontract Administrator at any time upon written notice to the SUBCONTRACTOR.

- b. CONTRACTOR'S Acquisition Services Management Division Manager, or the Manager's designee, may change the Subcontract Administrator at any time upon written notice to SUBCONTRACTOR.
- c. SUBCONTRACTOR designates the below named individual to act as SUBCONTRACTOR'S authorized representative for this Agreement.

Andrew Boulter
Research Policy Manager
University of California
Office of the President
Research Policy Analysis and Compliance
1111 Franklin St. 11th fl.
Oakland, CA. 94607
PH: 510 987-9840
Andrew.boulter@ucop.edu

13. SUBCONTRACTS WITH CONTRACTOR'S TEAM MEMBERS AND TEAM MEMBER AFFILIATES (Jan 2010)

- a. As used in this clause:
 - 1. Team Members means any of the following entities: Bechtel National, University of California, The Babcock and Wilcox Company, and the Washington Division of URS, Professional project Services, Inc. and DreamTech Solutions, LLC doing business as Ngenuity.
 - 2. Team Member Affiliate means any person or entity which is a wholly owned, majority owned, or otherwise an affiliate of any Team Member. The term 'affiliate' is defined at FAR 2.101.
- b. Because of restrictions in the contract between NNSA and CONTRACTOR concerning the payment of fee or profit when subcontracting with any Team Member or any Team Member Affiliate, as well as Organizational Conflict of Interest concerns, neither SUBCONTRACTOR nor any tier of its lower tier subcontractors or suppliers shall enter into a subcontract with any Team Member or any Team Member Affiliate to provide goods or services under this subcontract without the advance written approval of the Subcontract Administrator. In the event that written approval is granted to enter into a subcontract with a Team Member or a Team Member Affiliate, no fee or profit shall be paid to such Team Member or Team Member Affiliate under the proposed subcontract. In the event it is later determined that a Team Member or a Team Member Affiliate has been paid a fee or profit, SUBCONTRACTOR shall reimburse CONTRACTOR the amount of this fee or profit.
- c. SUBCONTRACTOR shall include the substance of this provision in all lower tier subcontracts and purchase orders.

14. NEW MEXICO GROSS RECEIPTS TAX (Jan 2010)

SUBCONTRACTOR is required to pay such New Mexico Gross Receipts Tax (NMGR) as may be required by law. CONTRACTOR will issue a New Mexico Nontaxable Transaction Certificate (NTTC)

Dated 9/8/2010

to all subcontractors who provide goods or services to CONTRACTOR, on the condition that SUBCONTRACTOR only uses the NTTC as permitted by New Mexico law. In no event will the payment of NMGR by SUBCONTRACTOR or its immediate and lower-tier subcontractors be considered an allowable cost under this subcontract if SUBCONTRACTOR or its immediate and lower-tier subcontractors are eligible for applicable deductions or exemptions from NMGR under New Mexico law.

15. CERTIFICATION REGARDING FORMER UC OR CONTRACTOR EMPLOYEES (Jan 2010)

- a. Effective June 1, 2006, individuals who retire under CONTRACTOR'S Defined Benefit Pension Plan, who wish to begin a retirement benefit, are required to have a true and complete severance from CONTRACTOR with no prior prearrangement for reemployment with CONTRACTOR or any of CONTRACTOR'S affiliated companies or subcontractors to do similar work. This can be documented by completing a form at the time of termination stating that no prearrangement for reemployment existed prior to the termination, and by demonstrating a true and complete severance from CONTRACTOR for at least one year before working for any of CONTRACTOR'S affiliated companies or subcontractors.
- b. Effective June 1, 2006, individuals who retire under CONTRACTOR'S TCP 2 401(k) Retirement plan, before attaining age 59 ½, are required to have a true and complete severance from CONTRACTOR with no prior prearrangement for reemployment with CONTRACTOR or any of CONTRACTOR'S affiliated companies or subcontractors to do similar work. This can be documented by completing a form at the time of termination stating that no prearrangement for reemployment existed prior to the termination, and by demonstrating a true and complete severance from CONTRACTOR for at least one year before working for any of CONTRACTOR'S affiliated companies or subcontractors. Individuals who retire under CONTRACTOR'S TCP 2 401(k) Retirement plan after age 59 ½ can be immediately reemployed.
- c. An individual who retired under the University of California Retirement Plan (UCRP) or the Public Employees Retirement System (PERS) may be immediately reemployed by any of CONTRACTOR'S affiliated companies or subcontractors, unless that individual also retired under one of CONTRACTOR'S retirement plans in which case such individual must also comply with paragraph (a) or (b) above.
- d. Any former employee of CONTRACTOR or of the University of California (UC) who was terminated for cause or who resigned in lieu of termination for cause is prohibited from returning to work at Los Alamos National Laboratory (LANL) for a period of seven (7) years, unless there is a compelling reason to allow such individual to return to LANL sooner. SUBCONTRACTOR and its lower tier subcontractors may not employ any former employee of CONTRACTOR or of UC, who was terminated for cause or who resigned in lieu of termination for cause, for any on-site work at LANL or for any work under this Agreement in which such former employee may have any direct or indirect substantive contact with a current CONTRACTOR employee, unless approved by CONTRACTOR in writing prior to commencement of work by SUBCONTRACTOR.
- e. In order to assure compliance with paragraphs (a) through (d), SUBCONTRACTOR shall, with respect to its employees who are assigned to work under this Agreement and those of its lower tier subcontractors' employees who are assigned to work under this Agreement, certify that all individuals who are assigned to work under this Agreement are in compliance with the requirement of paragraphs (a) through (d) of this clause. Such certification must be provided in writing to CONTRACTOR before the start of work under a subcontract and on a quarterly basis thereafter on a form provided by CONTRACTOR. In making this certification SUBCONTRACTOR and its lower tier subcontractors may rely on information provided by applicants for employment or current employees, so long as SUBCONTRACTOR and its lower tier subcontractors have exercised due diligence and have, at a minimum, obtained the following information from each applicant or employee:

Dated 9/8/2010

1. whether the applicant or employee was a former UC or CONTRACTOR employee, and if so, the date of separation;
 2. whether the separation was the result of retirement, termination for cause, or resignation in lieu of termination for cause;
 3. whether the applicant or employee is a member of CONTRACTOR'S Defined Benefit Pension Plan or Contractor's TCP 2, 401(k) Plan; and
 4. confirmation that, if the applicant or employee retired under one of CONTRACTOR'S retirement plans, to the extent described above, the applicant had no prior prearrangement for reemployment by SUBCONTRACTOR or one of its lower tier subcontractors prior to termination.
- f. CONTRACTOR may exclude SUBCONTRACTOR from future subcontracts for a reasonable, specified period, if CONTRACTOR determines that SUBCONTRACTOR breached any of the requirements contained in paragraphs (a) through (d) of this clause.
- g. SUBCONTRACTOR shall ensure that the substance of this clause is included in all lower-tier subcontracts awarded pursuant to this subcontract.

16. PUBLICATIONS (Jan 2010)

- a. SUBCONTRACTOR shall closely coordinate with CONTRACTOR'S Subcontract Technical Representative (STR) identified in a subcontract regarding any proposed scientific, technical or professional publication results of the work performed or any data developed under a subcontract. The parties shall remain mindful of traditional values of academic freedom, principles governing fundamental research, and the SUBCONTRACTOR'S discretion to fairly report in accord with guiding principles for scientific inquiry and scholarship. SUBCONTRACTOR shall provide CONTRACTOR an opportunity to review any proposed manuscript describing, in whole or in part, the results of the work performed or any data developed under a subcontract at least forty-five (45) days prior to their submission for publication. CONTRACTOR will review the proposed manuscript and provide comments to ensure the manuscript's publication will not compromise patent rights or proprietary information (i.e., controlled unclassified information) provided by CONTRACTOR to SUBCONTRACTOR. CONTRACTOR'S response shall be provided to SUBCONTRACTOR within forty-five (45) days; otherwise, SUBCONTRACTOR may assume that CONTRACTOR has no comments. Subject to the requirements of Clause 23 – SECURITY REQUIREMENTS, SUBCONTRACTOR shall address any concerns or issues identified by CONTRACTOR prior to submission for publication.
- b. SUBCONTRACTOR may acknowledge CONTRACTOR and Government sponsorship of the work as appropriate.

17. NOTICES (Jan 2010)

- a. SUBCONTRACTOR shall immediately notify the Subcontract Administrator in writing of: (1) any action, including any proceeding before an administrative agency, filed against SUBCONTRACTOR arising out of the performance of a subcontract; and (2) any claim against SUBCONTRACTOR, the cost and expense of which is allowable under the terms of a subcontract.
- b. If, at any time during the performance of a subcontract, SUBCONTRACTOR becomes aware of any circumstances which may jeopardize its performance of all or any portion of a subcontract, it shall immediately notify the Subcontract Administrator in writing of such circumstances, and the SUBCONTRACTOR shall take whatever action is necessary to cure such defect within the shortest possible time.

Dated 9/8/2010

18. ASSIGNMENTS (Jan 2010)

- a. CONTRACTOR may assign a subcontract to the Government or its designee(s). "Government" means the United States of America and includes the United States Department of Energy National Nuclear Security Administration and its authorized representatives and successors in interest.
- b. Except as to assignment of payment due, SUBCONTRACTOR shall have no right to assign or mortgage a subcontract or any part of it without the prior written approval of the Subcontract Administrator, except for subcontracts already identified in a SUBCONTRACTOR'S proposal.

19. DISPUTES (Jan 2010)

- a. *Definitions.*

For purposes of this clause:

"Board" means the Civilian Board of Contract Appeals or such successor Board as may be established by law.

"Arbitration decision" means a decision of the Board in an arbitration pursuant to this clause.

"Claim" means a written demand or written assertion by either contracting party seeking as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of a subcontract term, or other relief arising under or relating to this subcontract. A voucher, invoice, or other request for payment that is not in dispute when submitted is not a claim. SUBCONTRACTOR may convert such submission into a claim if it is disputed either as to liability or amount, or is not acted upon in a reasonable time, by demanding a decision by the Subcontract Administrator.

"Counterclaim" means a claim asserted in a pleading filed with the Board in an arbitration proceeding pursuant to this clause which arises from the same occurrence or transaction that is the subject matter of the opposing party's claim. Counterclaims do not need to be submitted to the Subcontract Administrator for decision.

- b. *Nature of a subcontract.*

A subcontract is not a Government contract and, therefore, is not subject to the Contract Disputes Act of 1978 (41 U.S.C. §§601-613). SUBCONTRACTOR acknowledges that GOVERNMENT is not a party to a subcontract, and for purposes of a subcontract CONTRACTOR is not an agent of GOVERNMENT. Consequently, the provision for arbitration by the Board, as provided for in this clause, does not create or imply the existence of privity of contract between the SUBCONTRACTOR and GOVERNMENT.

- c. *Scope of Clause.*

The rights and procedures set forth in this clause are the exclusive rights and procedures for resolution of all claims and disputes arising under, or relating to, this Agreement or a subcontract issued pursuant to this Agreement, and no action based upon any claim or dispute arising under, or relating to, this Agreement or a subcontract issued pursuant to this Agreement shall be brought in any court except as provided in this clause. If SUBCONTRACTOR elects binding arbitration, it shall be bound by any arbitration decision rendered pursuant to this clause, which shall be vacated, modified, or corrected only as provided in the Federal Arbitration Act (9 U.S.C. §§1-16).

- d. *Filing a Claim/Subcontract Administrator's Decision.*

Dated 9/8/2010

1. Unless otherwise provided in this Agreement, SUBCONTRACTOR must file any claim against CONTRACTOR within 60 days after SUBCONTRACTOR knew or should have known the facts giving rise to the claim. Failure to file a claim within the period prescribed by this paragraph shall constitute a waiver of SUBCONTRACTOR'S right, if any, to an equitable adjustment under a subcontract.
2. SUBCONTRACTOR shall submit any claim in writing to the Subcontract Administrator who shall issue a decision on the matter within 60 days of receipt of the claim.
3. CONTRACTOR may, at any time prior to final payment under a subcontract or expiration of any warranty period, whichever is later, file a claim against SUBCONTRACTOR by issuing a written decision by the Subcontract Administrator asserting such a claim.
4. The decision of the Subcontract Administrator shall be final and conclusive unless SUBCONTRACTOR requests mediation within 45 days of receipt of the Subcontract Administrator's decision.

e. *Mediation.*

1. If the decision of the Subcontract Administrator is not satisfactory to SUBCONTRACTOR and SUBCONTRACTOR desires to pursue further action, SUBCONTRACTOR may request that the matter be scheduled for mediation. The request for mediation must be made within 45 days after receipt of the Subcontract Administrator's decision. If the Subcontract Administrator fails to issue a decision within 60 days of a request for one, SUBCONTRACTOR may request mediation at any time after the 60-day period has expired.
2. The parties will agree on the form at of the mediation and will jointly select the mediator; provided, however, that such mediation shall take place and be completed within 60 days of SUBCONTRACTOR'S request for mediation, unless both parties agree to extend the time. The cost of the mediator and related expenses shall be divided evenly between the parties.
3. If mediation is not successful in achieving a resolution of the dispute, the Subcontract Administrator shall make a determination to that effect and so inform SUBCONTRACTOR in writing.

f. *Arbitration.*

1. If mediation is not successful, SUBCONTRACTOR may elect to submit the claim to binding arbitration before the Board. To initiate binding arbitration, SUBCONTRACTOR must submit to the Board a written demand for arbitration of the claim within 45 days after receipt of the Subcontract Administrator's determination that mediation has been unsuccessful.
2. The Board shall arbitrate the claim and any counterclaims in accordance with the Rules of the Board. All claims for \$100,000 or less shall be arbitrated under the Board's Small Claims (Expedited) Procedure. All other claims, regardless of dollar amount, shall be arbitrated under the Board's Accelerated Procedure. Both parties shall be afforded an opportunity to be heard and to present evidence in accordance with the Rules of the Board. Unless the Board orders otherwise, each party shall pay its own costs of prosecuting or defending an arbitration before the Board.
3. An arbitration decision shall be final and conclusive unless a party files a timely action to vacate, modify, or correct the decision pursuant to the Federal Arbitration Act. An arbitration decision, which has become final, may be enforced in any court of competent jurisdiction.

g. *Litigation.*

Dated 9/8/2010

If the Subcontract Administrator has informed SUBCONTRACTOR that mediation is unsuccessful and SUBCONTRACTOR declines binding arbitration, SUBCONTRACTOR may pursue any remedy it may have at law or in equity in a court of competent jurisdiction subject to the Choice of Law provisions in this clause. Each party shall pay its own fees, expenses, and costs of all litigation.

h. *Subcontractor Performance Pending Claim Resolution.*

SUBCONTRACTOR shall proceed diligently with performance of a subcontract and shall comply with any decision of the Subcontract Administrator pending final resolution of any claim or dispute arising under, or relating to, a subcontract.

i. *Choice of Law.*

A subcontract shall be governed by federal law as provided in this paragraph. Irrespective of the place of award, execution, or performance, a subcontract shall be construed and interpreted, and its validity determined, according to the federal common law of government contracts as enunciated and applied to prime government contracts by the federal boards of contract appeals and federal courts having appellate jurisdiction over their decisions rendered pursuant to the Contract Disputes Act of 1978. The Federal Arbitration Act, other federal statutes, and federal rules shall govern as applicable.

20. RESPONSIBILITY FOR TECHNOLOGY EXPORT CONTROL (Jan 2010)

The materials and information resulting from the performance of a subcontract may be subject to export control laws and each party is responsible for its own compliance with such laws. Each party's responsibility to comply with all applicable laws and regulations regarding export-controlled items exists independent of, and is not established or limited by, the information provided by this clause. Nothing in the terms of this contract adds to, changes, supersedes, or waives any of the requirements of applicable Federal Laws, Executive orders or regulations.

21. DISCLOSURE AND USE RESTRICTIONS FOR LIMITED RIGHTS DATA (Jan 2010)

- a. Generally, delivery of Limited Rights Data (or Restricted Computer Software) should not be necessary. However, only if Limited Rights Data will be used in meeting the delivery requirements of a subcontract, the following disclosure and use restrictions shall apply to, and shall be inserted in, any FAR 52.227-14 Limited Rights Notice on any Limited Rights Data furnished or delivered by SUBCONTRACTOR or a lower-tier subcontractor.
1. These "Limited Rights Data" may be disclosed for evaluation purposes under the restriction that the "Limited Rights Data" be retained in confidence and not be further disclosed;
 2. These "Limited Rights Data" may be disclosed to other contractors participating in the Government's program of which this subcontract is a part for information or use in connection with the work performed under their contracts and under the restriction that the "Limited Rights Data" be retained in confidence and not be further disclosed; and
 3. These "Limited Rights Data" may be used by the Government or others on its behalf for emergency repair or overhaul work under the restriction that the "Limited Rights Data" be retained in confidence and not be further disclosed.

22. ORDER OF PRECEDENCE (Jan 2010)

Any inconsistencies in the documents comprising a subcontract shall be resolved by giving precedence in the following order: (a) this Agreement; (b) the subcontract; (c) other referenced documents, exhibits, and attachments to the subcontract; and (d) any referenced specification or *Statement of Work*.

Dated 9/8/2010

23. SECURITY REQUIREMENTS (Jan 2010)

- a. A subcontract is intended for unclassified, publicly releasable research or development work. CONTRACTOR does not expect that results of the research project will involve classified information or Unclassified Controlled Nuclear Information (UCNI) (See 10 CFR part 1017). However, CONTRACTOR may review the research work generated under a subcontract at any time to determine if it requires classification or control as UCNI.
- b. If, subsequent to the date of a subcontract, a review of the information reveals that classified information or UCNI is being generated under the subcontract, then the security requirements of the subcontract must be changed. If such changes cause an increase or decrease in costs or otherwise affect any other term or condition of the subcontract, the subcontract shall be subject to an equitable adjustment as if the changes were directed under the *Changes* clause of the subcontract.
- c. If the security requirements are changed, SUBCONTRACTOR shall exert every reasonable effort, compatible with its established policies, to continue the performance of work under the subcontract in compliance with the change in the security requirements. If SUBCONTRACTOR determines that continuation of the work under the subcontract is not practicable because of the change in security requirements, SUBCONTRACTOR shall notify the Subcontract Administrator in writing. Until the Subcontract Administrator provides direction, SUBCONTRACTOR shall protect the material as directed by CONTRACTOR.
- d. After receiving the written notification, the Subcontract Administrator shall explore the circumstances surrounding the proposed change in security requirements and shall endeavor to work out a mutually satisfactory method to allow SUBCONTRACTOR to continue performance of work under the subcontract.
- e. Within 15 days of receiving the written notification of SUBCONTRACTOR'S stated inability to proceed, the Subcontract Administrator must determine whether (1) the security requirements do not apply to the subcontract or (2) a mutually satisfactory method for continuing performance of work under the subcontract can be agreed upon. If this determination is not made, SUBCONTRACTOR may request the Subcontract Administrator to terminate the subcontract in whole or in part. The Subcontract Administrator shall terminate the subcontract in whole or in part, as may be appropriate, and the termination shall be deemed a termination under the terms of the *Termination for the Convenience of the Government* clause.

24. CLAUSES INCORPORATED BY REFERENCE (Jan 2010)

- a. The Federal Acquisition Regulation (FAR) and the U.S. Department Of Energy Acquisition Regulation (DEAR) clauses listed below, which are located in Chapters 1 and 9, respectively, of Title 48 of the Code of Federal Regulations, are incorporated by this reference in any subcontract issued pursuant to this Agreement with the same force and effect as if they were given in full text, as prescribed below.
- b. The full text of the clauses may be accessed electronically at <https://www.acquisition.gov/far/> (FAR) and <http://www.management.energy.gov/DEAR.htm> (DEAR).
- c. As used in the clauses, the term "contract" shall mean this subcontract; the term "Contractor" shall mean SUBCONTRACTOR; the term "subcontractor" shall mean the SUBCONTRACTOR'S lower-tier subcontractors, and the terms "Government" and "Contracting Officer" shall mean CONTRACTOR, except in FAR clause 52.227-14, and DEAR clauses 952.227-11, 952.227-13, 970.5227-4, and 970.5232-3, in which clauses "Government" shall mean the United States Government and "Contracting Officer" shall mean the DOE/NNSA Contracting Officer for Prime Contract DE-AC52-06NA25396 with CONTRACTOR. Notwithstanding the foregoing substitutions, all references to "Government property", Government-owned property",

Dated 9/8/2010

"Government-furnished property", and statements relating to the vesting of title in the Government retain their customary meaning and effect. As used in DEAR clauses 952.204-72 and 952.227-9, the term "DOE" shall mean DOE/NSA or CONTRACTOR.

- d. The modifications of these clause terms are intended to appropriately identify the parties and establish their contractual and administrative reporting relationship, and shall not apply to the extent they would affect the U.S. Government's rights. SUBCONTRACTOR shall include the listed clauses in its subcontracts at any tier, to the extent applicable.

THE FOLLOWING CLAUSES APPLY REGARDLESS OF THE SUBCONTRACT CEILING:		
Clause Number	Title and Date	Conditions of Applicability
DEAR 952.204-71	SENSITIVE FOREIGN NATIONS CONTROLS (Apr 1994)	
FAR 52.216-7	ALLOWABLE COST AND PAYMENT (Dec 2002)	Substitute 31.3 in subcontracts with educational institutions and 31.7 in subcontracts with nonprofit organizations for 31.2 in paragraph (a).
FAR 52.216-15	PREDETERMINED INDIRECT COSTS RATES (Apr 1998)	
DEAR 952.217-70	ACQUISITION OF REAL PROPERTY (Apr 1984)	Applies if the subcontract involves leased space that is reimbursed.
FAR 52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (Jan 1997) and ALTERNATE I (Jul 1995)	Applies only if subcontract involves delivery of hazardous materials as defined in FAR subpart 23.301. If applicable, the term "Government" as used in this clause means "CONTRACTOR and the Government.
FAR 52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (Jun 2008)	
DEAR 952.227-9	REFUND OF ROYALTIES (Feb 1995)	Applies if "royalties" of more than \$250 are paid by a subcontractor at any tier.
DEAR 952.227-11	PATENT RIGHTS - RETENTION BY THE CONTRACTOR (Short Form) (Mar 1995)	Applies only if SUBCONTRACTOR is a nonprofit organization as defined in 48 CFR 27.301. If SUBCONTRACTOR does not qualify in accordance with 48 CFR 27.301, it may request a patent waiver pursuant to 10 CFR 784.
DEAR 952.227-13	PATENT RIGHTS – ACQUISITION BY THE GOVERNMENT (Sep 1997)	Applies unless SUBCONTRACTOR is a domestic small business or nonprofit organization as defined at 48 CFR 27.301, and the Subcontractor has not received an advance waiver in accordance with DEAR 952.227-84.
FAR 52.227-14	RIGHTS IN DATA-GENERAL (Dec 2007) with ALTERNATES I AND V (Dec 2007) and DEAR 927.409 Paragraph (d)(3)	Applies if the subcontract is for development work, or for basic and applied research where computer software is specified as a deliverable in the Statement of Work or other special circumstances apply as specified in the agreement.
FAR 52.227-14	RIGHTS IN DATA-GENERAL (Dec 2007) with ALTERNATE IV (Dec 2007), and DEAR 927.409, subparagraph (a) Definitions	Applies if the subcontract is for basic or applied research and computer software is not specified as a deliverable in the Statement of Work, and no other special circumstances apply per DEAR 927.409.
FAR 52.227-23	RIGHTS TO PROPOSAL DATA (TECHNICAL) (Jun 1987)	Applies if subcontract is based on consideration of a technical proposal.
FAR 52.229-10	STATE OF NEW MEXICO GROSS RECEIPTS AND COMPENSATING	Applies if (1) the subcontract is for services to be performed, in whole or

Dated 9/8/2010

THE FOLLOWING CLAUSES APPLY REGARDLESS OF THE SUBCONTRACT CEILING:		
Clause Number	Title and Date	Conditions of Applicability
	TAX (Apr 2003)	in part, within New Mexico; (2) SUBCONTRACTOR is to acquire tangible personal property as a direct cost under the subcontract; and (3) title to such property passes directly to the United States upon delivery of the property by the vendor.
DEAR 970.5232-3	ACCOUNTS, RECORDS, AND INSPECTION (Jun 2007) Only paragraphs (a) through (h) of the clause are applicable.	Paragraph (b) is deleted in its entirety and the following is substituted in its place: "Inspection and audit of accounts and records. All books of account and records relating to this subcontract shall be subject to inspection and audit by CONTRACTOR, NNSA or their designees, at all reasonable times, before and during the period of retention provided for in paragraph (d) of this clause, and SUBCONTRACTOR shall afford CONTRACTOR and NNSA proper facilities for such inspection and audit."
FAR 52.232-20	LIMITATION OF COST (Apr 1984)	Applies if the Subcontract is fully funded at time of award.
FAR 52.232-22	LIMITATION OF FUNDS (Apr 1984)	Applies if the Subcontract is incrementally funded.
DEAR 952.235-71	RESEARCH MISCONDUCT (Jul 2005)	
FAR 52.242-15	STOP-WORK ORDER (Aug 1989) with ALTERNATE I (Apr 1984)	
FAR 52.243-2	CHANGES-COST-REIMBURSEMENT (Aug 1987) with ALTERNATE V (Apr 1984)	
FAR 52.244-2	SUBCONTRACTS (Jun 2007) with ALTERNATE I (Jun 2007)	Insert in Paragraph (c): "(3) Is for other than commercial items exceeding the simplified acquisition threshold." (See FAR 52.202-1, Definitions, for meaning of "commercial items" and "simplified acquisition threshold".
FAR 52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS (Dec 2008)	
FAR 52.245-1	GOVERNMENT PROPERTY (Jun 2007) with ALTERNATE II (Jun 2007)	
FAR 52.245-9	USE AND CHARGES (Jun 2007)	
FAR 52.246-9	INSPECTION OF RESEARCH AND DEVELOPMENT (Short Form) (Apr 1984)	
FAR 52.247-63	PREFERENCE FOR U. S.-FLAG AIR CARRIERS (Jun 2003)	Applies if performance of subcontract may involve international air transportation.
FAR 52.247-64	PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (Feb 2006)	Applies unless exempted by paragraph (e)(4) of FAR 52.247-64.
DEAR 952.247-70	FOREIGN TRAVEL (Dec 2000)	Applies if foreign travel may be required.
FAR 52.249-5	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (EDUCATIONAL AND OTHER NONPROFIT INSTITUTIONS) (Sep 1996)	Paragraph (h) is deleted, and the period for submitting SUBCONTRACTOR'S termination settlement proposal in paragraph (d) is reduced to 6 months.

Dated 9/8/2010

THE FOLLOWING CLAUSE APPLIES IF THE SUBCONTRACT CEILING EXCEEDS \$3,000:		
Clause Number	Title and Date	Conditions of Applicability
FAR 52.222-54	EMPLOYMENT ELIGIBILITY VERIFICATION (Jan 2009)	Applies if subcontract includes work performed in the United States

THE FOLLOWING CLAUSES APPLY IF THE SUBCONTRACT CEILING IS \$10,000 OR MORE:		
Clause Number	Title and Date	Conditions of Applicability
FAR 52.222-21	PROHIBITION OF SEGREGATED FACILITIES (Feb 1999)	Applies if FAR 52.222-26 is applicable.
FAR 52.222-26	EQUAL OPPORTUNITY (Mar 2007)	Applies unless one of the exemptions listed in FAR Subpart 22.807 is applicable.
FAR 52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (Jun 1998)	Applies unless exempted by the rules, regulations, or orders of the Secretary of Labor.

THE FOLLOWING CLAUSES APPLY IF THE SUBCONTRACT CEILING IS \$100,000 OR MORE:		
Clause Number	Title and Date	Conditions of Applicability
FAR 52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (Sep 2006)	Applies unless exempted by the rules, regulations, or orders of the Secretary of Labor.
FAR 52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (Sep 2006)	

THE FOLLOWING CLAUSES APPLY IF THE SUBCONTRACT CEILING EXCEEDS \$100,000:		
Clause Number	Clause Number	Conditions of Applicability
FAR 52.203-5	COVENANT AGAINST CONTINGENT FEES (Apr 1984)	
FAR 52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (Sep 2006)	
FAR 52.203-7	ANTI-KICKBACK PROCEDURES (Jul 1995)	Paragraph (c)(1) is not applicable.
FAR 52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (Jan 1997)	In paragraph (d) the term "Government" means "Government or CONTRACTOR."
FAR 52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (Sep 2007)	
FAR 52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS (May 2004)	Applies if subcontract offers further subcontracting opportunities.
DEAR 970.5227-4	AUTHORIZATION AND CONSENT (Aug 2002)	Only paragraph (a) is applicable.
DEAR 970.5227-5	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (Aug 2002)	

THE FOLLOWING CLAUSE APPLIES IF THE SUBCONTRACT CEILING EXCEEDS \$500,000:		
Clause Number	Title and Date	Conditions of Applicability
FAR 52.227-16	ADDITIONAL DATA REQUIREMENTS (Jun 1987)	

THE FOLLOWING CLAUSE APPLIES IF THE SUBCONTRACT CEILING EXCEEDS \$550,000:		
Clause Number	Title and Date	Conditions of Applicability
FAR 52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN	Applies unless there are no subcontracting

Dated 9/8/2010

THE FOLLOWING CLAUSE APPLIES IF THE SUBCONTRACT CEILING EXCEEDS \$550,000:		
Clause Number	Title and Date	Conditions of Applicability
	(Apr 2008)	possibilities.

THE FOLLOWING CLAUSES APPLY IF THE SUBCONTRACT CEILING EXCEEDS \$650,000:		
Clause Number	Title and Date	Conditions of Applicability
FAR 52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (Oct 1997)	Applies if none of the exceptions in FAR 15.403-1(b) are applicable.
FAR 52.215-11	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA-MODIFICATIONS (Oct 1997)	Applies if modification price is \$650,000 or more, none of the exceptions in FAR 15.403-1(b) are applicable to modification, and FAR 52.215-10 was not applicable to subcontract.
FAR 52.215-12	SUBCONTRACTOR COST OR PRICING DATA (Oct 1997)	Applies if FAR 52.215-10 is applicable.
FAR 52.215-13	SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS (Oct 1997)	Applies if FAR 52.215-11 is applicable.
FAR 52.230-2	COST ACCOUNTING STANDARDS (Oct 2008)	Applies unless the subcontract is: (1) exempted from CAS (see 48 CFR 9903.201-1 (FAR Appendix)), or (2) subject to modified CAS coverage (see 48 CFR 9903.201-2 (FAR Appendix)) or (3) awarded to a foreign concern. When applicable, paragraph (b) is deleted and SUBCONTRACTOR shall include the substance of this clause, without paragraph (b), in all other subcontracts of any tier.
FAR 52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (Oct 2008)	Paragraph (b) is excluded, and SUBCONTRACTOR shall include this clause in all other subcontracts of any tier, except those exempted by FAR 52.230-3 (d)
FAR 52.230-5	COST ACCOUNTING STANDARDS - EDUCATIONAL INSTITUTIONS (Oct 2008), excluding paragraph (b)	Applies to negotiated subcontracts awarded to educational institutions unless: (1) subcontract is exempted (see 48 CFR 9903.201-1 (FAR Appendix)), (2) the subcontract is to be performed by an FFRDC (see 48 CFR 9903.201-2(c)(5) (FAR Appendix)), or (3) the provision at 48 CFR 9903.201-2(c)(6) (FAR Appendix) applies. When applicable, paragraph (b) is excluded.
FAR 52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS (Mar 2008)	Applies if FAR 52.230-2, 52.230-3 or 52.230-5 is applicable.

25. LOCATION OF PERFORMANCE OF WORK

- a. The SUBCONTRACTOR will perform all work under a subcontract issued pursuant to this basic agreement at a location other than at LANL.
- b. SUBCONTRACTOR may attend meetings at LANL provided such meetings do not involve any activities listed below.
 - require a LANL Job Hazard Analysis;
 - involve unescorted access to LANL limited areas;
 - require Subcontractor employees to have access to the LANL site for 10 or more days during a 12 month period;
 - require Subcontractor employees to receive any LANL Training;
 - involve access to Classified or LANL Controlled Unclassified Information;
 - require access to LANL networks or systems requiring authentication and Security controls; and/or
 - otherwise require work to be performed at LANL or utilize LANL networks;

Dated 9/8/2010

- c. In the event any activities associated with a subcontract issued under this Agreement, in whole or in part involve activities listed in subparagraph b above, additional safety, security, and other LANL site specific requirements will be required and the parties will negotiate, in good faith, such clauses to be included in such a Subcontract to address additional on-site requirements as the parties deem appropriate.

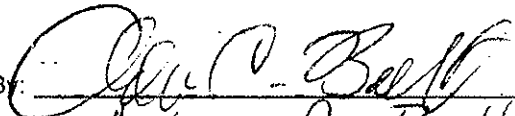
26. CONTRACTOR'S COMPLIANCE WITH DOE DIRECTIVES (Jan 2010) When requested by CONTRACTOR, SUBCONTRACTOR shall provide such information, assistance and support as necessary to ensure CONTRACTOR'S compliance with any DOE directives that may be applicable to the scope of the work. If SUBCONTRACTOR believes that such request for information, assistance or support is not provided for elsewhere in the subcontract and constitutes a change under the General Condition titled "Changes", SUBCONTRACTOR shall proceed in accordance with the "Changes" clause.

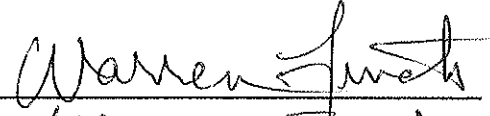
27. ENTIRE AGREEMENT (Jan 2010)

This Agreement embodies the entire agreement between CONTRACTOR and SUBCONTRACTOR and supersedes all other writings. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding not set forth herein.

For the CONTRACTOR:

For the SUBCONTRACTOR:

By: 
 Name: Andrew C. Beutler
 Title: Contract & Grant Officer
 Date: Sept. 9, 2010

By: 
 Name: Warren Finch
 Title: Procurement Mgr.
 Date: 9/9/2010

Dated []

**NOTE THIS IS A SAMPLE.
A SEPARATE SUBCONTRACT FORM OF AGREEMENT WILL BE ISSUED FOR ANY WORK TO BE
PERFORMED BY SUBCONTRACTOR UNDER THE BASIC AGREEMENT.**

Appendix A to Basic Agreement

Standard Research Educational Institution or Nonprofit Organization Subcontract Form of Agreement [For Unclassified Work]

Subcontractor:	[*]	Subcontract No.:	[*]
Address:	[*]	Basic Agreement	[*]
Contact:	[*]	No:	
Telephone:	[*]	NAICS Code:	[*]
Facsimile:	[*]		
E-mail:	[*]		
D-U-N-S No.:	[*]		

This subcontract (Subcontract), for unclassified research and development work, not related to nuclear, chemical, biological, or radiological weapons of mass destruction or the production of special nuclear material, effective on the date of signature by the last party to sign, is hereby made and entered into by and between Los Alamos National Security, LLC (CONTRACTOR), and the above named SUBCONTRACTOR in furtherance of the services to be provided by CONTRACTOR to the United States Department of Energy National Nuclear Security Administration under Contract No. DE-AC52-06NA25396, dated December 21, 2005, for the management and operation of Los Alamos National Laboratory (LANL).

1. TERMS AND CONDITIONS INCORPORATED BY REFERENCE (Jan 2010)

An executed Standard Research Educational Institution or Nonprofit Organization Basic Agreement is a required pre requisite to utilizing this Subcontract Form of Agreement. If such a Basic Agreement does not exist for a University or Nonprofit Organization, a Basic Agreement must be executed prior to the issuance of a Subcontract utilizing this Subcontract Form of Agreement.

The above referenced Basic Agreement between the parties, and any modifications thereto in effect on the effective date of this Subcontract, are incorporated herein by reference as if fully set forth. The FAR and DEAR clauses contained in the Basic Agreement shall apply to this Subcontract based on the ceiling price of this Subcontract.

2. STATEMENT OF WORK (Jan 2010)

- a. SUBCONTRACTOR shall perform certain research and development work identified as [*] and more fully described in the Statement of Work dated [], which is attached hereto as Appendix I and incorporated herein by reference.
- b. SUBCONTRACTOR'S Principal Investigator assigned to this work is []. The Principal Investigator shall not be replaced or reassigned without the advance written approval of the Subcontract Administrator.

Dated []

- c. SUBCONTRACTOR shall submit three copies of the final and any intermediate reports to CONTRACTOR'S Subcontract Technical Representative (STR) and one copy of such reports to the Subcontract Administrator upon completion of the work and, when the Subcontract contains milestone requirements, on the indicated milestone dates. When requested by the STR, SUBCONTRACTOR shall submit a draft copy of the final report for review prior to finalization. The STR need not approve SUBCONTRACTOR'S reported conclusions of the research.

3. PERIOD OF PERFORMANCE (Jan 2010)

- a. The work described in the Statement of Work, shall commence upon the effective date of this Subcontract and shall be completed on or before []. Where applicable, the following milestones apply:

Milestone(s) []	Completion Date []
---------------------	------------------------

- b. Neither party guarantees that the stated period of performance is sufficient for completion of the Work, and the Subcontractor shall cease performance of the Work on the last day mentioned above, or before based on availability of funds, until the Subcontract is modified by the parties to extend the period of performance and/or add funding for such period of time as is appropriate for completion of the Work.

4. COSTS AND PAYMENTS (Jan 2010)

- a. The estimated cost of the work called for in this Subcontract is \$[], and is based upon the Subcontractor's Proposed Budget dated [], attached hereto as Appendix II and incorporated herein by reference.
- b. This Subcontract is fully-funded and is subject to the FAR 52.232-20 *Limitation of Costs* clause in the Basic Agreement.

or

This Subcontract is incrementally funded and is subject to the FAR 52.232-22 *Limitation of Funds* clause in the Basic Agreement. The funding amount currently allotted for this Subcontract is \$[] and covers [].

- c. CONTRACTOR will pay SUBCONTRACTOR for performance of this Subcontract, unless excluded or limited by other provisions of this Subcontract, the allowable direct costs incident to performance, plus the allocable portion of SUBCONTRACTOR'S allowable indirect costs. Allowable and allocable costs shall be determined in accordance with the FAR 52.216-7 *Allowable Cost and Payment* clause in the Basic Agreement.

5. CEILING PRICE (Jan 2010)

The Ceiling Price for all work called for under this Subcontract is [] (\$[]). SUBCONTRACTOR waives its right to monies to which it might otherwise have been entitled for any amount expended in excess of the ceiling price.

6. CONTRACTOR-FURNISHED AND SUBCONTRACTOR-ACQUIRED PROPERTY (Jan 2010)

- a. CONTRACTOR shall furnish SUBCONTRACTOR the materials, equipment, and supplies listed in Appendix III to this Subcontract, titled Contractor-Furnished Government Property or Subcontractor-Acquired Property, dated [], which is incorporated herein by reference.

Dated [REDACTED]

- b. SUBCONTRACTOR is authorized to acquire the materials, equipment, and supplies listed in Appendix III to this Subcontract, titled Contractor-Furnished Government Property or Subcontractor-Acquired Property, dated [REDACTED], which is incorporated herein by reference.

7. AUTHORITY OF PERSONNEL (Jan 2010)

- a. CONTRACTOR designates the below named individual as the Subcontract Administrator to administer the subcontract and act as CONTRACTOR'S authorized representative.

[REDACTED]
Los Alamos National Security, LLC
Los Alamos National Laboratory
P.O. Box 1663, Mail Stop [REDACTED]
Los Alamos, NM 87545-1663
Phone: (505) 66[REDACTED]
Fax: (505) 66[REDACTED]
Email: [REDACTED]

Additionally, all correspondence shall be issued and received by the designated Subcontract Administrator. The Subcontract Administrator is the only individual authorized to direct SUBCONTRACTOR to deviate from the express, written terms of the subcontract.

- b. CONTRACTOR designates the below named individual as the Subcontract Technical Representative (STR) who is responsible for the technical aspects of the performance of this subcontract.

[REDACTED]
Los Alamos National Security, LLC
Los Alamos National Laboratory
P.O. Box 1663, Mail Stop [REDACTED]
Los Alamos, NM 87545-1663
Phone: (505) 66[REDACTED]
Fax: (505) 66[REDACTED]
Email: [REDACTED]

The STR does not possess any authority, express or implied, to direct SUBCONTRACTOR to deviate from the terms and conditions of the subcontract.

- c. The Subcontract Administrator's Property Representative (SAPR) is:

ASM-PM Disposition Office
Los Alamos National Security, LLC
Los Alamos National Laboratory
P.O. Box 1663, Mail Stop C308
Los Alamos, NM 87545
Phone: (505) 665-8079
Fax: (505) 667-3195
Email: disposition@lanl.gov

The SAPR is designated to monitor the government property provided, acquired, or used in the performance of this Subcontract. Any questions concerning said government property should be addressed to the Subcontract Administrator with a copy to the SAPR. The SAPR is also authorized to take any action necessary to ensure compliance with Federal Property Management Regulations, DOE Property Management Regulations, the

Dated

LANL Property Management Manual and the terms of this Subcontract regarding the appropriate use, loss, replacement, transfer, return, or other disposition of government-furnished property or subcontractor-acquired property. Notwithstanding the foregoing, the SAPR does not possess authority to change any of the requirements under this subcontract.

- d. CONTRACTOR'S Acquisition Services Management Division Manager, or the Manager's designee, may change the Subcontract Administrator, STR or SAPR at any time upon written notice to SUBCONTRACTOR.

8. WORK AT A LOCATION OTHER THAN LOS ALAMOS NATIONAL LABORATORY (LANL) (Jan 2010)

- a. The SUBCONTRACTOR will perform all work under this subcontract at a location other than at LANL.
- b. SUBCONTRACTOR may attend meetings at LANL provided such meetings do not involve any activities listed below.
 - require a LANL Job Hazard Analysis;
 - involve unescorted access to LANL limited areas;
 - require Subcontractor employees to have access to the LANL site for 10 or more days during a 12 month period;
 - require Subcontractor employees to receive any LANL Training;
 - involve access to Classified or LANL Controlled Unclassified Information;
 - require access to LANL networks or systems requiring authentication and Security controls; and/or
 - otherwise require work to be performed at LANL or utilize LANL networks;
- c. In the event this subcontract is modified in whole or in part to include activities listed in subparagraph b above, additional safety, security, and other LANL site specific requirements will be required and the parties will negotiate, in good faith, such clauses to be included in such a Subcontract to address additional on-site requirements as the parties deem appropriate.

For SUBCONTRACTOR:

For CONTRACTOR:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**Appendix I to Standard Research Educational Institution or Nonprofit
Organization Subcontract Form of Agreement**

**STATEMENT OF WORK
Dated ***

* The SUBCONTRACTOR will perform all work outlined in this Scope of Work at a location other than at LANL. Provided, however, this scope of work may allow for the SUBCONTRACTOR to attend meetings at LANL provided such meetings do not involve any activities listed below.

- require a LANL Job Hazard Analysis;
- involve unescorted access to LANL limited areas;
- require Subcontractor employees to have access to the LANL site for 10 or more days during a 12 month period;
- require Subcontractor employees to receive any LANL Training;
- involve access to Classified or LANL Controlled Unclassified Information;
- require access to LANL networks or systems requiring authentication and Security controls; and/or
- otherwise require work to be performed at LANL or utilize LANL networks;

In the event this scope of work is modified in whole or in part to include activities listed above, additional safety, security, and other LANL site specific requirements will be required and such clauses to be included in this Subcontract prior to any such work being performed.

**Appendix II to Standard Research Educational Institution or Nonprofit
Organization Subcontract Form of Agreement**

SUBCONTRACTOR'S PROPOSED BUDGET

Dated *

Cost Categories					Proposed Cost
Labor Costs (list each individual by name and position or labor category)	Levels of Effort				
	Academic Year	Summer Months	Total Effort	Salary / Wage Rate	
Total Salaries and Wages					\$*
Benefits (Identify each category)			Base Amount	Rate	
Total Benefits					\$*
Total Salaries, Wages, and Benefits					\$*
Travel destination, purpose, number of travelers, number of days (If an institutional travel policy has been published, provide a copy)	Fare	Lodging	Expenses	Car Rental	
Total Travel Costs					\$*
Other Direct Costs (Identify)			Quantity	Unit Cost	
Total Other Direct Costs					\$*
Total Direct Costs					\$*
Indirect Costs (Include a copy of current indirect rate agreement)				Rate	
Total Proposed Costs					\$*

Signature of individual authorized to legally commit the institution

Date

Dated *

**Appendix III to Standard Research Educational Institution or Nonprofit
Organization Subcontract Form of Agreement**

**Contractor-Furnished Government Property
or Subcontractor-Acquired Property
Dated ***

Contractor-Furnished Government Property

The following items of property are furnished to SUBCONTRACTOR for use in performance of this Subcontract:

Item Description	Manufacturer	Quantity	Property Identification Number	Serial Number	Model Number	Approximate Acquisition Cost
*	*	*	*	*	*	*

Subcontractor-Acquired Property

SUBCONTRACTOR is authorized to acquire the following items of property and charge the costs to the subcontract.

Item Description	Quantity	Approximate Acquisition Cost	Additional Comments
*	*	*	*