

**MASTER AGREEMENT
FOR
STANDARD RESEARCH
NO. B599552**



Lawrence Livermore National Laboratory
Supply Chain Management Department
P.O. Box 5012
Livermore, CA 94551

Subcontractor:

The Regents of the University of California
Office of the President
Attention: H.N. Dao
1111 Franklin St.
Oakland, CA 94607-5200

LLNS Contract Administrator:

Svetlana Lee
Phone: (925) 422-2038
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Introduction

This is a Master Agreement (hereinafter called "Agreement") for unclassified basic and applied research and development work.

The parties to this Agreement are Lawrence Livermore National Security, LLC (hereinafter called "LLNS") and The Regents of the University of California, Office of the President (hereinafter called "University").

This Agreement and any awarded Subcontracts are Subcontracts under Prime Contract No. DE-AC52-07NA27344 between LLNS and the United States Government (hereinafter called "Government"), represented by the Department of Energy National Nuclear Security Administration (hereinafter called "DOE/NNSA"), for the management and operation of the Lawrence Livermore National Laboratory (hereinafter called "LLNL").

Agreement

The parties agree to perform their respective obligations in accordance with the terms and conditions of the attached SCHEDULE OF ARTICLES and any documents referenced or incorporated therein, which together with this Agreement Signature Page shall collectively constitute the entire Agreement and shall supersede all prior negotiations, representations, or agreements, whether verbal or written.

**THE REGENTS OF THE
UNIVERSITY OF CALIFORNIA**

BY:

Hong-Ngoc T. Dao
Hong-Ngoc T. Dao

TITLE:

Research Policy Manager

DATE:

9/18/12

**LAWRENCE LIVERMORE
NATIONAL SECURITY, LLC**

BY:

Svetlana Lee
Svetlana Lee

TITLE:

Contract Administrator
LLNL Supply Chain Management
Department

DATE:

September 24, 2012

**SCHEDULE OF ARTICLES
FOR
MASTER AGREEMENT NO. B599552**

ARTICLE 1 - INCORPORATED DOCUMENTS

The following documents and forms are hereby incorporated as a part of this Agreement and are attached hereto:

Documents

GENERAL PROVISIONS FOR STANDARD RESEARCH SUBCONTRACTS (GPs #300B; 06/03/11) *
SECURITY AND SITE ACCESS PROVISIONS (S&SAP; 06/03/11) *
SITE SERVICES REQUIREMENTS - UC (SSR-UC; 11/09/09)
WORKPLACE SUBSTANCE ABUSE PROGRAM PLAN (WSAPP) CERTIFICATION (WITH NO TDPs) (8/9/12)

Forms

SAMPLE SUBCONTRACT
ASSIGNMENT AND RELEASE FORM *

* The documents and forms marked with an asterisk are available on-line at the following website: <http://supplychain.llnl.gov/> (under Supplier Information, select either General Provisions & Forms, or Special Provisions).

ARTICLE 2 – PURPOSE AND NATURE OF MASTER AGREEMENT

- A. The purpose of this Agreement is to establish an agreement between the parties under which Subcontracts may be awarded by LLNS to individual University Campuses (hereinafter called “Subcontractors”) for performance of specific work by the Subcontractors in the nature of basic or applied research and development work, not related to nuclear, chemical, biological, or radiological weapons of mass destruction or the production of special nuclear material.
- B. It is understood that this Agreement is not a contract, it does not obligate LLNS to award any Subcontracts to a Subcontractor, and submission of a proposal by a Subcontractor does not ensure award of a Subcontract.
- C. Under this Agreement, Subcontractors will offer proposals on a cost reimbursement, no fee basis. All work performed under this Agreement must be specifically authorized by a written Subcontract awarded by LLNS, mutually agreeable to the Subcontractors, and executed by the parties.
- D. The provisions of this Agreement, each Subcontract, and each Subcontractor’s proposal for research and development are intended to be mutually complementary. In case of any discrepancy between the provisions, this Agreement shall take precedence over the Subcontract and the Subcontract shall prevail over each Subcontractor’s proposal.

ARTICLE 3 - STATEMENT OF WORK

A. General Statement of Work

1. The Subcontractors shall conduct certain unclassified research work, as authorized and specified in Subcontracts awarded under this Agreement.
2. The work is generally described as basic or applied research and development work. The Subcontracts will contain a detailed description of the work and delineate all deliverables and any other requirements necessary to complete the work. The work shall be performed at the Subcontractors' facilities, at the LLNL, and at other locations approved by LLNS, as specified in the Subcontracts.
3. The Subcontractors shall furnish all personnel, supervision, materials, supplies, equipment, tools, facilities, transportation, testing, and other incidental items and services necessary for performance of the work, except for Government Property specified in the Subcontracts to be furnished by LLNS. The Subcontractors shall deliver the items and reports specified in the Subcontracts. The work under the Subcontracts will involve activities at an LLNL site identified by LLNS as Environment, Safety, and Health (ES&H) Work Authorization Level (WAL) A, B, or C.

B. Proposal Process

1. Prior to issuing a Subcontract, LLNS will request a proposal for work covered by this Agreement from the Subcontractor. Proposals submitted for each Subcontract shall also include, if requested, a technical description explaining how the Subcontractor proposes to perform the scope of work, including methodology and specific personnel assigned to the work. The proposal shall include a breakdown of all appropriate costs. These costs may include: (1) labor (by classification and the direct labor rates), (2) material, (3) indirect expense rates, (4) special equipment, (5) travel (identifying estimated transportation and per diem costs, number of travelers, travel itinerary, and purpose of the trip), (6) lower-tier subcontracts and consultants, and (7) other applicable information or documentation requested by LLNS, or considered necessary to evaluate the proposal.
2. Funds will not be available for the payment of bid and proposal expenses incurred in preparing, submitting, or supporting the proposals, and the proposals shall not include any amounts therefore.

C. Subcontracts

1. The specific work to be performed will be described in separately executed Subcontracts. LLNS will have no responsibility to the Subcontractors for the payment of any work performed by the Subcontractors which is not included in a fully executed Subcontract. The execution of a Subcontract by both parties shall be the only authorization for work to be performed under this Agreement.
2. Each Subcontract will indicate: (1) a definitive scope of work; (2) the estimated cost, and allocated funding amount; (3) term for performance of the work; (4) method of payment

if different than that provided herein; (5) specific deliverables and reports to be furnished; and (6) such other information and provisions as may be agreed upon by the parties.

3. All of the terms and conditions of this Agreement shall apply to each Subcontract, except as otherwise indicated in the Subcontracts, and the Subcontracts may include other work-specific terms and conditions. A sample Subcontract is attached, showing the anticipated document to be used for the issuance of Subcontracts under this Agreement. The Subcontracts may deviate from this sample.

D. Report Preparation Requirements

1. These instructions apply to all formal reports, including the final report, required by the Subcontract. It does not apply to letter reports or reports specifically identified as informal reports in the Milestones identified in the Subcontract, ARTICLE 3 – PERIOD OF PERFORMANCE.
2. 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.
3. Reports shall include the following elements: (a) a brief abstract of the report which describes the overall objectives and results; (b) a full statement of each objective and description of the effort performed and the accomplishments achieved; (c) a list of any publication or information release made of material developed or maintained through the performance of the subcontract; and (d) any other relevant information.

ARTICLE 4 – TERM OF AGREEMENT

- A. The term of this Agreement shall commence on October 1, 2012, and shall continue through September 30, 2017.
- B. Any Subcontract not completed during the term of this Agreement shall be completed by the Subcontractor within the term specified in the Subcontract, and this Agreement shall govern the Subcontractor's and LLNS' rights and obligations with respect to that Subcontract to the same extent as if the Subcontract were completed during the term of this Agreement.

ARTICLE 5 – SAFETY-RELATED REQUIREMENTS

A. General

The Subcontractors shall take all reasonable precautions in the performance of the work to protect the health and safety of employees and members of the public, and to minimize hazards to the surrounding environment, wildlife and property.

The Subcontractors shall comply with, and assist LLNS and the DOE/NNSA in complying with, all ES&H requirements, training, and associated safety documents referenced, attached, or

incorporated into the Subcontracts including, but not limited to, any ES&H requirements identified in the IWS incorporated into each Subcontract.

The Subcontractors shall comply with all instructions, controls, and precautions communicated to the Subcontractors by the LLNS Technical Representative, or designee, regarding any applicable area hazards associated with the Subcontractors' work at the LLNL site.

B. Worker Safety and Health Program

All work performed at LLNL sites is subject to the *Worker Safety and Health Program* regulation at Title 10, Part 851 of the U.S. Code of Federal Regulations (10 CFR 851). LLNS has established an *LLNL Worker Safety and Health Program* to implement the requirements of 10 CFR 851 for the work at LLNL worksites. Subcontractor personnel performing work at LLNL worksites shall comply with the *LLNL Worker Safety and Health Program*. The Subcontractors may be subject to DOE enforcement actions for violations of 10 CFR 851. Information on the regulation is available at the following website:

<http://www.hss.energy.gov/HealthSafety/WSHP/rule851/851final.html>

C. Safety Standards and Testing

Any materials, supplies, and equipment furnished or used by the Subcontractors at the LLNL under a Subcontract shall meet nationally recognized safety standards or be tested by the Subcontractors in a manner demonstrating they are safe for use. Any electrical equipment, components, conductors, and other electrical material shall be of a type that is listed, labeled, or tested by a Nationally Recognized Testing Laboratory (NRTL) in accordance with Title 29, Part 1910, *Occupational Safety and Health Standards*, of the Code of Federal Regulations (29 CFR 1910). The Subcontractors shall notify the LLNS Contract Administrator and the LLNS Technical Representative, in writing, of any material, supplies, or equipment to be furnished or used under a Subcontract that do not meet these requirements.

D. Training

The Subcontractors and any lower-tier subcontractor personnel performing work at LLNL sites shall satisfactorily complete any training specified in the Subcontracts before commencing the on-site work.

ARTICLE 6 - INJURY AND ILLNESS REPORTING

- A. The Subcontractors shall immediately notify the LLNL Emergency Dispatch Center, at 925-422-7595 (or by phone on site dial 911 or by cell phone on site dial 925-447-6880) of any work-related injury to or illness of Subcontractor or lower-tier subcontractor personnel working at any LLNL site that results in a fatality, immediate in-patient hospitalization or immediate scheduled admittance, or any single occurrence that results in days away from work for three or more personnel.

- B. The Subcontractors shall provide the following written reports under this Agreement:

A report of all new recordable fatalities, injuries, and illnesses involving either Subcontractor or lower-tier subcontractor personnel working at LLNL sites. The report shall be submitted on DOE Form F 5484.3, *Individual Accident/Incident Report*, in lieu of OSHA Form 301, *Injury and Illness Incident Report*, within seven working days of a recordable work-related fatality, injury, or illness. DOE Form F 5484.3, modified for LLNL Subcontractor Reporting, is located at the following link:

https://supplychain.llnl.gov/poattach/docs/incident_report_form_mar2010.doc

A recordable work-related injury or illness is one that results in a fatality, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness, or diagnosis of a significant injury or illness by a physician or other licensed health care professional (29 CFR 1904).

This requirement to report recordable work-related injuries or illnesses includes all the requirements for recordable incidents as described in 29 CFR 1904. Privacy cases should be noted so appropriate steps can be taken to protect the privacy of injured personnel (29 CFR 1904.29).

- C. The reports shall be sent to the LLNL Hazards Control Department, Attention: Occupational Injury and Illness Records Manager, L-383, 7000 East Avenue, Livermore, CA 94550.
- D. The Subcontractors shall allow LLNS access to and review of the following:
1. Subcontractors' logs and summaries of all recordable occupational injuries and illnesses (OSHA No. 300 and 300A Forms or State Equivalent) maintained by the Subcontractors.
 2. Subcontractors' injury or illness prevention plans and written Injury and Illness Prevention Program (IIPP) established, or which are required by law to be established.
- E. These requirements are in addition to, and do not replace, the Subcontractors' injury and illness reporting or record-keeping obligations under other applicable regulations.

ARTICLE 7 – ESTIMATED COST AND ALLOCATED FUNDING

- A. Estimated Cost and Allocation of Funds
1. An estimated cost and allocated funding amount for the performance of the work shall be established in each Subcontract. There shall be no allocated funds or incurred costs under this Agreement.
 2. The lesser of the estimated cost or the allocated funding amount specified in each Subcontract shall be the limit of LLNS' liability for each Subcontract under the Subcontract. LLNS shall not be obligated to reimburse the Subcontractors for any costs not authorized by a Subcontract or in excess of the allocated funding amount of each Subcontract.

3. The Subcontractors shall notify the LLNS Contract Administrator in writing at least five working days prior to stopping the work under any Subcontract to avoid exceeding the allocated funding amount of a Subcontract.

B. Revised Allocation of Funds

1. It is anticipated that LLNS will increase any incremental funding amount of a Subcontract up to the estimated cost amount as funding becomes available; however, LLNS shall not be obligated to do so. The Subcontractors shall notify the LLNS Contract Administrator in writing at least five working days prior to stopping the work to avoid exceeding the allocated funding amount specified in a Subcontract.
2. The allocated funding amount specified in each Subcontract may only be increased or decreased by a written unilateral modification to the Subcontract issued by the LLNS Contract Administrator. Modifications to a Subcontract shall not be considered as authorization to exceed the allocated funding amount specified in the Subcontract unless it contains a statement specifically increasing the allocated funding amount of the Subcontract.

C. Cost Information

The Subcontractors shall maintain, at all times while the work is in progress, current cost information adequate to reflect the cost of performing the work under each Subcontract and shall prepare and furnish to LLNS such written estimates of cost and information in support thereof as LLNS may request.

ARTICLE 8 – REIMBURSEMENT OF COSTS

A. Allowability

1. As provided by the *ALLOWABLE COST AND PAYMENT* clause of the GENERAL PROVISIONS, the allowability of cost shall be determined in accordance with OMB Circular A-21.
2. Travel
 - a. Any travel costs shall be reimbursable in accordance with the Subcontractors' institutional travel policy and practices that represent reasonable and allocable costs, consistent with Section 31.205-46 of the Federal Acquisition Regulation (Title 48 of the Code of Federal Regulations).
 - b. All domestic travel not included in the Subcontractors' cost proposal for any resulting Subcontract must be approved in advance by the LLNS Contract Administrator.
 - c. All foreign travel requires approval in advance by LLNS and DOE/NNSA. The Subcontractors shall notify the LLNS Contract Administrator indicated in a

Subcontract of all required foreign travel under the Subcontract, even if the cost is included in the Subcontractors' cost proposal for the Subcontract. Foreign travel requests shall be submitted to the LLNS Technical Representative for continued processing at least 60 days prior to the planned departure date.

3. It is understood that audits of the Subcontractors' costs may be performed by LLNS or the U.S. Government. LLNS will endeavor to arrange for any audit conducted hereunder to be performed by the Subcontractors' cognizant government audit agency, through the DOE/NNSA.
4. The Subcontractors are entitled to be reimbursed for sales tax it is charged for items with an acquisition cost of less than \$5,000 to which title vests in the Subcontractors. Unless otherwise indicated in a Subcontract, all other items acquired under the Subcontract shall be treated as for resale to the U.S. Government and exempt from California State Sales Tax. LLNS will provide the Subcontractors a California Resale Certificate, for use in acquiring such items, upon request.

B. Indirect Costs Rates

Unless otherwise indicated in a Subcontract, the parties agree to use the predetermined indirect rates approved by the Subcontractors' cognizant government audit agency to determine the allowable indirect costs under each Subcontract.

If the period covered by the Subcontractors' predetermined indirect cost rate agreement in effect as of the effective date of each Subcontract does not extend through the entire period of performance of the Subcontract, then, in accordance with OMB Circular A-21, the negotiated indirect cost rate(s) for the last year of such indirect cost rate agreement shall apply to the remaining period of performance of each Subcontract.

C. Facilities Capital Cost of Money

Facilities capital cost of money shall not be an allowable cost under this Agreement or any resulting Subcontracts.

ARTICLE 9 – INVOICES AND PAYMENT

- A. The invoicing and payment of costs incurred under each Subcontract shall be in accordance with the *ALLOWABLE COST AND PAYMENT* clause of the GENERAL PROVISIONS.
- B. Separate invoices shall be submitted for each Subcontract. All invoices shall provide the information required by the related Subcontract and shall include a copy of the project cost report.
- C. LLNS will use its best efforts to process interim invoices for payment within 30 days of receipt. Final invoices will be processed for payment upon receipt of an Assignment and Release, as required by the *ALLOWABLE COST AND PAYMENT* clause of the GENERAL PROVISIONS, and completion of all closeout requirements. Payments made more than 30 days after receipt of the invoice shall not be subject to penalty, interest or late charges.

ARTICLE 10 – PROPERTY

- A. The Subcontractors shall acquire and LLNS shall furnish for use the materials, equipment, supplies, and/or tangible personal property items identified in each Subcontract, if any.
- B. As provided in Alternate II of the *GOVERNMENT PROPERTY* clause of the GENERAL PROVISIONS, title to equipment and other tangible personal property acquired by the Subcontractors with an acquisition cost of less than \$5,000 shall vest in the Subcontractors upon acquisition, provided the acquisition has been authorized in the Subcontract or approved in writing by the LLNS Contract Administrator. The Subcontractors agree that no charge will be made to LLNS or the Government for use of any equipment, title to which vests in the Subcontractors, for use under any existing or future LLNS or Government contract or subcontract, or any related depreciation or amortization.
- C. Purchases of equipment or other tangible personal property, which are not identified in the Subcontractors' cost proposal for a Subcontract, but for which the Subcontractors are entitled to be reimbursed as a direct item of cost, shall be approved in advance by the LLNS Contract Administrator.
- D. All property acquired by the Subcontractors as a direct cost under a Subcontract, title to which vests in the Government, or furnished by LLNS shall be identified, accounted for, controlled and protected as required by the *GOVERNMENT PROPERTY* clause of the GENERAL PROVISIONS. Disposition of such property upon completion of the Subcontract shall be as directed by the LLNS Contract Administrator or a LLNS Property Representative.

ARTICLE 11 – COORDINATION AND ADMINISTRATION

- A. The designated LLNS Contract Administrator for this Agreement and the LLNS Contract Administrator designated for each Subcontract will represent LLNS in all matters relating to the non-technical interpretation, administration, and performance of this Agreement. The Subcontractors shall direct all non-technical notices and requests for approval to the LLNS Contract Administrator, and any notices or approvals from LLNS to the Subcontractors shall only be issued by the LLNS Contract Administrator.
- B. The LLNS Technical Representative designated in each Subcontract will represent LLNS only in matters relating to the technical performance of the work under the Subcontract, by interpreting the technical requirements and providing technical direction to the Subcontractor in the conduct of the work.
- C. The term "technical direction" is defined to include directions to the Subcontractors within the scope of work of the Subcontracts which: (1) clarifies the desired work emphasis between work areas or tasks; (2) directs the pursuit of certain lines of inquiry; (3) assists in the interpretation of drawings, specifications, or technical portions of the work description; or (4) fills in details necessary to perform and complete the scope of work.
- D. The LLNS Technical Representative is not authorized to issue any technical direction which would: (1) constitute an assignment of work outside the general scope of the work covered by the

Subcontracts; (2) change the description of the work to be performed or any applicable drawings, designs, and specifications; (3) increase the estimated cost for performance of the work or the time required for performance of the work; (4) change any expressed term or condition of the Subcontracts; or (5) unreasonably interfere with the Subcontractors' ability to perform and complete the work.

ARTICLE 12 – ACCESS TO LLNL COMPUTER RESOURCES

- A. The performance of the Subcontracts may require Subcontractor personnel (including lower-tier subcontractor personnel) to use or connect with LLNL computer resources (i.e., computers or computer networks). Any such access and use shall be in accordance with and subject to LLNL Cyber Security Program (LLNL CSP) requirements, including the following:
1. Approval to access specific LLNL computer resources shall be obtained from the appropriate LLNL Information Systems Security Officer (ISSO), through the LLNS Technical Representative.
 2. Access to LLNL computer resources by Subcontractor personnel is only permitted as required to perform the work authorized under a Subcontract. Classified computer resources or information shall not be accessed or attempted to be accessed without specific written authorization from the LLNL CSP. Personal and non-work-related use of LLNL computer resources by Subcontractor personnel is prohibited.
 3. Only Subcontractor personnel who are U.S. citizens may access or use LLNL computer resources, unless specific written authorization is granted for each non-U.S. citizen by the LLNL CSP.
 4. Only the approved Virtual Private Network (VPN), Open Terminal Server (OTS) modem pool, or High Performance Computing (HPC) Enclave access methods shall be used to access unclassified LLNL resources. All unclassified computer systems with modems other than facsimile machines must be configured with auto-answer turned off. Modems are prohibited on classified systems.
 5. All software used by Subcontractor personnel on LLNL computer resources must be appropriately acquired and used according to the applicable licensing agreements.
 6. All information or data furnished by LLNS or obtained from or developed on a LLNL computer resource by Subcontractor personnel shall be treated as confidential and protected by the Subcontractors to prevent disclosure to any persons other than those authorized by LLNS.
 7. Computer passwords used by Subcontractor personnel for LLNL computer resources shall comply with the applicable rules and be protected to prevent disclosure to other persons. If a computer password is disclosed, or disclosure is suspected, the Subcontractors shall immediately notify the LLNS Technical Representative and arrange for replacement of the password.
 8. The use at the LLNL of any non-LLNL computing or video conferencing equipment with

electronic data transfer capabilities (e.g., personal computers, including portables, laptops, electronic notebooks, personal digital assistants, and handhelds) may not be connected to or used to communicate with any LLNL computer resources without the written approval of the LLNS Technical Representative and the LLNL CSP.

- B. These requirements shall be applicable whether such access is at the LLNL, at the Subcontractors' facility, or elsewhere; and shall be applicable to lower-tier subcontractors and their personnel whose work requires access to LLNL computer resources. The Subcontractors shall report any suspected or actual computer security incident as soon as possible to the appropriate ISSO or, if the ISSO is not available, then directly to the LLNL CSP.
- C. LLNS may monitor the use of LLNL computer resources by network operating software, reviewing the contents of all LLNL computer resources and any computers used to access LLNL computer resources, and other appropriate means.
- D. If the Subcontractors do not comply with the provisions of this article, LLNS may withdraw the Subcontractors' access to LLNL computer resources. Misuse of LLNL computer resources may be a violation of law and could result in appropriate action, including termination for default and/or criminal prosecution.

ARTICLE 13 – DEBARMENT ELIGIBILITY CERTIFICATION

By entering into this Agreement, the University certifies, to the best of its knowledge and belief, it and its principals are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts (including subcontracts) by any agency of the Federal Government.

ARTICLE 14 – ALLOCATION OF RISK AND INSURANCE

The following clauses shall apply to any work and other activities performed by the Subcontractors or lower-tier subcontractors under the Subcontracts at the LLNL and its Site 300, or at any other location except Subcontractor or lower-tier subcontractor facilities.

A. Allocation of Risk

Each party shall be responsible for claims and demands arising under the Subcontract in proportion to its fault in the events giving rise to such claims and demands as determined by the law and judicial precedent and as limited by any federal or state law applicable to one or the other of the parties.

The Subcontractors shall promptly notify LLNS in writing of any claim or demand of which the Subcontractors become aware that is related to performance of the Subcontracts. The Subcontractors shall cooperate with LLNS in the defense of claims and demands described in this clause.

B. Insurance or Program of Self-Insurance

- 1. The University shall provide and maintain during the entire period of performance of the Agreement insurance or program of self-insurance in amounts sufficient to cover the

perils to which the Subcontractors are exposed and to protect LLNS' and the Government's interests, but, in no event less than the kinds and minimum amounts of insurance or program of self-insurance required by this clause. The University's liability is not limited by the kinds and minimum amounts of insurance or program of self-insurance required by this clause.

2. The following kinds and minimum coverage limits of insurance or program of self-insurance are required:

- a. Commercial General Liability Insurance or Program of Self-Insurance
- | | <u>Minimum Limit</u> |
|-----------------------------------|----------------------|
| • Per Occurrence | \$ 5,000,000 |
| • Products/Completed Operations | \$ 5,000,000 |
| • Personal and Advertising Injury | \$ 1,000,000 |
- b. Business Automobile Liability Insurance
- | | <u>Minimum Limit</u> |
|------------------|----------------------|
| • Per Occurrence | \$ 1,000,000 |

The automobile liability insurance or program of self-insurance shall cover liability to third parties related to the Subcontractors' use of owned, scheduled, non-owned, or hired vehicles. This shall include the Subcontractors' use of any LLNS-furnished U.S. Government owned vehicles, and liability to LLNS as a third-party for any loss or destruction of, or damage to, LLNS-furnished U.S. Government owned vehicles provided such loss, destruction or damage is due to the negligent acts or omissions of the Subcontractors.

c. Workers' Compensation (As required under California State law or other applicable State law for any work not performed in California). The workers' compensation insurance or program of self-insurance shall include the following minimum coverage:

- | | <u>Minimum Limit</u> |
|---|----------------------|
| • Coverage B – Employer's Liability, Per Accident | \$ 1,000,000 |
| • Bodily Injury by Disease, Per Employee | \$ 1,000,000 |

3. Certificates of Insurance or Program of Self-Insurance, Endorsements and Other Conditions

With the exception of the Workers' Compensation and Occupational Disease policy or policies and the Employer's Liability policy, each general liability insurance policy or program of self-insurance shall name Lawrence Livermore National Security, LLC and its members and affiliates and the U.S. Government as “**additional insureds**” for the work and completed operations.

The general liability insurance or program of self-insurance and workers' compensation insurance or program of self-insurance shall include a “**waiver of subrogation**” provision in favor of LLNS and its members and affiliates and the U.S. Government.

All such insurance coverage or program of self-insurance shall be primary and shall not participate with or apply in excess of any other valid, collectible insurance or program of self-insurance of LLNS or U.S. Government.

The required insurance shall be obtained from insurance companies authorized to do business in California that have an A.M. Best rating of A: VII or better, or an equivalent Standard & Poor's rating of AA or better, or Moody's rating of Aa or better.

Prior to issuance of a Subcontract, the University shall provide the LLNS Contract Administrator a copy of certificates or policies of insurance or program of self-insurance required by this clause. The certificate(s) of insurance or program of self-insurance and endorsements shall be sent to the LLNS Contract Administrator at the following address:

Lawrence Livermore National Laboratory
7000 East Avenue / P.O. Box 5012
Livermore, CA 94550 / 94551

The general liability insurance or program of self-insurance and workers' compensation insurance or program of self-insurance shall include an endorsement to the effect that any cancellation or any material change adversely affecting LLNS' or the Government's interests shall not be effective:

- a. For such period as the laws of the state in which the Subcontract is to be performed prescribe; or
- b. Until 30 days after the insurer or the University gives written notice to the LLNS Contract Administrator, whichever period is longer.

The insurance or program of self-insurance shall not be subject to a deductible of \$100,000 or more without the written approval of the LLNS Contract Administrator.

The stipulation of required coverage and limits of insurance shall not in any way limit the liability of the University.

4. The Subcontractors shall insert the substance of this clause, including this paragraph 4, in lower-tier cost-reimbursement subcontracts under any resulting Subcontracts. The University shall maintain copies of all University proofs of required insurance and shall provide copies to the LLNS Contract Administrator upon request.

ARTICLE 15 – E-VERIFY PROGRAM ENROLLMENT VERIFICATION

Subcontracts awarded pursuant to this Agreement will be subject to the requirements of the *EMPLOYMENT ELIGIBILITY VERIFICATION* clause of the GENERAL PROVISIONS (FAR 52.222-54). If requested by the LLNS Contract Administrator, the Subcontractors shall demonstrate they, and applicable lower-tier subcontractors, have enrolled as a *Federal Contractor* in the E-Verify System by providing a copy of the 'Company Information' page printed directly from the E-Verify System.

ARTICLE 16 – GENERAL PROVISIONS

- A. The attached GENERAL PROVISIONS FOR STANDARD RESEARCH SUBCONTRACTS shall apply to this Agreement and to all Subcontracts issued under this Agreement, except as may otherwise be provided herein. The clauses listed in the *CLAUSES INCORPORATED BY REFERENCE* clause of the GENERAL PROVISIONS shall be applicable to the Subcontracts based on the value of the Subcontract and the nature and location of the work as indicated in the GENERAL PROVISIONS.
- B. Alternate IV of the *RIGHTS IN DATA – GENERAL* clause of the GENERAL PROVISIONS (52.227-14) shall only apply to a Subcontract when LLNS determines that software is not specified for delivery and no other special circumstances exist, as indicated in the Subcontract.
- C. The *ORDER OF PRECEDENCE* clause of the GENERAL PROVISIONS is hereby replaced with the following:

“Any inconsistencies in the documents comprising this Agreement or a Subcontract shall be resolved by giving precedence in the following order: (a) this Agreement’s Signature Page and Schedule of Articles; (b) the GENERAL PROVISIONS; (c) the Subcontract’s Signature Page and Schedule of Articles; (d) the additional incorporated documents of the Subcontract, excluding any referenced cost proposal or statement of work; (e) any incorporated statement of work of the Subcontract; and (f) any incorporated cost proposal of the Subcontract.”

(END OF SCHEDULE OF ARTICLES)