WM-10 - 2
WM-11 - 2
WM-16 - 2

WM Record File D1016 Itasca
WM Project 10, 11, 16
Docket No.
PDR
*LPDR
Distribution: Tiktinsky
(Return to WM, 623-SS)

ITASCA Consulting Group, Inc.

18 August 1987

David Tiktinsky - SS623
U.S. Nuclear Regulatory Commission
Division of Waste Management
Washington, D.C. 20555

"NRC Technical Assistance for Design Reviews"
Contract No. NRC-02-85-002
FIN D1016

Dear Mr. Tiktinsky:

Recently, Itasca received a purchase order (copy attached) from Battelle Memorial Institute in Columbus, Ohio, to supply membership in a computer code user's group and a one-week training session on the use of each of two computer codes. The services called for in the purchase order are standard products that we supply to many clients. However, because Battelle is a contractor to the Department of Energy for the High-Level Waste Repository Program, we deemed it appropriate to notify you of this pending transaction.

The services we are to provide under this purchase order are general in nature and not specifically directed toward the repository program. Once the codes are provided and training on their use is completed, Itasca will play no further role except to provide any updates to the codes during the two-year user group membership. We do not feel that this work, in any way, presents a conflict of interest with our on-going activities with the NRC and will proceed with this transaction unless we are instructed by you, by 15 September 1987, not to do so.

Sincerely,

John J. Markham
Executive Vice President

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attach.
jjm/ks

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WM Project: WM-10,11,16
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WM Record File: D1016
LPDR w/encl

Suite 210 • 1313 Fifth Street SE • Minneapolis, Minnesota 55414
Telephone: (612) 623-9599 • Telex: 201682

4075

PURCHASE ORDER CONDITIONS

1. ORDERS FOR CONSTRUCTION: An order for construction, as referred to on the face of this order, is any order whether on a time and material basis or lump sum basis pursuant to which tangible personal property is incorporated into a structure or improvement to real property so as to become a part thereof without regard to whether it is new construction, maintenance or repair. (See Ohio Retail Sales Tax Rule 27)

2. ACKNOWLEDGMENT: All terms and conditions as herein set forth shall be binding upon Seller. An acknowledgment which contains conflicting or additional provisions to the terms and conditions herein set forth or a specific rejection of any term or condition shall be deemed to be a counter offer to Buyer and shall not be binding upon Buyer until acceptance thereof is made in writing to Seller; provided, however, that performance by Seller, in the absence of written acceptance of such counter offer by Buyer, shall be deemed to be performance in accordance with the terms and conditions of this Purchase Order.

3. PAYMENT: Payment is contingent upon acceptance of material. Cash discount period shall be calculated from date of receipt of acceptable materials or services or acceptable invoice whichever is received the later.

4. INSPECTION AND WARRANTY: All shipments shall be subject to inspection at all reasonable times during manufacture and final inspection after receipt by Buyer at destination, unless otherwise specified in this Purchase Order. If materials or work are found to be defective, Seller shall promptly repair or replace such materials or work, or if Seller is unable or refuses to do so, Buyer may by contract or otherwise repair or replace such work or materials and assess Seller the excess cost occasioned Buyer thereby. Seller warrants that (1) the item or items purchased will be supplied according to specifications, (2) all workmanship shall be first class, (3) except as otherwise provided in the specifications, all items incorporated in the work shall be new and of the most suitable grade of their respective kinds for the purpose. The Seller shall, within a reasonable time after receipt of written notice thereof, make good at its own expense and without cost to the Buyer any defects in materials or workmanship which may appear during the period ending on a date 12 months after delivery, unless a different period of guarantee is provided in this Purchase Order.

5. DEFAULT — DELAYS: Buyer may cancel this Purchase Order in whole or in part in the event that Seller fails or refuses to deliver any of the items purchased, within the time provided, or otherwise violates any of the conditions of this Purchase Order, or if it becomes evident that the Seller is not conducting the work in accord with the specifications or with such diligence as to permit delivery on or before the delivery date. In such event the Buyer shall have all of the rights and remedies prescribed by law for the Seller's breach, in addition to those specifically provided for herein. The Seller shall be liable for any excess cost occasioned the Buyer by reason of the Seller's breach. In the event the Buyer cancels this Purchase Order in whole or in part as herein provided, the Buyer may procure, upon such terms and in such manner as the Buyer deem appropriate, supplies or services similar to those so cancelled and the Seller shall be liable to the Buyer for any excess costs for such similar supplies or services; provided, that the Seller shall continue the performance of this Purchase Order to the extent not terminated under the provisions of this article. Delays in delivery due to causes beyond the control and without the fault or negligence of Seller will be excused by Buyer if Seller notifies Buyer in writing of the cause of such delay within a reasonable time from the beginning thereof. When such excuse is given, the Buyer, by written notice to the Seller, will extend the time for performance by such period of time as the Buyer determines to be commensurate with the period of such delay.

6. FOR WORK ON BUYER'S OR ITS CUSTOMER'S PREMISES: If Seller [illegible] the order involves operations by Seller on the premises of Buyer or one of its customers, Seller, its agents, employees or subcontractors, shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work, occasioned by the act of the Seller, his agents, employees, or subcontractors, and Seller shall maintain such public liability and property damage insurance and will comply with applicable Workmen's Compensation and Occupational Disease Acts so as to protect Buyer from any claims arising from said injury to person or property during the progress of such work. When requested by the Buyer, the Seller shall furnish satisfactory evidence of compliance with this requirement.

7. PATENTS: Seller agrees to indemnify and hold harmless Buyer, its officers, agents, employees, successors, and assigns, against loss, damage or liability, including costs and expenses on account of any suit, claim, judgment or demand involving the alleged infringement of any patent rights in the manufacture, delivery, use or disposition of any article or material supplied hereunder, provided Buyer shall inform Seller of any claim, demand, or suit asserted or instituted against them and, to the extent of Buyer's ability to do so, permit Seller to defend the same or make settlement in respect thereof.

8. OHIO LAW: Any questions arising under this order shall be decided in accordance with the laws of the State of Ohio.

PURCHASE ORDER
NO. N 8345 DATE 8-5-87

BATTELLE MEMORIAL INSTITUTE
COLUMBUS DIVISION
505 KING AVENUE - COLUMBUS, OHIO 43201-2693
AREA CODE 614 - 424-6424

ITASCA CONSULTING GROUP, INC.
P.O. BOX 14806
MINNEAPOLIS, MINNESOTA 55414

ALL CORRESPONDENCE AND PHONE CALLS CONCERNING THIS ORDER SHOULD BE DIRECTED TO THE BUYER WHOSE NAME APPEARS BELOW.

APPLICABLE PURCHASE ORDER SUPPLEMENTS: B712(8-1)

QUANTITY	DESCRIPTION	PRICE	INSTRUCTIONS
	TO COVER ONE (1) MUDEC TRAINING COURSE AT A DATE MUTUALLY AGREEABLE TO BOTH PARTIES FOR ONE (1) BATTELLE STAFF MEMBER	$3000.00	1. Invoices - Submit in duplicate to "Attention: Invoice Audit".
	TO COVER ONE (1) 3DEC TRAINING COURSE AT A DATE MUTUALLY AGREEABLE TO BOTH PARTIES FOR ONE (1) BATTELLE STAFF MEMBER	$3000.00	2. Purchase Order Number - Show on all packages, invoices, shipping bills, etc.
	TO COVER TWO (2) YEAR USER GROUP FEES EFFECTIVE 1 SEPTEMBER 1987 send discounts next two weeks	$2500.00/LOT	3. Sales Tax - Exclusive of orders for construction (as defined on reverse side hereof) Ohio sales or use taxes are not to be paid by seller by authority of Ohio Dept. of Taxation, Permit 98000125
			4. Acknowledgement - Please acknowledge receipt of this Purchase Order.
			5. Send - Bill of Lading, Express Receipt or Shipping Memorandum for each shipment.
			6. Insurance - No insurance charges which increase shipping cost shall be allowed.
			7. Shipping - Do not ship via parcel post, certified mail or unregistered mail if shipment has value in excess of $500.00 or via registered mail if in excess of $5000.00

RECEIVED AUG 10 1987

F. O. B.: TERMS: N/30

PLEASE FURNISH THE MATERIALS AND/OR SERVICES INDICATED ABOVE AT THE PRICES SHOWN. THIS PURCHASE ORDER CONSISTS OF THE INSTRUCTIONS AND CONDITIONS ON BOTH THE FACE AND REVERSE SIDE HEREOF, AND ANY SUPPLEMENTS REFERRED TO ABOVE.

BY LaDonna Edgell LADONNA EDGELL BUYER

(1952) U.S. Code, as amended, prior to issuance of Letters Patent) occurring in the performance of this order or arising by reason of the use or disposal by or for the account of the Purchaser or the Government or both, of items manufactured or supplied under this order. Condition 7 on the reverse side of the Purchase Order is deleted.

7. **PATENTS.** a. Whenever any invention or discovery is made or conceived by the Subcontractor or its employees in the course of or under terms of this Subcontract, the Subcontractor shall furnish the Department, through the Purchaser, with complete information thereon, and the Department shall have the sole power to determine whether or not and where a patent application shall be filed, and to determine the disposition of the title to and the rights under any application or patent that may result. The judgment of the Department on these matters shall be accepted as final, and the Subcontractor, for itself and its employees, agrees that the Subcontractor will use its best efforts to have the inventor or inventors execute all documents and do all things necessary or proper to carry out the judgment of the Department.

b. No claim for pecuniary award or compensation under the provisions of the Atomic Energy Act of 1946 and 1954 shall be asserted by the Subcontractor or its employees with respect to any invention or discovery made or conceived in the course of or under the terms of this Subcontract.

c. It is recognized that during the course of work hereunder or subsequent thereto, the Subcontractor, its employees, or its lower tier subcontractors, may from time to time desire to publish, within the limits of security requirements, information regarding technical or scientific developments arising in the course of the Subcontract. In order that public disclosure of such information will not adversely affect the patent interests of the Department, patent approval for release shall be secured from the Department, through the Purchaser, prior to any such publication.

d. Except as otherwise authorized in writing by the Department through the Purchaser, the Subcontractor will obtain patent agreements to effectuate the purposes of the above paragraphs of this provision from all persons who perform any part of the work under this Subcontract, except such clerical and manual labor personnel as will not have access to technical data.

8. **ASSIGNMENT.** a. This order may not be subcontracted in whole or in part, nor assigned, nor may any assignment of any money due or to become due be made by the Subcontractor without, in each case, the prior written consent of the Purchaser.

b. The Purchaser reserves the right to assign this order to the Government.

9. **OFFICIALS NOT TO BENEFIT.** No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this Subcontract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Subcontract if made with a corporation for its general benefit.

10. **BUY AMERICAN ACT.** a. In acquiring end products, the Buy American Act (41 USC 10a-d) provides that the Government give preference to *domestic source end products. For the purpose of this Clause:*

(1) "Components" means those articles, materials, and supplies which are directly incorporated in the end products.

(2) "End Products" means those articles, materials, and supplies which are to be acquired under this Subcontract for public use; and

(3) A "Domestic Source End Product" means (i) an unmanufactured end product which has been mined or produced in the United States and (ii) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purpose of this a.(3) (ii), components of foreign origin of the same type or kind as products referred to in b.(2) or (3) of this Clause shall be treated as components mined, produced, or manufactured in the United States.

b. The Subcontractor agrees that there will be used under this Subcontract (by the Subcontractor, lower tier subcontractor, materialmen, and suppliers) only domestic source end products, except end products:

(1) Which are for use outside the United States;

(2) Which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(3) As to which the Department determines the domestic preference to be inconsistent with the public interest; or

(4) As to which the Department determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order 10582, dated December 17, 1954.)

11. **EXAMINATION OF RECORDS.** a. The Subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this Subcontract, unless the Department authorizes their prior disposition, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Subcontractor involving transactions related to this Subcontract.

b. The period of access and examination described in a. above, for records which relate to (1) appeals under the "Disputes" clause of this Subcontract, (2) litigation or the settlement of claims arising out of the performance of this Subcontract, or (3) costs and expenses of this Subcontract as to which exception has been taken by the Comptroller General or any of his duly authorized representatives, shall continue until such appeals, litigation, claims, or exceptions have been disposed of.

12. **LABOR.** a. Convict Labor. In connection with the performance of work under this Subcontract, the Subcontractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 USC 4082(c) (2)) and Executive Order 11755, December 29, 1973.

b. Notices of Labor Disputes. Whenever any actual or potential labor dispute delays or threatens to delay the performance of the work, the Subcontractor shall immediately notify the Purchaser in writing. Such notice shall include all relevant information concerning the dispute and its background.

13. **RENEGOTIATION.** If this Subcontract is subject to the Renegotiation Act of 1951, as amended, the following provisions shall apply.

a. This contract is subject to the Renegotiation Act of 1951 (50 USC App. 1211, et seq.), as amended, and to any subsequent act of Congress providing for the renegotiation of contracts. Nothing contained in this Clause shall impose any renegotiation obligation with respect to this Subcontract or any lower tier subcontract hereunder which is not imposed by an act of Congress heretofore or hereinafter enacted. Subject to the foregoing, this Subcontract shall be deemed to contain all the provisions required by Section 104 of the Renegotiation Act of 1951, as it and any subsequent amendment thereto may be amended from time to time, without subsequent contract amendment specifically incorporating such provisions.

b. The Subcontractor agrees to insert the provisions of this Clause, including this paragraph b. in all lower tier subcontracts as that term is defined in Section 103 (g) of the Renegotiation Act of 1951.

14. **DISPUTES.** a. Except as otherwise provided in this Subcontract, any dispute concerning a question of fact arising under this Subcontract which is not disposed of by agreement shall be decided by the DOE Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the prime Contractor and the Subcontractor. The decision of the Contracting Officer shall be final and conclusive unless within 30 days from the date of receipt of such copy the Subcontractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Department. The decision of the Department or its duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this Clause, the Subcontractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Subcontractor shall proceed diligently with the performance of the Subcontract and in accordance with the Contracting Officer's decision.

Form No. B-712
(8-1)

RECEIVED

BATTELLE MEMORIAL INSTITUTE
COLUMBUS DIVISION

PURCHASE ORDER SUPPLEMENT APPLICABLE TO UNITED STATES DEPARTMENT OF ENERGY

(Fixed-Price Subcontracts and Purchase Orders)

The following supplementary provisions shall be applicable to the furnishing of the goods and services covered by the attached purchase order or subcontract. As used throughout these supplementary provisions, the terms "Vendor" or "Subcontractor" mean the seller; the terms "Battelle", "Purchaser", "Buyer", or "Contractor" mean Battelle Memorial Institute; the terms "Department", "Contracting Officer", or "DOE" mean the Department of Energy.

1. **CHANGES.** The Purchaser may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this Subcontract, in any one or more of the following: (i) Drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Purchaser in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Subcontract, whether changed or not changed by any such order, an equitable adjustment shall be made in the Subcontract price or delivery schedule, or both, and the Subcontract shall be modified in writing accordingly. Any claim by the Subcontractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Subcontractor of the notification of change: Provided, however, That the Purchaser, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Subcontract. Where the cost of property made obsolete or excess as a result of a change is included in the Subcontractor's claim for adjustment, the Purchaser shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Subcontract entitled "Disputes". However, nothing in this clause shall excuse the Subcontractor from proceeding with the Subcontract as changed.

2. **SECURITY.** a. Subcontractor's Duty to Safeguard Restricted Data, Formerly Restricted Data, and Other Classified Information. The Subcontractor shall, in accordance with the Department's security regulations and requirements, be responsible for safeguarding Restricted Data, Formerly Restricted Data, and other classified information and protecting against sabotage, espionage, loss, and theft, the classified documents and materials in the Subcontractor's possession in connection with the performance of the work under this Subcontract. Except as otherwise expressly provided in this Subcontract, the Subcontractor shall, upon completion or termination of this Subcontract, transmit to the Department any classified matter in the possession of the Subcontractor or any person under the Subcontractor's control in connection with performance of this Subcontract. If retention by the Subcontractor of any classified matter is required after the completion or termination of the Subcontract and such retention is approved by the Purchaser, the Subcontractor will complete a certificate of possession to be furnished to the Purchaser specifying the classified matter to be retained. The certification shall identify the items and types or categories of matter retained, the conditions governing the retention of the matter, and the period of retention, if known. If the retention is approved by the Purchaser, the security provisions of the Subcontract will continue to be applicable to the matter retained.

b. Regulations. The Subcontractor agrees to conform to all security regulations and requirements of the Department.

c. Definition of Restricted Data. The term "Restricted Data", as used in this Clause, means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954.

d. Definition of Formerly Restricted Data. The term "Formerly Restricted Data", as used in this Clause, means all data removed from the Restricted Data category under Section 142 d. of the Atomic Energy Act of 1954, as amended.

e. Security Clearance of Personnel. The Subcontractor shall not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other classified information, except in accordance with the Atomic Energy Act of 1954, as amended, and the Department's regulations or requirements applicable to the particular type or category of classified information to which access is required.

f. Criminal Liability. It is understood that disclosure of Restricted Data Formerly Restricted Data, or any other classified matter that may come to Subcontractor or any person under the Subcontractor's control in connection with work under this Subcontract, may subject the Subcontractor, its agents, employees, or lower tier subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 USC 2011 et seq.; 18 USC Sections 793 and 794; and Executive Order 11652.)

g. Subcontracts and Purchase Orders. Except as otherwise authorized in writing by the Purchaser, the Subcontractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this Subcontract.

h. Classification. In the performance of the work under this Subcontract, the Subcontractor shall assign classifications to all documents, material, and equipment originated or generated by the Subcontractor in accordance with classification guidance furnished to the Subcontractor by the Purchaser. Every lower tier subcontract and purchase order issued hereunder involving the origination or generation of classified documents, material, or equipment shall include a provision to the effect that in the performance of such lower tier subcontract or purchase order, the lower tier subcontractor or supplier shall assign classifications to all such documents, material, and equipment in accordance with classification guidance furnished to such lower tier subcontractor or supplier by the Subcontractor.

3. **EQUAL OPPORTUNITY IN EMPLOYMENT.** The Equal Opportunity clause in FPR 1-12.803-2 is incorporated herein by reference and is applicable unless this Subcontract is exempt under the rules and regulations of the Secretary of Labor issued pursuant to Executive Order No. 11246 of September 24, 1965 (30 F.R. 12319, Sept. 28, 1965).

4. **COVENANT AGAINST CONTINGENT FEES.** The Vendor warrants that no person or selling agency has been employed or retained to solicit or secure this Subcontract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty, the Buyer or Government shall have the right to annul this Subcontract without liability, or in their discretion to deduct from the subcontract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

5. **TERMINATION.** The Purchaser, by written notice, may terminate this Subcontract, in whole or in part, when it is in the best interest of the Purchaser. If this Subcontract is for supplies and is so terminated, the Subcontractor shall be compensated in accordance with Federal Procurement Regulation 1-8, in effect on this Subcontract date. To the extent that this Subcontract is for services and is so terminated, the Purchaser shall be liable only for payment in accordance with the payment provisions of this Subcontract for services rendered prior to the effective date of the termination.

6. **PATENT INDEMNITY.** The Subcontractor agrees to indemnify the Purchaser and the Government, and their officers, agents, servants, and employees against liability of any kind (including costs and expenses incurred) for the use of any invention or discovery and for the infringement of any Letters Patent (not including liability arising pursuant to Section 183, Title 35

b. This Disputes Clause does not preclude consideration of law questions in connection with decisions provided for in paragraph a. above: PROVIDED, that nothing in this Subcontract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

c. The authority of the Department to decide appeals under the Disputes Clause in paragraphs a. and b. of this section is presently delegated to the DOE Board of Contract Appeals. See 20 CFR, Part 3.

15. **REPORTING OF ROYALTIES.** If this Subcontract is in an amount which exceeds $10,000, and if any royalty payments are directly involved in the Subcontract price, the Subcontractor agrees to report in writing to the Department (Assistant General Counsel for Patents) during the performance of this Subcontract and prior to its completion or final settlement the amount of any royalties or other payments paid or to be paid by it directly to others in connection with the performance of this Subcontract together with the names and addresses of licensors to whom such payments are made and either the patent numbers involved or such other information as will permit identification of the patents or other basis on which the royalties are to be paid. The approval of the Department of any individual payments or royalties shall not estop the Government at any time from contesting the enforceability, validity or scope of, or title to, any patent under which a royalty or payments are made.

16. **GOVERNMENT PROPERTY.** All tools, equipment, or material of every description furnished to the Subcontractor by the Purchaser, and any replacement thereof, shall be and remain the property of the Government or the Purchaser. Such property and, whenever practicable, each individual item thereof shall be plainly marked or otherwise adequately identified by the Subcontractor as "Property of the United States Government, Department of Energy" and shall be safely stored separate and apart from the Subcontractor's property. The Subcontractor shall not substitute any property for the Government's property and shall not use such Government property except in the performance of this Subcontract. Such property shall be returned at the Purchaser's request, whereupon the Subcontractor shall prepare such property for shipment and shall deliver such property to the Purchaser in the same condition in which it was originally received by the Subcontractor, except for reasonable wear and tear. The Subcontractor shall bear the risk of loss of or damage to such property until the same is returned to the Purchaser.

17. **DRAWINGS, DESIGNS, SPECIFICATIONS.** All drawings, sketches, designs, design data, specifications, notebooks, technical and scientific data, and all photographs negatives, reports, findings, recommendations, data and memoranda of every description relating thereto, as well as all copies of the foregoing relating to the work or any part thereof, shall be subject to inspection by the Purchaser at all reasonable times (for which inspection the proper facilities shall be afforded the Purchaser by the Subcontractor and its lower tier subcontractors), shall be the property of the Purchaser and may be used by the Purchaser for any purpose whatsoever without any claim on the part of the Subcontractor and its lower tier subcontractors and vendors for additional compensation and shall, subject to the right of the Subcontractor to retain a copy of said material for its own use, be delivered to the Purchaser or otherwise disposed of by the Subcontractor either as the Purchaser may from time to time direct during the progress of the work or in any event as the Purchaser shall direct upon completion or termination of this Subcontract. The Subcontractor's right of retention and use shall be subject to the security and patent provisions, if any, of this Subcontract.

18. **PRIORITIES, ALLOCATIONS, AND ALLOTMENTS.** The Subcontractor shall follow the provisions of DMS Regulation 1 and all other applicable regulations and orders of the Domestic and International Business Administration, Department of Commerce, in obtaining controlled materials and other products and materials required in the execution of the work under this Subcontract.

19. **COPYRIGHT.** a. The Subcontractor agrees to and does hereby grant to the Purchaser and to the Government, and to its officers, agents, servants, and employees acting within the scope of their official duties, (i) a royalty-free, nonexclusive and irrevocable license to reproduce, translate, publish, use, and dispose of, and to authorize others so to do, all copyrightable material first produced or composed and delivered to the Purchaser and to the Government under this Subcontract by the Subcontractor, its employees or any individual or concern specifically employed or assigned to originate and prepare such material; and (ii) a license as aforesaid under any and all copyrighted or copyrightable work not first produced or composed by the Subcontractor in the performance of this Subcontract but which is incorporated in the material furnished under the Subcontract, provided that such license shall be only to the extent the Subcontractor now has, or prior to the completion of final settlement of the Subcontract may acquire, the right to grant such license without becoming liable to pay compensation to others solely because of such grant.

b. The Subcontractor agrees that it will not include any copyrighted material in any written or copyrightable material furnished or delivered under this Subcontract, without a license as provided for in paragraph a.(ii) hereof, or without the consent of the copyright owner, unless specific written approval of the Purchaser to the inclusion of such copyrighted material is secured.

c. The Subcontractor agrees to report in writing to the Purchaser and to the Department, promptly and in reasonable detail, any notice or claim of copyright infringement received by the Subcontractor with respect to any material delivered under this Subcontract.

20. **INTEGRATION.** This Subcontract and any incorporation thereto constitute the entireagreement between the Purchaser and the Subcontractor, and no oral or written deviations from the conditions set forth shall be binding upon the Purchaser unless authorized in writing by an authorized agent or official of the Purchaser.

21. **SUBCONTRACT NOT BINDING ON THE GOVERNMENT.** This Subcontract does not bind nor propose to bind the U.S. Government.

22. **PERMITS.** Except as otherwise directed by the Purchaser, the Subcontractor shall procure all necessary permits or licenses and abide by all applicable laws, regulations, and ordinances of the United States and of the State, territory, and political subdivision in which the work under this Subcontract is performed.

23. **PRICING OF ADJUSTMENTS.** When costs are a factor in any determination of a Subcontract price adjustment pursuant to the "Changes" Clause or any other provision of this Subcontract, such costs shall be in accordance with the Subcontract cost principles and procedures in Subpart 9-15.50 of the Department of Energy Procurement Regulations (41 CFR 9-15.50) in effect on the date of this Subcontract.

24. The following Federal Procurement Regulation (FPR) clauses are incorporated herein by reference.

LISTING OF EMPLOYMENT OPENINGS. FPR Section 1-12.1102-2.
(Applies to all orders in excess of $10,000.)

EMPLOYMENT OF THE HANDICAPPED. FPR Section 1-12.1304-1.
(Applies to all orders in excess of $2,500.)

UTILIZATION OF LABOR SURPLUS AREA CONCERNS. FPR Section 1-1.805-3(a).
(Applies to all orders in excess of $10,000.)

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT—OVERTIME COMPENSATION. FPR Section 1-12.303.
(Applies to all orders in excess of $2,500 which are not subject to the *SERVICE CONTRACT ACT OF 1965*.)

CLEAN AIR AND WATER. FPR Section 1-7.703-23.

UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS—FPR Temporary Regulation 50 and Supplement 2.
(Applies to all orders in excess of $10,000.)

25. **CONFLICT OF INTEREST.** If the services called for in the attached purchase order or subcontract are of a research or developmental nature, then the provisions of this Condition 25 apply.

The subcontractor agrees that if at any time during the term of this agreement, or for a period of one year thereafter, he is, or contracts with Battelle to become, directly or indirectly, a sponsor of research, or if his employees, or agents are or become such a sponsor, or if the opportunity arises wherein any of the above parties may wish to become such a sponsor, the subcontractor shall immediately disclose such information, and such additional information as may be reasonably requested by Battelle, to Battelle for its evaluation with respect to possible conflicts of interest.