

1. CONTRACT (Proc. Inst. Ident.) NO. **NRC-05-80-253** 2. EFFECTIVE DATE **June 30, 1980** 3. REQUISITION/PURCHASE REQUEST/PROJECT NO. **RFPA No. OIE-80-253** 4. CERTIFIED FOR NATIONAL DEFENSE UNDER BDSA REG. 2 AND/OR DMS REG. 1. RATING:

5. ISSUED BY **U.S. NUCLEAR REGULATORY COMMISSION
 DIVISION OF CONTRACTS
 WASHINGTON, D.C. 20555** 6. ADMINISTERED BY (If other than block 5) 7. DELIVERY FOB DESTINATION OTHER (See below)

8. CONTRACTOR NAME AND ADDRESS **GASSER ASSOCIATES P.A.
 3414 FIRST AVENUE
 P.O. BOX 447
 OLNEY, MD 20832** 9. DISCOUNT FOR PROMPT PAYMENT **NET** 10. SUBMIT INVOICES (4 copies unless otherwise specified) TO ADDRESS SHOWN IN BLOCK **12**

11. SHIP TO/MARK FOR **U.S. NUCLEAR REGULATORY COMMISSION
 OFFICE OF INSPECTION AND ENFORCEMENT
 ATTN: W.R. RUTHERFORD
 WASHINGTON, D.C. 20555** 12. PAYMENT WILL BE MADE BY **U.S. NUCLEAR REGULATORY COMMISSION
 OFFICE OF THE CONTROLLER
 DIVISION OF ACCOUNTING
 WASHINGTON, D.C. 20555**

13. THIS PROCUREMENT WAS ADVERTISED, NEGOTIATED, PURSUANT TO: 10 U.S.C. 2304 (a)(1) 41 U.S.C. 252 (c)(1)

14. ACCOUNTING AND APPROPRIATION DATA
B&S No. 30-19-03-02 FIN No. B1214 Amount: \$149,529.56

15. ITEM NO.	16. SUPPLIES/SERVICES	17. QUANTITY	18. UNIT	19. UNIT PRICE	20. AMOUNT
	A. The Government hereby accepts your offer for "Development of an Automated Vendor Selection System" as described in your proposal No. GA-80-001 dated January 18, 1980 as revised by addendum No. 1 dated June 2, 1980 which is incorporated herein by this reference.				

21. TOTAL AMOUNT OF CONTRACT **\$ 149,529.56**

CONTRACTING OFFICER WILL COMPLETE BLOCK 22 OR 26 AS APPLICABLE

22. CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)

26. AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number **RS-OIE-80-253**, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

23. NAME OF CONTRACTOR BY _____ (Signature of person authorized to sign)

27. UNITED STATES OF AMERICA BY *Mary Jo Mattia* (Signature of Contracting Officer)

24. NAME AND TITLE OF SIGNER (Type or print) **8007180 1983** 25. DATE SIGNED 28. NAME OF CONTRACTING OFFICER (Type or print) **MARY JO MATTIA** 29. DATE SIGNED **JUN 27 1980**

CONTINUATION SHEET

B. Under Part III Contract Schedule the following administrative changes are hereby made:

1. Article V - Consideration is revised to read as follows:

"ARTICLE V - CONSIDERATION

- A. It is estimated that the total cost to the Government for full performance of this contract will be \$149,528.56, of which the sum of \$140,402.40 represents the estimated reimbursable costs, and of which \$9,126.16 represents the fixed fee.
- B. There shall be no adjustment in the total amount of the Contractor's fixed fee by reason of differences between any estimate of cost for performance of the work under this contract and the actual cost of performance of that work.
- C. The amount presently obligated by the Government with respect to this contract is \$149,528.56."

2. Article VI - Overhead/General and Administrative Rates is revised to read as follows:

"ARTICLE VI - OVERHEAD/GENERAL AND ADMINISTRATIVE RATES

- A. Pending the establishment of final overhead rates which shall be negotiated based on an audit of actual costs, the Contractor shall be reimbursed for such allowable costs hereunder at the provisional rate of 38.5 percent of Total Direct Labor Costs.
- B. Pending the establishment of a final general and administrative rates which shall be negotiated based on an audit of actual costs, the Contractor shall be reimbursed for such allowable indirect costs hereunder at the provisional rate of 48.2 percent of Total Direct Costs and Overhead."

3. Under Article IX - Billing Instructions for NRC Cost-Type Contracts, paragraph is deleted in its entirety and the following paragraph is substituted in lieu thereof:

"F. Withholding of Fees

Fifteen percent (15%) of the fixed fee under this contract (see Article V, Consideration) shall be withheld by the Contracting Officer (CO). However, no payment of fee shall be withheld by the CO until payment of eighty-five percent (85%) of the fixed fee has been accomplished. Such withheld amounts shall be retained until the Execution and delivery of a release of the Contractor at the Conclusion

F. Withholding of Fees (contd)
of the period of performance of the contract."

4. Pursuant to Article XI - Key-Personnel, the following individuals are designated as "Key-Personnel" under this contract:

E.R. Gasser
F.B. Lobbin

5. Pursuant to Article XIII - Service Contract Act Wage Determination, U.S. Department of Labor Wage Determination Register No. 79-642 dated July 11, 1979 is attached hereto and incorporated herein as Attachment #10.
6. The following new Article No. XVII entitled, "Utilization of Women-Owned Business Concerns" is added:

"ARTICLE XVII - UTILIZATION OF WOMAN-OWNED BUSINESS CONCERNS"

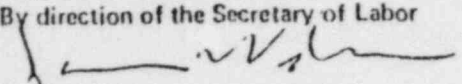
- A. It is the policy of the United States Government that woman-owned businesses shall have the maximum practicable opportunity to participate in the performance of contracts awarded by any Federal agency.
- B. The Contractor agrees to use his best efforts to carry out this policy in the award of subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, a "woman-owned business" concern means a business that is at least 51% owned by a woman or women who also control and make policy decisions. "Operate" in this context means being actively involved in the day-to-day management. "Women" mean all women business owners."

(End of Clause)

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION
WASHINGTON, D.C. 20210

Page 1 of 3

REGISTER OF WAGE DETERMINATIONS UNDER
THE SERVICE CONTRACT ACT
By direction of the Secretary of Labor


Xavier M. Vela
Administrator, Wage and Hour Division

LOCALITY	State: <u>Maryland *</u>	21
	Area: <u>Counties of Charles (017), Montgomery (031), and Prince Georges (033)</u>	
Wage determination number: <u>79-642</u>		Date: <u>11 1975</u>

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health & Welfare	Vacation	Holiday	Other

Supersedes 78-624 dated June 30, 1978

1. Clerk, accounting, class A	\$5.76
2. Clerk, accounting, class B	4.61
3. Clerk, file, class A	4.93
4. Clerk, file, class B	4.55
5. Clerk, file, class C	4.09
6. Clerk, order	5.05
7. Clerk, payroll	5.43
8. Keypunch operator, class A	4.92
9. Keypunch operator, class B	4.46
10. Messenger	4.73
11. Secretary, class A	7.23
12. Secretary, class B	6.77
13. Secretary, class C	6.21
14. Secretary, class D	6.07
15. Stenographer, general	5.21
16. Stenographer, senior	6.17
17. Switchboard operator	3.86
18. Switchboard operator - receptionist	4.70
19. Transcribing - machine operator	5.45
20. Typist, class A	4.70
21. Typist, class B	4.43
22. Computer operator, class A	7.15
23. Computer operator, class B	6.36

REGISTER OF WAGE DETERMINATIONS UNDER
 THE SERVICE CONTRACT ACT
 By direction of the Secretary of Labor

Xavier M. Vela
 Administrator, Wage and Hour Division

LOCALITY	State: Maryland *	21
	Area: Counties of Charles (017), Montgomery (031), and Prince Georges (033)	

Wage determination number: 79-6424 Date: JUL 11 1979

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health & Welfare	Vacation	Holiday	Other
25. Computer programmer, class A	\$9.60 <u>1/</u>				
26. Computer programmer, class B	7.88 <u>1/</u>				
27. Computer programmer, class C	6.60 <u>1/</u>				
28. Drafter, class A	8.53				
29. Drafter, class B	6.79				
30. Drafter, class C	5.47				
31. Electronics technician, class A	8.92				
32. Electronics technician, class B	7.18				
33. Electronics technician, class C	6.30				
34. Technical Illustrator	7.18				

Fringe benefits applicable to classes of service employees engaged in contract performance:

- 1/ Does not apply to employees employed in a bona fide executive, administrative, or professional capacity as defined and delineated in 29 CFR Part 541. (See section 4.156, 29 CFR Part 4.)
- 2/ \$.21 an hour or \$8.40 a week or \$36.40 a month.
- 3/ 2 weeks paid vacation after 1 year of service with a contractor or successor. Length of service includes the whole span of continuous service with the present (successor) contractor wherever employed, and with predecessor contractors in the performance of similar work at the Federal facility. (Reg. 4.171(b)(2).)
- 4/ 9 paid holidays per year: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

* This wage determination also applicable to:
 Virginia - Arlington, Fairfax, Loudoun and Prince William Counties; and independent cities of Alexandria, Fairfax, and Falls Church
 District of Columbia

U.S. DEPARTMENT OF LABOR
 EMPLOYMENT STANDARDS ADMINISTRATION
 WAGE AND HOUR DIVISION
 WASHINGTON, D.C. 20210

REGISTER OF WAGE DETERMINATIONS UNDER
 THE SERVICE CONTRACT ACT
 By direction of the Secretary of Labor

Xavier M. Vela
 Administrator, Wage and Hour Division

LOCALITY	State: <u>Maryland</u> *	21
	Area: Counties of Charles (017), Montgomery (031) and Prince Georges (033)	
Wage determination number: <u>79-642</u>		Date: <u>Jul 11 1979</u>

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health & Welfare	Vacation	Holiday	Other

NOTE: In accordance with Section 4(c) of the Service Contract Act, as amended, the wage rates and fringe benefits set forth in this wage determination are based on a collective bargaining agreement(s) under which the incumbent contractor is operating. The wage determination sets forth the wage rates and fringe benefits provided by the collective bargaining agreement and applicable to performance of the service contract. However, failure to include any job classification, wage rate or fringe benefit encompassed in the collective bargaining agreement does not relieve the successor contractor of the statutory requirement to comply as a minimum with the terms of the collective bargaining agreement insofar as wages and fringe benefits are concerned.

FILED
 JUL 11 1979
 WASHINGTON, D.C.

Occupational Descriptions

The primary purpose of preparing job descriptions for the Bureau's wage surveys is to assist its field staff in classifying into appropriate occupations workers who are employed under a variety of payroll titles and different work arrangements from establishment to establishment and from area to area. This permits the grouping of occupational wage rates representing comparable job content. Because of this emphasis on interestablishment and interarea comparability of occupational content, the Bureau's job descriptions may differ significantly from those in use in individual establishments or those prepared for other purposes. In applying these job descriptions, the Bureau's field economists are instructed to exclude working supervisors; apprentices; learners; beginners; and part-time, temporary, and probationary workers. Handicapped workers whose earnings are reduced because of their handicap are also excluded. Trainees are excluded from the survey except for those receiving on-the-job training in some of the lower level professional and technical occupations.

Office

SECRETARY

- Assigned as a personal secretary, normally to one individual.
- Maintains a close and highly responsive relationship to the day-to-day activities of the supervisor. Works fairly independently receiving a minimum of detailed supervision and guidance. Performs varied clerical and secretarial duties requiring a knowledge of office routine and understanding of the organization, programs, and procedures related to the work of the supervisor.

Exclusions

Not all positions that are titled "secretary" possess the above characteristics. Examples of positions which are excluded from the definition are as follows:

SECRETARY—Continued

Exclusions—Continued

- Positions which do not meet the "personal" secretary as described above;
- Stenographers not fully trained in secretarial-type duties;
- Stenographers serving as office assistants to a group of professional, technical, or managerial persons;
- Assistant-type positions which entail more difficult or more responsible technical, administrative, or supervisory duties are not typical of secretarial work, e.g., Administrative Assistant, or Executive Assistant;

Listed below are several occupations for which revised descriptions or titles are being introduced in this survey:

Order clerk
Payroll clerk
Secretary
Switchboard operator
Switchboard operator-receptionist
Transcribing-machine typist
Machine tool operator (toolroom)

Tool and die maker
Guard
Shipper and receiver
(previously surveyed
as shipping and
receiving clerk)
Truckdriver

The Bureau has discontinued collecting data for tabulating-machine operator. Workers previously classified as watchmen are now classified as guards under the revised description.

e. Positions which do not fit any of the situations listed in the sections below titled "Level of Supervisor," e.g., secretary to the president of a company that employs, in all, over 5,000 persons;

f. Trainees.

Classification by Level

Secretary jobs which meet the above characteristics are matched at one of five levels according to (a) the level of the secretary's supervisor within the company's organizational structure and, (b) the level of the secretary's responsibility. The chart following the explanations of these two factors indicates the level of the secretary for each combination of the two.

Level of Secretary's Supervisor (LS)

Secretaries should be matched at one of the four LS levels described below according to the level of the secretary's supervisor within the company's organizational structure.

- LS-1
- a. Secretary to the supervisor or head of a small organizational unit (e.g., fewer than about 25 or 30 persons); or
 - b. Secretary to a nonsupervisory staff specialist, professional employee, administrative officer or assistant, skilled technician or expert. (NOTE: Many companies assign stenographers, rather than secretaries as described above, to this level of supervisory or nonsupervisory worker.)
- LS-2
- a. Secretary to an executive or managerial person whose responsibility is not equivalent to one of the specific level situations in the definition for LS-3, but whose organizational unit normally numbers at least several dozen employees and is usually divided into organizational segments which are often, in turn, further subdivided. In some companies, this level includes a wide range of organizational echelons; in others, only one or two; or
 - b. Secretary to the head of an individual plant, factory, etc., (or other equivalent level of official) that employs, in all, fewer than 5,000 persons.
- LS-3
- a. Secretary to the chairman of the board or president of a company that employs, in all, fewer than 100 persons; or
 - b. Secretary to a corporate officer (other than chairman of the board or president) of a company that employs, in all, over 100 but fewer than 5,000 persons; or
 - c. Secretary to the head (immediately below the officer level) over either a major corporatewide functional activity (e.g., marketing, research, operations, industrial relations, etc.) or a major geographic or organizational segment (e.g., a regional headquarters; a major division) of a company that employs, in all, over 5,000 but fewer than 25,000 employees; or
 - d. Secretary to the head of an individual plant, factory, etc., (or other equivalent level of official) that employs, in all, over 5,000 persons; or

e. Secretary to the head of a large and important organizational segment (e.g., a middle management supervisor of an organizational segment often involving as many as several hundred persons) of a company that employs, in all, over 25,000 persons.

- LS-4
- a. Secretary to the chairman of the board or president of a company that employs, in all, over 100 but fewer than 5,000 persons; or
 - b. Secretary to a corporate officer (other than the chairman of the board or president) of a company that employs, in all, over 5,000 but fewer than 25,000 persons; or
 - c. Secretary to the head, immediately below the corporate officer level, of a major segment or subsidiary of a company that employs, in all, over 25,000 persons.

NOTE: The term "corporate officer" used in the above LS definition refers to those officials who have a significant corporatewide policy-making role with regard to major company activities. The title "vice president," though normally indicative of this role, does not in all cases identify such positions. Vice presidents whose primary responsibility is to act personally on individual cases or transactions (e.g., approve or deny individual loan or credit actions; administer individual trust accounts; directly supervise a clerical staff) are not considered to be "corporate officers" for purposes of applying the definition.

Level of Secretary's Responsibility (LR)

This factor evaluates the nature of the work relationship between the secretary and the supervisor, and the extent to which the secretary is expected to exercise initiative and judgment. Secretaries should be matched at LR-1 or LR-2 described below according to their level of responsibility.

Level of Responsibility 1 (LR-1)

Performs varied secretarial duties including or comparable to most of the following:

- a. Answers telephones, greets personal callers, and opens incoming mail.
- b. Answers telephone requests which have standard answers. May reply to requests by sending a form letter.
- c. Reviews correspondence, memoranda, and reports prepared by others for the supervisor's signature to ensure procedural and typographical accuracy.
- d. Maintains supervisor's calendar and makes appointments as instructed.
- e. Types, takes and transcribes dictation, and files.

Performs duties described under LR-1 and, in addition performs tasks requiring greater judgment, initiative, and knowledge of office functions including or comparable to most of the following:

- a. Screens telephone and personal callers, determining which can be handled by the supervisor's subordinates or other offices.
- b. Answers requests which require a detailed knowledge of office procedures or collection of information from files or other offices. May sign routine correspondence in own or supervisor's name.
- c. Compiles or assists in compiling periodic reports on the basis of general instructions.
- d. Schedules tentative appointments without prior clearance. Assembles necessary background material for scheduled meetings. Makes arrangements for meetings and conferences.
- e. Explains supervisory requirements to other employees in supervisor's unit. (Also posts, takes dictation, and files.)

The following chart shows the level of the secretary for each IS and LR combination.

Level of secretary's supervisor	Level of secretary's responsibility	
	LR-1	LR-2
IS-1	Class E	Class D
IS-2	Class D	Class C
IS-3	Class C	Class B
IS-4	Class B	Class A

STENOGRAPHER

Primary duty is to take dictation using shorthand, and to transcribe the dictation. May also type from written copy. May operate from a stenographic pool. May occasionally transcribe from voice recordings (if primary duty is transcribing from recordings, see Transcribing-Machine Typist).

NOTE: This job is distinguished from that of a secretary in that a secretary normally works in a confidential relationship with only one manager or executive and performs more responsible and discretionary tasks as described in the secretary job definition.

Stenographer, General

Dictation involves a normal routine vocabulary. May maintain files, keep simple records, or perform other relatively routine clerical tasks.

Dictation involves a varied technical or specialized vocabulary such as in legal briefs or reports on scientific research. May also send and maintain files, keep records, etc.

OR

Performs stenographic duties requiring significantly greater dependence and responsibility than stenographer, general, as evidenced by the following: Work requires a high degree of stenographic speed; accuracy; a thorough working knowledge of general business and office procedure; and of the specific business operations, organization, policy procedures, files, workflow, etc. Uses this knowledge in performing stenographic duties and responsible clerical tasks such as maintaining follow-up files; assembling material for reports, memoranda, and letters; composing simple letters from general instructions; reading and routing incoming mail; and answering routine questions, etc.

TRANSCRIBING-MACHINE TYPIST

Primary duty is to type copy of voice recorded dictation which does not involve varied technical or specialized vocabulary such as that used in legal briefs or reports on scientific research. May also type from written copy. May maintain files, keep simple records, or perform other relatively routine clerical tasks. (See Stenographer definition for workers involved with shorthand dictation.)

TYPIST

Uses a typewriter to make copies of various materials or to run out bills after calculations have been made by another person. May include typing of stencils, mats, or similar materials for use in duplicating processes. May do clerical work involving little special training, such as keeping simple records, filing records and reports, or sorting and distributing incoming mail.

Class A. Performs one or more of the following: Typing material in final form when it involves combining material from several sources; responsibility for correct spelling, syllabication, punctuation, etc., of technical or unusual words or foreign language material; or planning layout and typing of complicated statistical tables to maintain uniformity of balance in spacing. May type routine form letters, varying details to fit circumstances.

Class B. Performs one or more of the following: Copy typing of rough or clear drafts; or routine typing of forms, insurance policies, or setting up simple standard tabulations; or copying more complex tabulations already set up and spaced properly.

FILE CLERK

Files, classifies, and retrieves material in an established filing system. May perform clerical and manual tasks required to maintain filing system. Positions are classified into levels on the basis of the following definition:

Class A. Classifies and indexes file material such as reports, technical documents, etc., in an established filing system using a number of varied subject matter files. May also file this material. May keep records of various types in conjunction with the files, and a small group of lower level file clerks.

Class B. Sorts, codes, and files unclassified material by simple (or matter) headings or partly classified material by finer subheadings. Uses simple related index and cross-reference aids. As requested, files clearly identified material in files and forwards material. May perform related clerical tasks required to maintain and service files.

Class C. Performs routine filing of material that has already been filed (or which is easily classified in a simple serial classification system, e.g., alphabetical, chronological, or numerical). As requested, files readily available material in files and forwards material. May perform withdrawal charge. May perform simple clerical and manual tasks required to maintain and service files.

SENGER

Performs various routine duties, such as running errands, operating office machines such as sealers or mailers, opening and distributing mail, and other minor clerical work. Exclude positions that require operation of motor vehicle as a significant duty.

TELEPHONE SWITCHBOARD OPERATOR

Operates a telephone switchboard or console used with a private branch exchange (PBX) system to relay incoming, outgoing, and intrasystem calls. May provide information to callers, record and transmit messages, keep record of calls placed and toll charges. Besides operating a telephone switchboard or console, may also type or perform routine clerical work. Filing or routine clerical work may occupy the major portion of the worker's time (usually performed while at the switchboard or console). Chief or head operators in establishments employing more than one operator are included. For an operator who also acts as a receptionist, see Switchboard Operator-Receptionist.

TELEPHONE SWITCHBOARD OPERATOR-RECEPTIONIST

At a single-position telephone switchboard or console, acts both as a switchboard operator—see Switchboard Operator—and as a receptionist. Receptionist's work involves such duties as greeting visitors; determining nature of visitor's business and providing appropriate information; referring visitor to appropriate person in the organization or contacting that person by telephone and arranging an appointment; keeping a log of visitors.

SALES CLERK

Receives written or verbal customers' purchase orders for material or merchandise from customers or sales people. Work typically involves some combination of the following duties: Quoting prices; determining availability of ordered items and suggesting substitutes when necessary; advising expected delivery date and method of delivery; recording order and customer information on order sheets; checking order sheets for accuracy and

furnishing customer with acknowledgment; furnishing customer with acknowledgment to see that order is delivered by the specified date or to let customer know of a delay in delivery; maintaining order file; checking shipping invoice against original order.

Exclude workers paid on a commission basis or whose duties include any of the following: Receiving orders for services rather than for material or merchandise; providing customers with consultative advice using knowledge gained from engineering or extensive technical training; emphasizing selling skills; handling material or merchandise as an integral part of the job.

Positions are classified into levels according to the following definitions:

Class A. Handles orders that involve making judgments such as choosing which specific product or material from the establishment's product lines will satisfy the customer's needs, or determining the price to be quoted when pricing involves more than merely referring to a price list or making some simple mathematical calculations.

Class B. Handles orders involving items which have readily identified uses and applications. May refer to a catalog, manufacturer's manual, or similar document to insure that proper item is supplied or to verify price of ordered item.

ACCOUNTING CLERK

Performs one or more accounting clerical tasks such as posting to registers and ledgers; reconciling bank accounts; verifying the internal consistency, completeness, and mathematical accuracy of accounting documents; assigning prescribed accounting distribution codes; examining and verifying for clerical accuracy various types of reports, lists, calculations, postings, etc.; or preparing simple or assisting in preparing more complicated journal vouchers. May work in either a manual or automated accounting system.

The work requires a knowledge of clerical methods and office practices and procedures which relates to the clerical processing and recording of transactions and accounting information. With experience, the worker typically becomes familiar with the bookkeeping and accounting terms and procedures used in the assigned work, but is not required to have a knowledge of the formal principles of bookkeeping and accounting.

Positions are classified into levels on the basis of the following definitions:

Class A. Under general supervision, performs accounting clerical operations which require the application of experience and judgment, for example, clerically processing complicated or nonrepetitive accounting transactions, selecting among a substantial variety of prescribed accounting codes and classifications, or tracing transactions through previous accounting actions to determine source of discrepancies. May be assisted by one or more class B accounting clerks.

Class B. Under close supervision, following detailed instructions and standardized procedures, performs one or more routine accounting clerical operations, such as posting to ledgers, cards, or worksheets

... accounting documents, and coding documents using a few prescribed accounting codes.

BOOKKEEPING-MACHINE OPERATOR

Operates a bookkeeping machine (with or without a typewriter keyboard) to keep a record of business transactions.

Class A. Keeps a set of records requiring a knowledge of and experience in basic bookkeeping principles, and familiarity with the structure of the particular accounting system used. Determines proper records and distribution of debit and credit items to be used in each phase of the work. May prepare consolidated reports, balance sheets, and other records by hand.

Class B. Keeps a record of one or more phases or sections of a set of records usually requiring little knowledge of basic bookkeeping. Phases or sections include accounts payable, payroll, customers' accounts (not including a simple type of billing described under machine biller), cost distribution, expense distribution, inventory control, etc. May check or assist in preparation of trial balances and prepare control sheets for the accounting department.

MACHINE BILLER

Prepares statements, bills, and invoices on a machine other than an ordinary or electromatic typewriter. May also keep records as to billings or shipping charges or perform other clerical work incidental to billing operations. For wage study purposes, machine billers are classified by type of machine, as follows:

Billing-machine biller. Uses a special billing machine (combination typing and adding machine) to prepare bills and invoices from customers' purchase orders, internally prepared orders, shipping memoranda, etc. Usually involves application of predetermined discounts and shipping charges and entry of necessary extensions, which may or may not be computed on the billing machine, and totals which are automatically accumulated by the machine. The operation usually involves a large number of carbon copies of the bill being prepared and is often done on a fanfold machine.

Professional and Technical

COMPUTER SYSTEMS ANALYST, BUSINESS

Analyzes business problems to formulate procedures for solving them by use of electronic data processing equipment. Develops a complete description of all specifications needed to enable programmers to prepare required digital computer programs. Work involves most of the following: analyzes subject-matter operations to be automated and identifies conditions and criteria required to achieve satisfactory results; specifies number and types of records, files, and documents to be used; outlines actions to be performed by personnel and computers in sufficient detail for presentation to management and for programming (typically this involves preparation of work and data flow charts); coordinates the development of test problems and

accounts receivable operation. Generally involves the simultaneous entry of figures on customers' ledger record. The machine automatically accumulate figures on a number of vertical columns and computes and usually print automatically the debit or credit balances. Does not involve a knowledge of bookkeeping. Works from uniform and standard types of sales or credit slips.

PAYROLL CLERK

Performs the clerical tasks necessary to process payrolls and to maintain payroll records. Work involves most of the following: Processing workers' time or production records; adjusting workers' records for change in wage rates, supplementary benefits, or tax deductions; editing payroll listings against source records; tracing and correcting errors in listings and assisting in preparation of periodic summary payroll reports. In a non-automated payroll system, computes wage. Work may require a practical knowledge of governmental regulations, company payroll policy, or the computer system for processing payrolls.

KEYPUNCH OPERATOR

Operates a keypunch machine to record or verify alphabetic and/or numeric data on tabulating cards or on tape.

Positions are classified into levels on the basis of the following definitions:

Class A. Work requires the application of experience and judgment in selecting procedures to be followed and in searching for, interpreting, selecting, or coding items to be keypunched from a variety of source documents. On occasion may also perform some routine keypunch work. May train inexperienced keypunch operators.

Class B. Work is routine and repetitive. Under close supervision or following specific procedures or instructions, works from various standardized source documents which have been coded, and follows specific procedures which have been prescribed in detail and require little or no selecting, coding, or interpreting of data to be recorded. Refers to supervisor problems arising from erroneous items or codes or missing information.

COMPUTER SYSTEMS ANALYST, BUSINESS—Continued

participates in trial runs of new and revised systems; and recommend equipment changes to obtain more effective overall operations. (NOTE: Workers performing both systems analysis and programming should be classified as systems analysts if this is the skill used to determine their pay.)

Does not include employees primarily responsible for the management or supervision of other electronic data processing employees or systems analysts primarily concerned with scientific or engineering problems.

For wage study purposes, systems analysts are classified as follows:

Class A. Works independently or under only general direction on complex problems involving all phases of systems analysis. Problems are complex because of diverse sources of input data and multiple-use requirements of output data. (For example, develops an integrated production scheduling, inventory control, cost analysis, and sales analysis record in which every item of each type is automatically processed through the full range of records and appropriate followup actions are initiated by the user.) Confers with persons concerned to determine the data processing requirements and advises subject-matter personnel on the implications of new or revised systems of data processing operations. Makes recommendations, if needed, for approval of major systems installations or changes and for purchasing equipment.

May provide functional direction to lower level systems analysts who are assigned to assist.

Class B. Works independently or under only general direction on problems that are relatively uncomplicated to analyze, plan, program, and operate. Problems are of limited complexity because sources of input data are homogeneous and the output data are closely related. (For example, develops systems for maintaining depositor accounts in a bank, maintaining data receivable in a retail establishment, or maintaining inventory units in a manufacturing or wholesale establishment.) Confers with one concerned to determine the data processing problems and advises subject-matter personnel on the implications of the data processing systems to be applied.

OR

Works on a segment of a complex data processing scheme or system, as described for class A. Works independently on routine assignments and receives instruction and guidance on complex assignments. Work is reviewed for accuracy of judgment, compliance with instructions, and to insure proper alignment with the overall system.

Class C. Works under immediate supervision, carrying out analyses assigned, usually of a single activity. Assignments are designed to develop and expand practical experience in the application of procedures and skills required for systems analysis work. For example, may assist a higher level systems analyst by preparing the detailed specifications required by programmers from information developed by the higher level analyst.

COMPUTER PROGRAMMER, BUSINESS

Converts statements of business problems, typically prepared by a systems analyst, into a sequence of detailed instructions which are required to solve the problems by automatic data processing equipment. Working from charts or diagrams, the programmer develops the precise instructions which, when entered into the computer system in coded language, cause the manipulation of data to achieve desired results. Work involves most of the following: Applies knowledge of computer capabilities, mathematics, logic employed by computers, and particular subject matter involved to analyze charts and diagrams of the problem to be programmed; develops sequence of program steps; writes detailed flow charts to show order in which data will be processed; converts these charts to coded instructions for machine to follow; tests and corrects

programs; analyzes, reviews, and alters programs to increase operating efficiency or adapt to new requirements; maintains records of program development and revisions. (NOTE: Workers performing both systems analysis and programming should be classified as systems analysts if this is the skill used to determine their pay.)

Does not include employees primarily responsible for the management or supervision of other electronic data processing employees, or programmers primarily concerned with scientific and/or engineering problems.

For wage study purposes, programmers are classified as follows:

Class A. Works independently or under only general direction on complex problems which require competence in all phases of programming concepts and practices. Working from diagrams and charts which identify the nature of desired results, major processing steps to be accomplished, and the relationships between various steps of the problem solving routine; plans the full range of programming actions needed to efficiently utilize the computer system in achieving desired end products.

At this level, programming is difficult because computer equipment must be organized to produce several interrelated but diverse products from numerous and diverse data elements. A wide variety and extensive number of internal processing actions must occur. This requires such actions as development of common operations which can be reused, establishment of linkage points between operations, adjustments to data when program requirements exceed computer storage capacity, and substantial manipulation and resequencing of data elements to form a highly integrated program.

May provide functional direction to lower level programmers who are assigned to assist.

Class B. Works independently or under only general direction on relatively simple programs, or on simple segments of complex programs. Programs (or segments) usually process information to produce data in two or three varied sequences or formats. Reports and listings are produced by refining, adapting, arraying, or making minor additions to or deletions from input data which are readily available. While numerous records may be processed, the data have been refined in prior actions so that the accuracy and sequencing of data can be tested by using a few routine checks. Typically, the program deals with routine recordkeeping operations.

OR

Works on complex programs (as described for class A) under close direction of a higher level programmer or supervisor. May assist higher level programmer by independently performing less difficult tasks assigned, and performing more difficult tasks under fairly close direction.

Class C. Makes practical applications of programming practices and concepts usually learned in formal training courses. Assignments are designed to develop competence in the application of standard procedures to routine problems. Receives close supervision on new aspects of assignments; and work is reviewed to verify its accuracy and conformance with required procedures.

COMPUTER OPERATOR

Monitors and operates the control console of a digital computer to process data according to operating instructions, usually prepared by a programmer. Work includes most of the following: Studies instructions to determine equipment setup and operations; loads equipment with required materials (tape reels, cards, etc.); switches necessary auxiliary equipment into circuit, and starts and operates computer; makes adjustments to computer to correct operating problems and meet special conditions; reviews errors made during operation and determines cause or refers problem to supervisor or programmer; and maintains operating records. May test and assist in correcting program.

For wage study purposes, computer operators are classified as follows:

Class A. Operates independently, or under only general direction, a computer running programs with most of the following characteristics: New programs are frequently tested and introduced; scheduling requirements are of critical importance to minimize downtime; the programs are of complex design so that identification of error source often requires a working knowledge of the total program, and alternate programs may not be available. May give direction and guidance to lower level operators.

Class B. Operates independently, or under only general direction, a computer running programs with most of the following characteristics: Most of the programs are established production runs, typically run on a regularly recurring basis; there is little or no testing of new programs required; alternate programs are provided in case original program needs major change or cannot be corrected within a reasonably short time. In common error situations, diagnoses cause and takes corrective action. This usually involves applying previously programmed corrective steps, or using standard correction techniques.

OR

Operates under direct supervision a computer running programs or segments of programs with the characteristics described for class A. May assist a higher level operator by independently performing less difficult tasks assigned, and performing difficult tasks following detailed instructions and with frequent review of operations performed.

Class C. Works on routine programs under close supervision. Is expected to develop working knowledge of the computer equipment used and ability to detect problems involved in running routine programs. Usually has received some formal training in computer operation. May assist higher level operator on complex programs.

Class A. Plans the graphic presentation of complex items having distinctive design features that differ significantly from established drafting precedents. Works in close support with the design originator, and may recommend minor design changes. Analyzes the effect of each change on the details of form, function, and positional relationships of components or parts. Works with a minimum of supervisory assistance. Completed work is reviewed by design originator for consistency with prior engineering determinations. May either prepare drawings or direct their preparation by lower level drafters.

Class B. Performs nonroutine and complex drafting assignments that require the application of most of the standardized drawing technique regularly used. Duties typically involve such work as: Prepares working drawings of subassemblies with irregular shapes, multiple functions, and precise positional relationships between components; prepares architectural drawings for construction of a building including detail drawings of foundations, wall sections, floor plans, and roof. Uses accepted formulas or manuals in making necessary computations to determine quantities of materials to be used, load capacities, strengths, stresses, etc. Receives initial instructions, requirements, and advice from supervisor. Complete work is checked for technical adequacy.

Class C. Prepares detail drawings of single items or parts for engineering, construction, manufacturing, or repair purposes. Types of drawings prepared include isometric projections (depicting three dimensions in accurate scale) and sectional views to clarify positioning of component and convey needed information. Consolidates details from a number of sources and adjusts or transposes scale as required. Suggested methods of approach, applicable precedents, and advice on source materials are given with initial assignments. Instructions are less complete when assignment recurs. Work may be spot-checked during progress.

DRAFTER-TRACER

Copies plans and drawings prepared by others by placing tracing cloth or paper over drawings and tracing with pen or pencil. (Does not include tracing limited to plans primarily consisting of straight lines and large scale not requiring close delineation.)

AND/OR

Prepares simple or repetitive drawings of easily visualized items. Work is closely supervised during progress.

ELECTRONICS TECHNICIAN

Works on various types of electronic equipment and related devices by performing one or a combination of the following: Installing, maintaining, repairing, overhauling, troubleshooting, modifying, constructing, and testing. Work requires practical application of technical knowledge of electronic principles, ability to determine malfunctions, and skill to put equipment in required operating condition.

The equipment—consisting of either many different kinds of circuit or multiple repetition of the same kind of circuit—includes, but is not limited to, the following: (a) Electronic transmitting and receiving equipment (e.g., radar, radio, television, telephony, sonar, navigational aids), (b) digital and analog computers, and (c) industrial and medical measuring and controlling equipment.

production assemblers and testers; workers whose primary duty is servicing electronic test instruments; technicians who have administrative supervisory responsibility; and drafters, designers and professional engineers.

Positions are classified into levels on the basis of the following conditions:

Class A. Applies advanced technical knowledge to solve unusually complex problems (i.e., those that typically cannot be solved solely by reference to manufacturers' manuals or similar documents) in working on electronic equipment. Examples of such problems include location and identity of circuitry, electromagnetic radiation, isolating malfunctions, and equipment engineering changes. Work involves: A detailed understanding of the interrelationships of circuits; exercising independent judgment in performing such tasks as making circuit analyses, calculating wave forms, and tracing relationships in signal flow; and regularly using complex test instruments (e.g., dual trace oscilloscopes, Q-meters, deviation meters, sine generators).

Work may be reviewed by supervisor (frequently an engineer or designer) for general compliance with accepted practices. May provide technical guidance to lower level technicians.

Class B. Applies comprehensive technical knowledge to solve complex problems (i.e., those that typically can be solved solely by properly interpreting manufacturers' manuals or similar documents) in working on electronic equipment. Work involves: A familiarity with the interrelationships of circuits; and judgment in determining work sequence and in selecting and testing instruments, usually less complex than those used by the Class A technician.

Maintenance, Toolroom, and Powerplant

MAINTENANCE CARPENTER

Performs the carpentry duties necessary to construct and maintain a good repair building, woodwork and equipment such as lino, cribs, counters, benches, partitions, doors, floors, stairs, casings, and trim made of wood in an establishment. Work involves most of the following: Planning and laying out of work from blueprints, drawings, models, or verbal instructions; using a variety of carpenter's handtools, portable power tools, and standard measuring instruments; making standard shop computations relating to dimensions of work; and selecting materials necessary for the work. In general, the work of the maintenance carpenter requires rounded training and experience usually acquired through a formal apprenticeship or equivalent training and experience.

MAINTENANCE ELECTRICIAN

Performs a variety of electrical trade functions such as the installation, maintenance, or repair of equipment for the generation, distribution, or utilization of electric energy in an establishment. Work involves most of the following: Installing or repairing any of a variety of electrical

practices and work assignments. May provide technical guidance to lower level technicians.

Class C. Applies working technical knowledge to perform simple or routine tasks in working on electronic equipment, following detailed instructions which cover virtually all procedures. Work typically involves such tasks as: Assisting higher level technicians by performing such activities as replacing components, wiring circuits, and taking test readings; repairing simple electronic equipment; and using tools and common test instruments (e.g., multimeters, audio signal generators, tube testers, oscilloscopes). Is not required to be familiar with the interrelationships of circuits. This knowledge, however, may be acquired through assignments designed to increase competence (including classroom training) so that worker can advance to higher level technician.

Receives technical guidance, as required, from supervisor or higher level technician. Work is typically spot checked, but is given detailed review when new or advanced assignments are involved.

REGISTERED INDUSTRIAL NURSE

A registered nurse who gives nursing service under general medical direction to ill or injured employees or other persons who become ill or suffer an accident on the premises of a factory or other establishment. Duties involve a combination of the following: Giving first aid to the ill or injured; attending to subsequent dressing of employees' injuries; keeping records of patients treated; preparing accident reports for compensation or other purposes; assisting in physical examinations and health evaluations of applicants and employees; and planning and carrying out programs involving health education, accident prevention, evaluation of plant environment, or other activities affecting the health, welfare, and safety of all personnel. Nursing supervisors or head nurses in establishments employing more than one nurse are excluded.

MAINTENANCE ELECTRICIAN—Continued

equipment such as generators, transformers, switchboards, controllers, circuit breakers, motors, heating units, conduit systems, or other transmission equipment; working from blueprints, drawings, layouts, or other specifications; locating and diagnosing trouble in the electrical system or equipment; working standard computations relating to load requirements of wiring or electrical equipment; and using a variety of electrician's handtools and measuring and testing instruments. In general, the work of the maintenance electrician requires rounded training and experience usually acquired through a formal apprenticeship or equivalent training and experience.

MAINTENANCE PAINTER

Paints and redecorates walls, woodwork, and fixtures of an establishment. Work involves the following: Knowledge of surface peculiarities and types of paint required for different applications; preparing surface for painting by removing old finish or by placing putty or filler in nail holes

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. AMENDMENT/MODIFICATION NO. One (1)	2. EFFECTIVE DATE 1/10/80	3. REQUISITION/PURCHASE REQUEST NO.	4. PROJECT NO. (If applicable)
5. ISSUED BY U.S. Nuclear Regulatory Commission Division of Contracts Washington, DC 20555		6. ADMINISTERED BY (If other than block 5)	

7. CONTRACTOR NAME AND ADDRESS <i>(Street, city, county, state, and ZIP Code)</i> ALL OFFERORS	CODE	FACILITY CODE	8. AMENDMENT OF SOLICITATION NO. RS-01E-80-253 DATED _____ (See block 9) MODIFICATION OF CONTRACT/ORDER NO. _____ DATED _____ (See block 11)
---	------	---------------	--

9. THIS BLOCK APPLIES ONLY TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in block 12. The hour and date specified for receipt of Offers is extended. is not extended.

Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation, or as amended, by one of the following methods:

(a) By signing and returning 2 with bid copies of this amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE ISSUING OFFICE PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If, by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided such telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

10. ACCOUNTING AND APPROPRIATION DATA (If required)

N/A

11. THIS BLOCK APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS

(a) This Change Order is issued pursuant to _____
The Changes set forth in block 12 are made to the above numbered contract/order.

(b) The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data, etc.) set forth in block 12.

(c) This Supplemental Agreement is entered into pursuant to authority of _____
It modifies the above numbered contract as set forth in block 12.

12. DESCRIPTION OF AMENDMENT/MODIFICATION

A. Regarding Part III - Contract Schedule, Article I, Paragraph C.1.b.(2), the NRC terminal facilities to be made available to the Contractor include only standard terminals with alpha-numeric keyboards (no memory). Types of terminals include CTS portable, Data 100, Digital Log, Hewlett Packard, Omron, and Tectronics.

B. Regarding the Data Base Management Systems available on the NIH computer facilities described under the RFP, the NRC has the following two (2) systems available.

- "System 2000"
- "Inquire"

Except as provided herein, all terms and conditions of the document referenced in block 8, as heretofore changed, remain unchanged and in full force and effect.

13. <input type="checkbox"/> CONTRACTOR/OFFEROR IS NOT REQUIRED TO SIGN THIS DOCUMENT	<input checked="" type="checkbox"/> CONTRACTOR/OFFEROR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN <u>2 with bid</u> COPIES TO ISSUING OFFICE
14. NAME OF CONTRACTOR/OFFEROR BY: <i>[Signature]</i> (Signature of person authorized to sign)	17. UNITED STATES OF AMERICA BY: <i>[Signature]</i> (Signature of Contracting Officer)
15. NAME AND TITLE OF SIGNER (Type or print) E.R. GASSER PRESIDENT	16. DATE SIGNED 1/26/80
18. NAME OF CONTRACTING OFFICER (Type or print) Mary Jo Mattia	19. DATE SIGNED JAN 21 1980

SOLICITATION, OFFER AND AWARD

3. CERTIFIED FOR NATIONAL DEFENSE UNDER DPM REG. 1 AND/OR DMS REG. 1
 RATING: _____
 4. PAGE 1 OF 54

1. CONTRACT (Proc. Inst. Ident.) NO. _____
 2. SOLICITATION NO. RS-OIE-80-253
 (Formerly RS-OIE-79-263)
 ADVERTISED (P) NEGOTIATED (P/P)
 5. DATE ISSUED 12/14/79
 6. REQUISITION/PURCHASE REQUEST NO. OIE-80-253

7. ISSUED BY CODE _____
 U.S. Nuclear Regulatory Commission
 Division of Contracts
 Washington, DC 20555
 8. ADDRESS OFFER TO (if other than block 7) _____

In advertised procurement "offer" and "offeror" shall be construed to mean "bid" and "bidder"

9. Three (3) originally signed complete copies of the solicitation with six copies each of the technical and cost proposals for furnishing the supplies or services in the Schedule will be received at the place specified in block 8, or if handcarried, in the depository located in -see below- until 3:00 PM local time 1/21/80
 (Hour) (Date)

If this is an advertised solicitation, offers will be publicly opened at that time.
CAUTION - LATE OFFERS: See pars. 7 and 8 of Solicitation Instructions and Conditions.
 All offers are subject to the following:

- The Solicitation Instructions and Conditions, SF 33-A, 1/78 edition which is attached or incorporated herein by reference.
- The General Provisions, SF 32, 2/15/78 edition, which is attached or incorporated herein by reference.
- The Schedule included herein and/or attached hereto.
- Such other provisions, representations, certifications, and specifications as are attached or incorporated herein by reference. (Attachments are listed in schedule.)

FOR INFORMATION CALL (Name & telephone no.) (No collect calls) ▶ Mr. Arnold J. Gildenhorn (301) 427-4420

SCHEDULE

10 ITEM NO.	11 SUPPLIES/SERVICES	12 QUANTITY	13 UNIT	14 UNIT PRICE	15 AMOUNT
	Note: The address shown in Block #7 is for mailing of proposals only. Handcarried proposals should be addressed as indicated in Block #7 and delivered to: 7915 Eastern Avenue, NW, Room 286, Silver Spring, MD 20910. Telegraphic messages will not be accepted. See continuation of schedule on page 4				

OFFER (pages 2 and 3 must also be fully completed by offeror)

In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (90 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

16. DISCOUNT FOR PROMPT PAYMENT (See par. 9, SF 33-A)
 % 10 CALENDAR DAYS _____ % 20 CALENDAR DAYS _____ % 30 CALENDAR DAYS _____ % CALENDAR DAYS _____

17. OFFEROR CODE _____ FACILITY CODE _____
 NAME AND ADDRESS (Street, city, county, State and ZIP code) Principal Place of Performance: See Article IV
 GASSER ASSOCIATES, P.A.
 3414 FIRST AVE, P.O. Box 447
 OLVEY, MARYLAND 20832
 AREA CODE AND TELEPHONE NO. ▶ 301-774-2992
 Check if remittance address is different from above - enter such address in Schedule
 18. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print) E. R. GASSER
 PRESIDENT
 19. SIGNATURE _____
 20. OFFER DATE 1/21/80

AWARD (To be completed by Government)

21. ACCEPTED AS TO ITEMS NUMBERED _____
 22. AMOUNT _____
 23. ACCOUNTING AND APPROPRIATION DATA _____
 24. SUBMIT INVOICES (4 copies unless otherwise specified) TO ADDRESS SHOWN IN BLOCK _____
 25. NEGOTIATED PURSUANT TO 10 U.S.C. 2304(a) ()
 41 U.S.C. 252(c) ()
 26. ADMINISTERED BY CODE _____
 27. PAYMENT WILL BE MADE BY CODE _____
 28. NAME OF CONTRACTING OFFICER (Type or print) _____
 29. UNITED STATES OF AMERICA
 BY _____
 (Signature of contracting officer)
 30. AWARD DATE _____

Award will be made on this form, or on Standard Form 26, or by other official written notice

TABLE OF CONTENTS

This Request For Proposal (RFP) consists of the following:

	<u>Page</u>
<u>Part I - GENERAL INSTRUCTIONS</u>	
A. Standard Form 33; Solicitation, Offer and Award	1
B. Table of Contents	2-3
C. Representations, Certifications, and Acknowledgements	4-18
<u>Part II - SOLICITATION INSTRUCTIONS AND CONDITIONS AND NOTICES TO OFFERORS</u>	
A. Standard Form 33-A; Solicitation Instructions and Conditions	19-20
B. Notices to Offerors	21
1. Notice of Requirement to Certify Nonsegregated Facilities	21
2. Notice of Proprietary Information	21-22
3. Disposition of Proposals	22
4. RFP Identification	22
5. Level of Effort	22
6. Period of Performance	22
7. Cost of Proposal Preparation	22
8. Other Contractual Commitments	23
9. Award Notification	23
10. Type of Contract	23
11. Proposal Preparation and Format	23-24
12. Technical Proposal Content	25-26
13. Business Proposal Content	26-28
14. Evaluation Procedures	28-30
15. Nondiscrimination Because of Age	31
16. Listing of Employment Openings	31
17. Commitment of Public Funds	31
18. Viewing of Documents	31
19. Acceptance Period	32
20. Size, Standard, and Product Classification	32
21. Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals	32-33

Table of Contents (Continued)

	<u>Page</u>
<u>Part III - CONTRACT SCHEDULE</u>	
Article I - Statement of Work	34-42
Article II - Delivery	43-44
Article III - Period of Performance	45
Article IV - Place of Performance	45
Article V - Consideration	45
Article VI - Overhead/General and Administrative Rates	45
Article VII - Designation of Contracting Officer's Authorized Representative	45-47
Article VIII- Inspection and Acceptance	47
Article IX - Billing Instructions for NRC Cost-Type Contracts	47-50
Article X - Preservation/Packaging/Packing	51
Article XI - Key Personnel	51
Article XII - Government Furnished Material	51-52
Article XIII- Service Contract Act Wage Determination	52
Article XIV - Private Use and Protection of Unclassified Government Information	52
Article XV - Subcontracts for Work or Services	52
Article XVI - General Provisions and Alterations Thereto	53
<u>Part IV - ATTACHMENTS</u>	
1. Optional Form 60	
2. Examples of NRC Vendor-Supplied Equipment and Services	
3. Description of NRC Computer Facilities	
4. Inspection and Enforcement Manual System Chapter 0005	
5. NRC Manual Chapter 3202, "Publication of Unclassified Regulatory and Technical Documents Prepared by NRC Contractors, Including Reports Prepared Under or Pursuant to Interagency Agreements."	
6. List of Applicable Federal Information Processing Standards (FIPS) Publications	
7. Sample Voucher	
8. Alterations to General Provisions	
9. General Provisions, Cost Type Contracts With Concerns Other Than Educational Institutions	
10. Service Contract Act Department of Labor Wage Determination	
11. Contractor Organizational Conflicts of Interest	

REPRESENTATIONS, CERTIFICATIONS AND ACKNOWLEDGMENTS

REPRESENTATIONS (Check or complete all applicable boxes or blocks.)

The offeror represents as part of his offer that:

1. SMALL BUSINESS (See par. 14 on SF 33-A.)

He is, is not, a small business concern. If offeror is a small business concern and is not the manufacturer of the supplies offered, he also represents that all supplies to be furnished hereunder will, will not, be manufactured or produced by a small business concern in the United States, its possessions, or Puerto Rico.

2. MINORITY BUSINESS ENTERPRISE

He is, is not, a minority business enterprise. A minority business enterprise is defined as a "business, at least 50 percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock of which is owned by minority group members." For the purpose of this definition, minority group members are Negroes, Spanish-speaking American persons, American-Orientals, American-Indians, American Eskimos, and American-Aleuts.

3. REGULAR DEALER - MANUFACTURER (Applicable only to supply contracts exceeding \$10,000.)

He is a regular dealer in manufacturer of, the supplies offered.

4. CONTINGENT FEE (See par. 15 on SF 33-A.)

(a) He has, has not, employed or retained any company or persons (other than a full-time bona fide employee working solely for the offeror) to solicit or secure this contract, and (b) he has, has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the offeror) any fee, commission, percentage, or brokerage fee contingent upon or resulting from the award of this contract, and agrees to furnish information relating to (a) and (b) above, as requested by the Contracting Officer. (Interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 41, Subpart 1-1.5.)

5. TYPE OF BUSINESS ORGANIZATION

He operates as an individual, a partnership, a nonprofit organization, a corporation, incorporated under the laws of the State of MARYLAND

6. AFFILIATION AND IDENTIFYING DATA (Applicable only to advertised solicitations.)

Each offeror shall complete (a) and (b) if applicable, and (c) below:

(a) He is, is not, owned or controlled by a parent company. (See par. 16 on SF 33-A.)

(b) If the offeror is owned or controlled by a parent company, he shall enter in the blocks below the name and main office address of the parent company:

NAME OF PARENT COMPANY
AND MAIN OFFICE ADDRESS
(include ZIP code)

(c) EMPLOYER'S IDENTIFICATION NUMBER (SEE PAR. 17, on SF 33-A.)

OFFEROR'S E.I. NO.

PARENT COMPANY'S E.I. NO.

52-1079710**7. EQUAL OPPORTUNITY**

(a) He has, has not, participated in a previous contract or subcontract subject either to the Equal Opportunity clause herein or the clause originally contained in section 301 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114; that he has, has not, filed all required compliance reports; and that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained prior to subcontract awards. (The above representation need not be submitted in connection with contracts or subcontracts which are exempt from the equal opportunity clause.)

(b) The bidder (or offeror) represents that (1) he has developed and has on file, has not developed and does not have on file, at each establishment affirmative action programs as required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2) or (2) he has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor. (The above representation shall be completed by each bidder (or offeror) whose bid (offer) is \$50,000 or more and who has 50 or more employees.)

CERTIFICATIONS (Check or complete all applicable boxes or blocks)

1. BUY AMERICAN CERTIFICATE

The offeror certifies as part of his offer, that: each end product, except the end products listed below, is a domestic end product (as defined in the clause entitled "Buy American Act"); and that components of unknown origin have been considered to have been mined, produced, or manufactured outside the United States.

EXCLUDED END PRODUCTS

COUNTRY OF ORIGIN

2. **CLEAN AIR AND WATER** (*Applicable if the bid or offer exceeds \$100,000, or the contracting officer has determined that orders under an indefinite quantity contract in any year will exceed \$100,000, or a facility to be used has been the subject of a conviction under the Clean Air Act (42 U.S.C. 1857c-8(c)(1)) or the Federal Water Pollution Control Act (33 U.S.C. 1319(c)) and is listed by EPA, or is not otherwise exempt.*)

The bidder or offeror certifies as follows:

(a) Any facility to be utilized in the performance of this proposed contract has, has not, been listed on the Environmental Protection Agency List of Violating Facilities.

(b) He will promptly notify the contracting officer, prior to award, of the receipt of any communication from the Director, Office of Federal Activities, Environmental Protection Agency, indicating that any facility which he proposes to use for the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities.

(c) He will include substantially this certification, including this paragraph (c), in every nonexempt subcontract.

3. **CERTIFICATION OF INDEPENDENT PRICE DETERMINATION** (*See par. 18 on SF 33-A*)

(a) By submission of this offer, the offeror certifies, and in the case of a joint offer, each party thereto certifies as to its own organization, that in connection with this procurement:

(1) The prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other offeror or with any competitor;

(2) Unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed by the offeror and will not knowingly be disclosed by the offeror prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other offeror or to any competitor; and

(3) No attempt has been made or will be made by the offeror to induce any other person or firm to submit or not to submit an offer for that purpose of restricting competition.

(b) Each person signing this offer certifies that:

(1) He is the person in the offeror's organization responsible within that organization for the decision as to the prices being offered herein and that he has not participated, and will not participate, in any action contrary to (a)(1) through (a)(3), above; or

(2) (i) He is not the person in the offeror's organization responsible within that organization for the decision as to the prices being offered herein but that he has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated and will not participate, in any action contrary to (a)(1) through (a)(3) above, and as their agent does hereby so certify; and (ii) he has not participated, and will not participate, in any action contrary to (a)(1) through (a)(3) above.

4. **CERTIFICATION OF NONSEGREGATED FACILITIES** (*Applicable to (1) contracts, (2) subcontracts, and (3) agreements with applicants who are themselves performing federally assisted construction contracts, exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause.*)

By the submission of this bid, the bidder, offeror, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

Notice to prospective subcontractors of requirement for certifications of nonsegregated facilities.

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually). *NOTE: The penalty for making false offers is prescribed in 18 U.S.C. 1001.*

ACKNOWLEDGMENT OF AMENDMENTS The offeror acknowledges receipt of amendments to the Solicitation for offers and related documents numbered and dated as follows:	AMENDMENT NO	DATE	AMENDMENT NO	DATE
		ONE (1)	1/10/80	

NOTE: Offers must set forth full, accurate and complete information as required by this Solicitation (including attachments). The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Representations, Certifications, and Acknowledgements Continued From SF 33 (page 3)

5. WOMAN-OWNED BUSINESS

Concern is is not a woman-owned business. The business is publicly owned, a joint stock association, or a business trust yes no. The business is certified not certified.

A woman-owned business is a business which is, at least, 51 percent owned, controlled, and operated by a woman or women. Controlled is defined as exercising the power to make policy decisions. Operated is defined as actively involved in the day-to-day management.

For the purposes of this definition, businesses which are publicly owned, joint stock associations, and business trusts are exempted. Exempted businesses may voluntarily represent that they are, or are not, woman-owned if this information is available.

6. PERCENT OF FOREIGN CONTENT

The offeror/contractor will represent (as an estimate), immediately after the award of a contract, the percent of the foreign content of the item or service being procured expressed as a percent of the contract award price (accuracy within plus or minus 5 percent is acceptable).

7. NON-DISCRIMINATION BECAUSE OF AGE CERTIFICATION (1-12.1001)

The offeror hereby certifies as follows:

(a) In the performance of Federal Contracts, he and his subcontractors shall not in connection with the employment, advancement, or discharge of employees or in connection with the terms, conditions, or privileges of their employment, discriminate against persons because of their age except upon the basis of a bona fide occupational retirement plan, or statutory requirement, and

(b) That contractors and subcontractors, or persons acting on their behalf, shall not specify, in solicitations or advertisements for employees to work on Government contracts a maximum age limit for such employment unless the specified maximum age limit is based on a bona fide occupational qualification, retirement plan, or statutory requirement.

8. Utilization of Minority Business Enterprises (1-1.1310-2)

- a. The Utilization of Minority Business Enterprises clause shall be included in all contracts in amounts which may exceed \$10,000 except (1) contracts which, including all subcontracts thereof, are to be performed entirely outside the United States, its possessions, and Puerto Rico, and (2) contracts for services which are personal in nature.

1. It is the policy of the Government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of Government Contracts.

2. The Contractor agrees to use his best effort to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, the term "minority business enterprise" means a business, at least 50 percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock of which is owned by minority group members. For the purposes of this definition, minority group members are Negroes, Spanish-speaking American persons, American-Orientals, American-Indians, American-Eskimos, and American Aleuts. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

Continued on page 8.

(d) Maintain records showing (i) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of minority business enterprises, (ii) awards to minority business enterprises on the source list, and (iii) specific efforts to identify and award contracts to minority business enterprises.

(e) Include the Utilization of Minority Business Enterprises clause in subcontracts which offer substantial minority business enterprises subcontracting opportunities.

9. Utilization of Small Business Concerns (1-1.710-3)

- a. The Utilization of Small Business Concerns clause shall be included in all contracts in amounts which may exceed \$10,000 except (1) contracts which, including all subcontracts there under, are performed entirely outside the United States, its possessions, and Puerto Rico, and (2) contracts for services which are personal in nature.

1. It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with Small Business Concerns.

2. The Contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

Continued on page 9.

10. COST ACCOUNTING STANDARDS (Applicable only to negotiated contracts exceeding \$100,000 except when: see Federal Procurement Regulation, Temporary Regulation 44 dated March 29, 1978.)

- A. It has been determined by the contracting officer or his duly authorized representative that this requirement 7 is is not in support of the national defense pursuant to 4 CFR 331.20(b).
- B. If it has been determined that this requirement is in support of the national defense, complete this section. If it has not been determined to be in support of the national defense, proceed to Section C.

(1) DISCLOSURE STATEMENT - COST ACCOUNTING PRACTICES AND CERTIFICATION

Any contract in excess of \$100,000 resulting from this solicitation except (i) when the price negotiated is based on: (A) Established catalog or market prices of commercial items sold in substantial quantities in the general public, or (B) prices set by law or regulation; (ii) contracts awarded to small business concerns (as defined in 1-701.1 of the Armed Services Procurement Regulations or FPR §1-1.701-1); or (iii) contracts which are otherwise exempt (see 4 CFR 331.30(b)) shall be subject to the requirements of the Cost Accounting Standards Board. Any offeror submitting a proposal, which, if accepted, will result in a contract subject to the requirements of the Cost Accounting Standards Board must, as a condition of contracting, submit a Disclosure Statement as required by regulations of the Board. The Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation (see (I), below) unless (i) the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards exceeding the monetary exemption for disclosure as established by the Cost Accounting Standards Board (see (II), below); (ii) the offeror exceeded the monetary exemption in his cost accounting period immediately preceding the cost accounting period in which this proposal was submitted but, in accordance with the regulations of the Cost Accounting Standards Board, is not yet required to submit a Disclosure Statement (see (III), below); (iii) the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal (see IV), below);

or (iv) post-award submission has been authorized by the Contracting Officer. See 4 CFR 351.70 for submission of copy of Disclosure Statement to the Cost Accounting Standards Board.

CAUTION: A practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed to practice for pricing proposals or accumulating and reporting contract performance cost data.

Check the appropriate box below.

I. CERTIFICATE OF CONCURRENT SUBMISSION OF DISCLOSURE STATEMENT(S)

The offeror hereby certifies that he has submitted, as a part of his proposal under this solicitation, copies of the Disclosure Statement(s) as follows: (i) original and one copy to the cognizant contracting officer (Administrative Contracting Officer (ACO), see DOD Directory of Contract Administration Components (DOD 4105.59H)); and (ii) one copy to the cognizant contract auditor.

Date of Disclosure Statement(s): _____

Name(s) and Address(es) of Cognizant ACO(s) where filed: _____

The offeror further certifies that practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement(s).

II. CERTIFICATE OF MONETARY EXEMPTION

The offeror hereby certifies that he, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated national defense prime contracts and subcontracts subject to Cost Accounting Standards totaling more than \$10 million in his cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if his status changes prior to an award resulting from this proposal, he will advise the contracting officer immediately.

CAUTION: Offerors who submitted a Disclosure Statement under the filing requirements previously established by the Cost Accounting Standards Board may claim this exemption only if the dollar volume of CAS covered national defense prime contract and subcontract awards in their preceding cost accounting period did not exceed the \$10 million threshold and the amount of this award will be less than \$10 million. Such offerors will continue to be responsible for maintaining the Disclosure Statement and following the disclosed practices on CAS covered prime contracts and subcontracts awarded during the period in which a Disclosure Statement was required.

III. CERTIFICATE OF INTERIM EXEMPTION

The offeror hereby certifies that (i) he first exceeded the monetary exemption for disclosure, as defined in (II) above, in this cost accounting period immediately preceding the cost accounting period in which this proposal was submitted, and (ii) in accordance with the regulations of the Cost Accounting Standards Board (4 CFR 351.40(f)), he is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, he will immediately submit a revised certificate to the Contracting Officer, in the form specified under (I), above or (IV), below, as appropriate, to verify his submission of a completed Disclosure Statement.

CAUTION: Offerors may not claim this exemption if they are currently required to disclose because they were awarded a CAS covered national defense prime contract or subcontract of \$10 million or more in the current cost accounting period. Further, the exemption applies only in connection with proposals submitted prior to expiration of the 90 day period following the cost accounting period in which the monetary exemption was exceeded.

IV. CERTIFICATE OF PREVIOUSLY SUBMITTED DISCLOSURE STATEMENT(S)

The offeror hereby certifies that the Disclosure Statement(s) were filed as follows:

Date of Disclosure Statement(s): _____

Name(s) and Address(es) of Cognizant Contracting
Officer(s) (ACO(s)) where filed: _____

The offeror further certifies that practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement(s).

(2) COST ACCOUNTING STANDARDS - EXEMPTION FOR CONTRACTS OF \$500,000 OR LESS

If this proposal is expected to result in the award of a contract of \$500,000 or less, the offeror shall indicate whether the exemption to the Cost Accounting Standards clause under the provisions of 4 CFR 331.30 (b)(8) is claimed. Failure to check the box below shall mean that the resultant contract is subject to the Cost Accounting Standards clause or that the offeror elects to comply with such clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 4 CFR 331.30(b)(8) and certifies that he has received notification of final acceptance of all deliverable items on (i) all prime contractors or subcontracts in excess of \$500,000 which contain the Cost Accounting Standards clause, and (ii) all prime contracts or subcontracts of \$500,000 or less awarded after January 1, 1975, which contain the Cost Accounting Standards clause. The offeror further certifies he will immediately notify the Contracting Officer in writing in the event he is awarded any other contract or subcontract containing the Cost Accounting Standards clause subsequent to the date of this certificate but prior to the date of any award resulting from this proposal.

(3) COST ACCOUNTING STANDARDS ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 4 CFR 332, and elects to do so, he shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 4 CFR 331.30(b)(2), and certifies that he is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because (i) during his cost accounting period immediately preceding the period in which this proposal was submitted, he received less than \$10 million in awards of CAS covered national defense prime contracts and subcontracts, and (ii) the sum of such awards equaled less than 10 percent of his total sales during that cost accounting period. The offeror further certifies that if his status changes prior to an award resulting from this proposal, he will advise the contracting officer immediately.

CAUTION: Offerors may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a contract of \$10 million or more, or if, during their current cost accounting period, they have been awarded a single CAS-covered national defense prime contract or subcontract of \$10 million or more.

(4) **ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS**

The offeror shall indicate below whether award of the contemplated contract would, in accordance with paragraph (a)(3) of the Cost Accounting Standards clause, require a change in his established cost accounting practices affecting existing contracts and subcontracts.

YES NO

NOTE: If the offeror has checked "yes" above, and is awarded the contemplated contract, he will be required to comply with the Administration of the Cost Accounting Standards clause.

- C. If it has been determined that this requirement is not in support of the national defense, complete this section.

(1) **COST ACCOUNTING STANDARDS ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE**

If the offeror is eligible to use the modified provisions of 4 CFR 332, and elects to do so, he shall

indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 4 CFR 331.30(b)(2), and certifies that he is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because (i) during his cost accounting period immediately preceding the period in which this proposal was submitted, he received less than \$10 million in awards of CAS covered national defense prime contracts and subcontracts, and (ii) the sum of such awards equaled less than 10 percent of his total sales during that cost accounting period. The offeror further certifies that if his status changes prior to an award resulting from this proposal, he will advise the contracting officer immediately.

CAUTION: Offerors may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a contract of \$10 million or more or if, during their current cost accounting period, they have been awarded a single CAS-covered national defense prime contract or subcontract of \$10 million or more.

(2) COST ACCOUNTING STANDARDS CERTIFICATION -
NONDEFENSE APPLICABILITY

Any negotiated contract in excess of \$100,000 resulting from this solicitation shall be subject to the requirements of the clauses entitled Cost Accounting Standards - Nondefense Contract (FPR § 1-3.1204-2(a)) and Administration of Cost Accounting Standards (FPR § 1-3.1204-1(b)) if it is awarded to a contractor's business unit that is performing a national defense contract or subcontract which is subject to cost accounting standards pursuant to 4 CFR 331 at the time of award, except contracts which are otherwise exempt (see FPR §1-3.1203-2(a) and (c)(4)). Otherwise, an award resulting from this solicitation shall be subject to the requirements of the clauses entitled Consistency of Cost Accounting Practices - Nondefense Contract (FPR § 1-3.1204-2(b)) and Administration of the Cost Accounting Standards (FPR §1-3.1204-1(b)) if the award is (i) the first

negotiated contract over \$500,000 in the event the award is a contractor's business unit that is not performing under any CAS covered national defense or nondefense contract or subcontract, or ii) a negotiated contract over \$100,000 in the event the award is to a contractor's business unit that is performing under any CAS covered national defense or nondefense contract or subcontract, except contracts which are otherwise exempt (see FPR § 1-3.1203-2(a) and (c)(4)). This solicitation notice is not applicable to small business concerns.

Certificate of CAS Applicability

The offeror hereby certifies that:

- A. It is currently performing a negotiated national defense contract or subcontract that contains a Cost Accounting Standards Clause (4 CFR 331), and it is currently required to accept that clause in any new negotiated national defense contracts it receives that are subject to cost accounting standards.
- B. It is currently performing a negotiated national defense or nondefense contract or subcontract that contains a cost accounting standards clause required by 4 CFR 331 or 337 or by FPR Subpart 1-3.12, but it is not required to accept the 4 CFR 331 clause in new negotiated national defense contracts or subcontracts which it receives that are subject to cost accounting standards.
- C. It is not performing any CAS covered national defense or nondefense contract or subcontract. The offeror further certifies that it will immediately notify the contracting officer in writing in the event that it is awarded any negotiated national defense or nondefense contract or subcontract containing any cost accounting standards clause subsequent to the date of this certificate but prior to the date of the award of a contract resulting from this solicitation.
- D. It is an educational institution receiving contract awards subject to FPR Subpart 1-51.3 (FMC 73-8, OMB Circular A-21).

E. It is a State or local government receiving contract awards subject to FPR Subpart 1-15.7 (FMC 74-4, OM Circular A-87).

F. It is a hospital.

NOTE: Certain firm fixed price negotiated nondefense contracts awarded on the basis of price competition may be determined by the Contracting Officer (at the time of award) to be exempt from cost accounting standards (FPR § 1-3.1203-2(c)(4)(iv)).

Additional Certification - CAS Applicable Offerors

G. The offeror, subject to cost accounting standards but not certifying under D, E, or F above, further certifies that practices used in estimating costs in pricing this proposal are consistent with the practices discussed in the Disclosure Statement(s) where they have been submitted pursuant to CASB regulations (4 CFR 351).

Data Required - CAS Covered Offerors

The Offeror certifying under A or B above but not under D, E, or F above, is required to furnish the name, address (including agency or department component); and telephone number of the cognizant contracting officer administering the offeror's CAS-covered contracts. If A above is checked, the offeror will also identify those currently effective cost accounting standards, if any, which upon award of the next negotiated national defense contract or subcontract will become effective upon the offeror.

Name of CO: _____

Address: _____

Telephone NO.: _____

Standards not yet applicable: _____

11. AUTHORIZED NEGOTIATORS

Offeror shall furnish names and telephone numbers of personnel authorized to conduct negotiations and hold technical discussions under this solicitation:

E.R. GASSER, PRESIDENT 301-774-2992
 (Name - Contractual Matters) Telephone No.

 (Name - Contractual Matters) Telephone No.

F.B. LOBBIN, PROJ. MGR. 301-774-2992
 (Name - Technical Matters) Telephone No.

12. MAILING ADDRESS FOR PAYMENT

Offeror shall indicate below the address to which payment should be mailed, if such address is different from that shown for the offeror/contractor.

 Office Street

 City State Zip Code

13. CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST

I represent to the best of my knowledge and belief that:

The award to _____ of a contract or the modification of an existing contract does () or does not () involve situations or relationships of the type set forth in 41 CFR paragraph 20-1.5403(b)(1).

If the representation as completed indicates that situations or relationships of the type set forth in 41 CFR 20-1.5403(b)(1) are involved or the Contracting Officer otherwise determines that potential organizational conflicts exist, the offeror shall provide a statement in writing which describes in a concise manner all relevant facts bearing on his representation to the Contracting Officer. If the Contracting Officer determines that organizational conflicts exist, the following actions may be taken:

- (i) Impose appropriate conditions which avoid such conflicts,
- (ii) disqualify the offeror, or
- (iii) determine that it is otherwise in the best interest of the United States to seek award of the contract under the waiver provisions of § 20-1.5411.

The refusal to provide the representation required by § 20-1.5404(b) or upon request of the Contracting Officer the facts required by § 20-1.5404(c), shall result in disqualification of the offeror for award. The nondisclosure or misrepresentation of any relevant interest may also result in the disqualification of the offeror for awards; or if such nondisclosure or misrepresentation is discovered after award, the resulting contract may be terminated. The offeror may also be disqualified from subsequent related NRC contracts and be subject to such other remedial actions provided by law or the resulting contract.

The offeror may, because of actual or potential organizational conflicts of interest, propose to exclude specific kinds of work from the statements of work contained in a RFP unless the RFP specifically prohibits such exclusion. Any such proposed exclusion by an offeror will be considered by the NRC in the evaluation of proposals. If the NRC considers the proposed excluded work to be an essential or integral part of the required work and its exclusion would work to the detriment of the competitive posture of the other offerors, the proposal must be rejected as unacceptable.

The offeror's failure to execute the representation required herein with respect to invitation for bids will be considered to be a minor informality, and the offeror will be permitted to correct the omission.

Any contract resulting from a solicitation requirement shall include general clauses (41 CFR 20-1.5404-1) prohibiting contractors from engaging in relationships which may give rise to an actual or apparent conflict of interest. NRC Contractor Organizational Conflicts of Interest (41 CFR Part 20) is included as Attachment #11.

1. DEFINITIONS.

As used herein:

(a) The term "solicitation" means Invitation for Bids (IFB) where the procurement is advertised, and Request for Proposal (RFP) where the procurement is negotiated.

(b) The term "offer" means bid where the procurement is advertised, and proposal where the procurement is negotiated.

(c) For purposes of this solicitation and Block 2 of Standard Form 33, the term "advertised" includes Small Business Restricted Advertising and other types of restricted advertising.

2. PREPARATION OF OFFERS.

(a) Offerors are expected to examine the drawings, specifications, Schedule, and all instructions. Failure to do so will be at offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the solicitation and print or type his name on the Schedule and each Continuation Sheet thereof on which he makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent are to be accompanied by evidence of his authority unless such evidence has been previously furnished to the issuing office.

(c) Unit price for each unit offered shall be shown and such price shall include packing unless otherwise specified. A total shall be entered in the Amount column of the Schedule for each item offered. In case of discrepancy between a unit price and extended price, the unit price will be presumed to be correct, subject, however, to correction to the same extent and in the same manner as any other mistake.

(d) Offers for supplies or services other than those specified will not be considered unless authorized by the solicitation.

(e) Offeror must state a definite time for delivery of supplies or for performance of services unless otherwise specified in the solicitation.

(f) Time, if stated as a number of days, will include Saturdays, Sundays and holidays.

(g) Code boxes are for Government use only.

3. EXPLANATION TO OFFERORS. Any explanation desired by an offeror regarding the meaning or interpretation of the solicitation, drawings, specifications, etc., must be requested in writing and with sufficient time allowed for a reply to reach offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished to all prospective offerors as an amendment of the solicitation, if such information is necessary to offerors in submitting offers on the solicitation or if the lack of such information would be prejudicial to uninformed offerors.

4. ACKNOWLEDGMENT OF AMENDMENTS TO SOLICITATIONS.

Receipt of an amendment to a solicitation by an offeror must be acknowledged (a) by signing and returning the amendment, (b) on page three of Standard Form 33, or (c) by letter or telegram. Such acknowledgment must be received prior to the hour and date specified for receipt of offers.

5. SUBMISSION OF OFFERS.

(a) Offers and modifications thereof shall be enclosed in sealed envelopes and addressed to the office specified in the solicitation. The offeror shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror on the face of the envelope.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified or withdrawn by written or telegraphic notice, provided such notice is received prior to the hour and date specified for receipt. (However, see paragraphs 7 and 8.)

(c) Samples of items, when required, must be submitted within the time specified, and unless otherwise specified by the Government, at no expense to the Government. If not destroyed by testing, samples will be returned at offeror's request and expense, unless otherwise specified by the solicitation.

6. FAILURE TO SUBMIT OFFER. If no offer is to be submitted, do not return the solicitation unless otherwise specified. A letter or postcard shall be sent to the issuing office advising whether future solicitations for the type of supplies or services covered by this solicitation are desired. Failure of the recipient to offer, or to notify the issuing office that future solicitations are desired, may result in removal of the name of such recipient from the mailing list for the type of supplies or services covered by the solicitation.

7. LATE BIDS, MODIFICATIONS OF BIDS, OR WITHDRAWAL OF BIDS.

(a) Any bid received at the office designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and either:

(1) It was sent by registered or certified mail not later than the fifth calendar day prior to the date specified for the receipt of bids (e.g., a bid submitted in response to a solicitation requiring receipt of bids by the 20th of the month must have been mailed by the 15th or earlier); or

(2) It was sent by mail (or telegram if authorized) and it is determined by the Government that the late receipt was due solely to mishandling by the Government after receipt at the Government installation.

(b) Any modification or withdrawal of a bid is subject to the same conditions as in (a), above. A bid may also be withdrawn in person by a bidder or his authorized representative, provided his identity is made known and he signs a receipt for the bid, but only if the withdrawal is made prior to the exact time set for receipt of bids.

(c) The only acceptable evidence to establish:

(1) The date of mailing of a late bid, modification, or withdrawal sent either by registered or certified mail is the U.S. Postal Service postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. If neither postmark shows a legible date, the bid, modification, or withdrawal shall be deemed to have been mailed late. (The term "postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed on the date of mailing by employees of the U.S. Postal Service. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye "postmark" on both the receipt and the envelope or wrapper.)

(2) The time of receipt at the Government installation is the time-date stamp of such installation on the bid wrapper or other documentary evidence of receipt maintained by the installation.

(d) Notwithstanding (a) and (b) of this provision, a late modification of an otherwise successful bid which makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

Note: The term "telegram" includes mailgrams.

8. LATE PROPOSALS, MODIFICATIONS OF PROPOSALS, AND WITHDRAWALS OF PROPOSALS.

(a) Any proposal received at the office designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made, and:

(1) It was sent by registered or certified mail not later than the fifth calendar day prior to the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th or earlier);

(2) It was sent by mail (or telegram if authorized) and it is determined by the Government that the late receipt was due solely to mishandling by the Government after receipt at the Government installation; or

(3) It is the only proposal received.

(b) Any modification of a proposal, except a modification resulting from the Contracting Officer's request for "best and final" offer, is subject to the same conditions as in (a)(1) and (a)(2) of this provision.

(c) A modification resulting from the Contracting Officer's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the Government after receipt at the Government installation.

(d) The only acceptable evidence to establish:

(1) The date of mailing of a late proposal or modification sent either by registered or certified mail is the U.S. Postal Service postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. If neither postmark shows a legible date, the proposal or modification shall be deemed to have been mailed late. (The term "postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed on the date of mailing by employees of the U.S. Postal Service. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye "postmark" on both the receipt and the envelope or wrapper.)

(2) The time of receipt at the Government installation is the time-date stamp of such installation on the proposal wrapper or other documentary evidence of receipt maintained by the installation.

(e) Notwithstanding (a), (b), and (c), of this provision, a late modification of an otherwise successful proposal which makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

(f) Proposals may be withdrawn by written or telegraphic notice received at any time prior to award. Proposals may be withdrawn in person by an offeror or his authorized representative, provided his identity is made known and he signs a receipt for the proposal prior to award.

Note: The term "telegram" includes mailgrams.

Note: The alternate late proposals, modifications of proposals and withdrawals of proposals provision prescribed by 41 CFR 1-3.802-2(b) shall be used in lieu of provision 8, if specified by the contract.

9. DISCOUNTS.

(a) Notwithstanding the fact that a blank is provided for a ten (10) day discount, prompt payment discounts offered for payment within less than twenty (20) calendar days will not be considered in evaluating offers for award, unless otherwise specified in the solicitation. However, offered discounts of less than 20 days will be taken if payment is made within the discount period, even though not considered in the evaluation of offers.

(b) In connection with any discount offered, time will be computed from date of delivery of the supplies to carrier when delivery and acceptance are at point of origin, or from date of delivery at destination or port of embarkation when delivery and acceptance are at either of those points, or from the date correct invoice or voucher is received in the office specified by the Government, if the latter date is later than date of delivery. Payment is deemed to be made for the purpose of earning the discount on the date of mailing of the Government check.

10. AWARD OF CONTRACT.

(a) The contract will be awarded to that responsible offeror whose offer conforming to the solicitation will be most advantageous to the Government, price and other factors considered.

(b) The Government reserves the right to reject any or all offers and to waive informalities and minor irregularities in offers received.

(c) The Government may accept any item or group of items of any offer, unless the offeror qualifies his offer by specific limitations. **UNLESS OTHERWISE PROVIDED IN THE SCHEDULE, OFFERS MAY BE SUBMITTED FOR ANY QUANTITIES LESS THAN THOSE SPECIFIED; AND THE GOVERNMENT RESERVES THE RIGHT TO MAKE AN AWARD ON ANY ITEM FOR A QUANTITY LESS THAN THE QUANTITY OFFERED AT THE UNIT PRICES OFFERED UNLESS THE OFFEROR SPECIFIES OTHERWISE IN HIS OFFER.**

(d) A written award (or Acceptance of Offer) mailed (or otherwise furnished) to the successful offeror within the time for acceptance specified in the offer shall be deemed to result in a binding contract without further action by either party.

The following paragraphs (e) through (h) apply only to negotiated solicitations:

(e) The Government may accept within the time specified therein, any offer (or part thereof, as provided in (c) above), whether or not there are negotiations subsequent to its receipt, unless the offer is withdrawn by written notice received by the Government prior to award. If subsequent negotiations are conducted, they shall not constitute a rejection or counter offer on the part of the Government.

(f) The right is reserved to accept other than the lowest offer and to reject any or all offers.

(g) The Government may award a contract, based on initial offers received, without discussion of such offers. Accordingly, each initial offer should be submitted on the most favorable terms from a price and technical standpoint which the offeror can submit to the Government.

(h) Any financial data submitted with any offer hereunder or any representation concerning facilities or financing will not form a part of any resulting contract; provided, however, that if the resulting contract contains a clause providing for price reduction for defective cost or pricing data, the contract price will be subject to reduction if cost or pricing data furnished hereunder is incomplete, inaccurate, or not current.

11. GOVERNMENT-FURNISHED PROPERTY. No material, labor, or facilities will be furnished by the Government unless otherwise provided for in the solicitation.

12. LABOR INFORMATION. General information regarding the requirements of the Walsh-Healey Public Contracts Act (41 U.S.C.

35-45), the Contract Work Hours Standards Act (40 U.S.C. 327-330), and the Service Contract Act of 1965 (41 U.S.C. 351-357) may be obtained from the Department of Labor, Washington, D.C. 20210, or from any regional office of that agency. Requests for information should include the solicitation number, the name and address of the issuing agency, and a description of the supplies or services.

13. SELLER'S INVOICES. Invoices shall be prepared and submitted in quadruplicate (one copy shall be marked "original") unless otherwise specified. Invoices shall contain the following information: Contract and order number (if any), item numbers, description of supplies or services, sizes, quantities, unit prices, and extended totals. Bill of lading number and weight of shipment will be shown for shipments made on Government bills of lading.

14. SMALL BUSINESS CONCERN. A small business concern for the purpose of Government procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operation in which it is submitting offers on Government contracts, and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the Small Business Administration. (See Code of Federal Regulations, Title 13, Part 121, as amended, which contains detailed industry definitions and related procedures.)

15. CONTINGENT FEE. If the offeror, by checking the appropriate box provided therefor, has represented that he has employed or retained a company or person (other than a full-time bona fide employee working solely for the offeror) to solicit or secure this contract, or that he has paid or agreed to pay any fee, commission, percentage, or brokerage fee to any company or person contingent upon or resulting from the award of this contract, he shall furnish, in duplicate, a complete Standard Form 119, Contractor's Statement of Contingent or Other Fees. If offeror has previously furnished a completed Standard Form 119 to the office issuing this solicitation, he may accompany his offer with a signed statement (a) indicating when such completed form was previously furnished, (b) identifying by number the previous solicitation or contract, if any, in connection with which such form was submitted, and (c) representing that the statement in such form is applicable to this offer.

16. PARENT COMPANY. A parent company for the purpose of this offer is a company which either owns or controls the activities and basic business policies of the offeror. To own another company means the parent company must own at least a majority (more than 50 percent) of the voting rights in that company. To control another company, such ownership is not required; if another company is able to formulate, determine, or veto basic business policy decisions of the offeror, such other company is considered the parent company of the offeror. This control may be exercised through the use of dominant minority voting rights, use of proxy voting, contractual arrangements, or otherwise.

17. EMPLOYER'S IDENTIFICATION NUMBER. (Applicable only to advertised solicitations.) The offeror shall insert in the applicable space on the offer form, if he has no parent company, his own Employer's Identification Number (E.I. No.) (Federal Social Security Number used on Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941), or, if he has a parent company, the Employer's Identification Number of his parent company.

18. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION.

(a) This certification on the offer form is not applicable to a foreign offeror submitting an offer for a contract which requires performance or delivery outside the United States, its possessions, and Puerto Rico.

(b) An offer will not be considered for award where (a) (1), (a) (3), or (b) of the certification has been deleted or modified. Where (a) (2) of the certification has been deleted or modified, the offer will not be considered for award unless the offeror furnishes with the offer a signed statement which sets forth in detail the circumstances of the disclosure and the head of the agency, or his designee, determines that such disclosure was not made for the purpose of restricting competition.

19. ORDER OF PRECEDENCE. In the event of an inconsistency between provisions of this solicitation, the inconsistency shall be resolved by giving precedence in the following order: (a) the Schedule; (b) Solicitation Instructions and Conditions; (c) General Provisions; (d) other provisions of the contract, whether incorporated by reference or otherwise; and (e) the specifications.

PART II (Continued)

B. NOTICES TO OFFERORS

1. Notice of Requirement to Certify Nonsegregated Facilities

Offerors are cautioned as follows: By signing this offer, the offeror will be deemed to have signed and agreed to the provisions of the "Certification of Nonsegregated Facilities" contained on page #5 of this solicitation. Failure of the offeror to agree to the certification of nonsegregated facilities may cause his offer to be rejected without further negotiation as nonresponsive.

2. Notice of Proprietary Information

a. Notice of Proprietary Information - Offerors are advised that those portions of the technical proposal which are considered to be proprietary shall be so identified. In the event the offeror fails to indicate on the title page and each sheet of the proposal what portions of the proposal are proprietary, the NRC assumes no liability for disclosure or use of unmarked technical data and may use or disclose such data for any purpose. The clause set forth in paragraphs b. and c., below should be utilized by the offeror in marking his proposal.

b. Use and Disclosure of Data - Freedom of Information Act Requests - This data shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate the proposal; provided that if a contract is awarded to this offeror as a result of or in connection with the submission of this data, the Government shall have the right to duplicate, use or disclose the data to the extent provided in the contract. This restriction does not limit the Government's right to use information contained in the data if it is obtainable from another source without restriction. The data subject to this restriction is contained in sheets _____. Our failure to mark the proposal with a legend or otherwise identify and restrict the disclosure and use of data in the proposal shall be interpreted by the NRC as an acknowledgement that the contents of the technical proposal may be released, disseminated, or otherwise disclosed by the NRC pursuant to a Freedom of Information Act request.

- c. Moreover, each sheet for which the offeror desires to restrict disclosure shall be marked with the following legend:

"Use or disclosure of proposal data is subject to the restriction on the title page of this proposal. I claim that information contained herein is proprietary and shall not be disclosed by the NRC in accordance with Exemption 4 of the Freedom of Information Act."

3. Disposition of Proposals

After award of the contract to result herefrom, one copy of each unsuccessful proposal will be retained by NRC, Division of Contracts, for a period of six (6) months. Unless otherwise notified by the offeror, upon submission of proposal, all other copies will be destroyed.

4. RFP Identification

Mailing envelopes should be marked with the RFP number as specified on page 1, Block #2 of this solicitation. Also, include the RFP number in your cover letter and on each page of your proposal.

5. Level of Effort

It is estimated that approximately 2.5 manyears of effort will be required for the successful completion of the work required under this contract.

6. Period of Performance

The Government estimates that the work hereunder shall be completed within two years.

7. Cost of Proposal Preparation

This solicitation does not commit the Government to pay any costs incurred for the preparation of proposals or for necessary studies or designs for the preparation thereof: nor to procure or contract for the articles or services shown under Part III. It is also brought to your attention that the Contracting Officer is the only individual who can legally commit the Government to the expenditure of public funds in connection with the proposed procurement.

8. OTHER CONTRACTUAL COMMITMENTS

The offeror shall list any commitments with other agencies, governmental or private, and indicate whether these commitments will or will not interfere with the completion of work and services contemplated under this proposal.

9. AWARD NOTIFICATION

All offerors will be notified of their selection or nonselection as soon as possible following the completion of NRC evaluation of offers. Formal notification of nonselection to unsuccessful offerors will be made following contract award to the successful offeror.

10. TYPE OF CONTRACT

It is contemplated that a cost-plus-a-fixed-fee type contract will be awarded; however, the Government reserves the right to negotiate and award whatever type contract is determined to be most appropriate. In addition to the special provisions of this Request for Proposal, any resultant contract shall include the general provisions applicable to the selected offeror's organization and to the type contract awarded. Any additional clauses required by Public Law, Executive Order, or procurement regulations, in effect at the time of execution of the proposed contract are hereby included by reference.

11. PROPOSAL PRESENTATION AND FORMAT

The following proposal preparation procedures are those that pertain to the contract proposal to be prepared in response to this solicitation:

- a. Proposals will be typewritten or reproduced on letter-size paper and will be legible in all required copies. Unnecessarily elaborate brochures or other presentations beyond that sufficient to present a complete and effective proposal are not desired and may be construed as an indication of the offeror's lack of cost consciousness. Elaborate art works, expensive paper and binding, and expensive visual and other presentation aids are neither necessary nor desired. Legibility, clarity, and completeness are of prime importance.
- b. In order to conduct the evaluation as expeditiously and as comprehensively as possible, the Government desires that the offeror respond in accordance with the guidelines set forth below:

Proposals submitted in response to this Request for Proposal shall be in two (2) parts:

A "Technical Proposal" and a "Cost Proposal." The offeror shall submit six (6) copies of each. Each of the parts shall be separate and complete in itself so that evaluation of one may be accomplished independently of evaluation of the other. All documents submitted shall have a cover page with the identifying RFP title, the solicitation number, and name of the offeror.

- (1) Technical Proposal - (See the following paragraph No. 12 for the specific content requirements.) The Technical Proposal shall not contain any reference to cost. Resource information such as data concerning labor hours, and categories, materials, subcontracts, travel, computer time, etc., shall be included in the "Technical Proposal" so that the offeror's understanding of the scope of work may be evaluated. The technical proposal shall disclose the offeror's technical approach in as much detail as possible including, but not limited to the requirements of the Technical Proposal contents as specified below in Paragraph No. 12.
- (2) Cost Proposal - (See the following paragraph No. 13 for specific content requirements.) The offeror shall utilize the Optional Form 60, "Contract Pricing Proposal (Research and Development)" in submitting his cost proposal. A copy of the Optional Form 60 is attached hereto. Offerors may, however, submit the necessary information in a different format where the offeror's accounting system makes use of the form impractical, or when required for a more effective and efficient presentation of cost information. In either instance, the information furnished shall include pertinent details sufficient to show the elements of cost upon which the total cost is predicated.

Cost will be evaluated on reasonableness, validity and reliability.

If the offeror's records are currently under audit cognizance of a Government audit agency, the address and telephone of that office should be furnished. One (1) copy each of the technical and cost proposals shall be submitted by the offeror to the cognizant Government audit agency concurrent with the submittal of proposals to the NRC.

12. TECHNICAL PROPOSAL CONTENT

The offeror shall submit, with the technical proposal, full and complete information in the order set forth below to permit the Government to make a thorough evaluation and a sound determination that the proposed approach will have a reasonable likelihood of meeting the requirements and objectives of this procurement in accordance with the evaluation criteria set forth under paragraph No. 14 of this part.

Statements which paraphrase the scope of work without communicating the specific innovation proposed by the offeror or statements to the effect that the offeror's understanding can or will comply with the scope of work may be construed as an indication of the offeror's lack of understanding of the scope of work and objectives.

The technical proposal shall set forth as a minimum the following:

- a. Discussion of the scope of work requirements to substantiate the offeror's understanding of the problem and his proposed method of approach to meet the objective.
- b. Discussion of the offeror's relevant technical experience as it relates to the requirements of this contract. Include contract numbers and Government points of contact.
- c. Resumes for all professional personnel to be utilized in the performance of any resulting contract. Include educational background, specific pertinent work experience and a list of any pertinent publications authored by the individual.
- d. Discussion of support personnel and facilities available to assist the professional personnel.
- e. Indication of potential problem areas and the approach to be taken to resolve said areas.
- f. Statements of any interpretations, requirements, or assumptions made by the offeror.
- g. A detailed description of the schedule for work and identification of significant milestones and completion dates for various subparts.
- h. Identification of the Schedule and explanation of any exceptions taken with respect to the Schedule and other matters included in the

Technical Proposal. The offeror will explain any questions (including deviations and conditional assumptions) taken with respect to this RFP. Any exceptions must contain sufficient amplification and justification to permit evaluation. Such exceptions will not, of themselves, automatically cause a proposal to be termed unacceptable. A large number of exceptions, or one or more significant exceptions not providing any obvious benefit to the Government, may, however, result in rejection of such proposal(s) as unacceptable. Highlight exceptions in the margin of the proposal where they appear in the text.

13. BUSINESS PROPOSAL CONTENT

a. Cost Proposal

The offeror's cost proposal shall be submitted on Optional Form 60 (Attachment #1) or similar format, supported by necessary schedules and documentation, including but not limited to the following:

- Material - A detailed listing of items including the quality, basis of cost estimate, unit cost and sources of cost.
- Labor - The basis for the estimated hours broken down by category and task, and the source of labor rates.
- Indirect Cost - The source and basis of determination of all indirect costs.
- Travel - The breakdown of all travel by trips, segregating all transportation and per diem costs. Copy of the official Government approval of the offeror's travel policy if granted, or in lieu thereof, a copy of the offeror's travel policy.
- Other - The offeror's fiscal accounting period (Fiscal Year) and the name, address, and the telephone number of the offeror's cognizant Government audit agency.

b. The management aspects shall include but not be limited to the following and any data pertinent thereto:

- (1) Project scheduling and contingency planning demonstrating a logical progression and integration of the tasks to insure completion within the performance period and without program slippage.
- (2) Management organizational structure delineating areas of responsibility and authority under the proposed effort. Describe the relationship of the project organization to corporate management and to subcontractors, if any. Discuss the functions and authorities of the project manager.
- (3) Procedures to periodically review in-house organizational functions, program reviews and controls and subsequent coordination with the NRC.
- (4) Management controls expected to be utilized to preclude a contract cost growth.

c. Manpower Availability

Describe the source of personnel required for performance of each task and not presently employed by the offeror. If any of the personnel are under commitment, describe the terms of the commitment(s). Note specifically the personnel that will be on board expecting a contract award.

d. Consultants

Explain the need for consultant services. List proposed consultants if known by name. For each list show (a) nature of services, (b) fee rate, (c) total consultant fee and any other allowable related costs which may be involved, such as travel and per diem. Such fees may not be paid to employees of the contractor or to employees of the U. S. Government.

e. Subcontractors

If the offeror plans to subcontract out any of the work to be performed, list proposed subcontractors if known by name. Provide a detailed breakdown of specific work to be subcontracted out and the approximate cost involved.

f. Labor Surplus Area Program Requirements

In keeping with the Federal Labor Surplus Area Program, the offerors are required to provide information on the general economic conditions of the area in which subcontractors are located, exact location of subcontractors (state, city, county), and the unemployment rate for the area, if known.

g. Additional Facilities or Property

In the event the offeror contemplates acquiring additional facilities or property in the performance of this work, such facilities or property shall be separately identified.

14. EVALUATION PROCEDURES

By use of numerical and narrative scoring techniques, proposals will be subjectively evaluated against the evaluation factors specified below. The Government reserves the right, without qualification, to accept or reject any or all proposals, to negotiate with any and all offerors regardless of the terms of the original proposal, and to request additional clarifying information either through written information or through conference with the offerors. All offerors are notified that award may be made without discussion of proposals and, therefore, proposals should be submitted initially on the most favorable terms, from a cost and technical standpoint.

A separate cost analysis will be performed on each cost proposal. To provide a common base for evaluation of cost proposals, the offeror shall express the level of effort data in terms of man hours.

Award will be made to that offeror (1) whose proposal is technically acceptable, (2) whose technical/cost relationship is the most advantageous to the Government; and (3) who is considered to be responsible within the meaning of the Federal Procurement Regulations 1-1.12. Although cost will be a factor in the evaluation of proposals, technical merit as measured by the below specified numerical evaluation factors will be more significant in the selection of a contractor. However, to be selected for an award, the proposed costs must be both realistic and reasonable.

Numerical Evaluation Factors

The following evaluation factors, with assigned numerical weightings, and listed in descending order of importance, will be applied in the evaluation of proposals to result from this solicitation.

<u>Factor</u>	<u>Weight (Based on 100 total points)</u>
(a) <u>Individual and Corporate Qualifications</u>	(55 total points)
(1) <u>Capabilities Related Experience and Areas of Expertise of the Organization.</u> Has the offeror demonstrated capability to do the work required under this contract?	<u>20</u> points

<u>Factor</u>	<u>Weight (Based on 100 total points)</u>
To what degree is he experienced in this area? Has the offeror demonstrated experience in the collection of data on Nuclear plant components? Has the offeror had any other exposure to the field of nuclear energy? Based on corporate expertise, to what degree can the offeror develop rationale and methodology and conduct satisfactory analyses?	
(2) <u>Education, Experience, and Expertise of Proposed Project Personnel</u>	<u>35</u> points
Has the offeror identified individuals in his employ who are capable of performing under this contract? Have the individuals demonstrated knowledge of and experience in the general categories of equipment and services as identified in Attachment #2 hereto? Is there an appropriate mix of experience and skills on the proposed project team?	
(b) <u>Technical Approach</u>	(30 total points)
(1) <u>Technical Understanding</u>	<u>10</u> points
Does the offeror demonstrate an understanding of the mission and programs of NRC, the role of the Office of Inspection and Enforcement (IE), the specific requirements of this contract, and the contributions that it will make to NRC and IE?	
(2) <u>Methodology</u>	<u>15</u> points
Has the offeror presented an approach to this study that is of sufficient quality and in sufficient detail to warrant high confidence on the part of NRC that useful results will be produced?	

<u>Factor</u>	<u>Weight (Based on 100 total points)</u>
(3) <u>Anticipated Problems</u>	<u>5</u> points
<p>Has the offeror recognized and offered solutions or approaches toward solving potential problems that could arise during the course of the study?</p>	
C. <u>Management Plan</u>	(15 total points)
(1) <u>Level of Effort</u>	<u>3</u> points
<p>Has the offeror allocated sufficient, yet not excessive time to do the job?</p>	
(2) <u>Assignment of Personnel</u>	<u>7</u> points
<p>To what degree has the offeror matched the talents and backgrounds of personnel to the tasks to be performed under this contract? To what degree are the key personnel available to work on this contract?</p>	
(3) <u>Responsiveness</u>	<u>2</u> points
<p>To what degree does the offeror demonstrate his ability and intent to maintain control over the progress of the work, to provide frequent senior management reviews of quality, and to be responsive to the NRC technical coordinator?</p>	
(4) <u>Resistance to Cost Growth</u>	<u>3</u> points
<p>What management controls has the offeror proposed to protect against the possibility of cost growth over the period of performance of the contract?</p>	
<hr/>	
TOTAL WEIGHT OF ALL WEIGHTED FACTORS:	100 points

15. NONDISCRIMINATION BECAUSE OF AGE (FPR 1-12.1001)

It is the policy of the Executive Branch of the Government that (a) Contractors and Subcontractors engaged in the performance of Federal contracts shall not, in connection with the employment, advancement, or discharge of employees or in connection with the terms, conditions, or privileges of their employment, discriminate against persons because of their age except upon the basis of a bona fide occupational qualification, retirement plan, or statutory requirement, and (b) that Contractors and Subcontractors, or persons acting on their behalf, shall not specify, in solicitations or advertisements for employees to work on Government contracts, a maximum age limit for such employment unless the specified maximum age limit is based upon a bona fide occupational qualification, retirement plan, or statutory requirement.

16. LISTING OF EMPLOYMENT OPENINGS (FPR 1-12.1102-2)

Bidders and offerors should note that this solicitation includes a provision requiring the listing of employment openings with the local office of the Federal-State employment service system where a contract award is for \$2,500 or more.

17. COMMITMENT OF PUBLIC FUNDS

The Contracting Officer is the only individual who can legally commit the Government to the expenditure of public funds in connection with this procurement. Any other commitment, either explicit or implied, is invalid.

18. VIEWING OF DOCUMENTS

Documents and publications referred to in the following Part III as being available for viewing by prospective offerors in the NRC Public Document Room may be viewed Monday through Friday, excluding Federal holidays, from 8:30 A.M. - 5:00 P.M. at the following address:

NRC Public Document Room
1717 H Street, NW
Washington, DC 20555

19. ACCEPTANCE PERIOD

The offeror agrees, if this offer is accepted within at least ninety (90) days from the date of receipt of offers as specified on Page 1, Block #9 of this solicitation, to furnish the services specified herein at the negotiated prices and in accordance with the delivery schedule contained in Part III of this solicitation. The offeror shall specify its proposed acceptance period (of at least 90 days) in the blank provided for this purpose below block #10 of Page 1 of this solicitation.

20. SIZE, STANDARD AND PRODUCT CLASSIFICATION

It has been determined that the material described herein is classified under the Standard Industrial Classification Manual as No. 7372 and that the concern's average annual receipts for its preceding three (3) fiscal years must not exceed \$4 million to be classified as a small business concern.

21. UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS

(a) It is the policy of the United States that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in the performance of contracts let by any Federal agency.

(b) The contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with the efficient performance of this contract. The contractor further agrees to cooperate in any studies or surveys that may be conducted by the Small Business Administration or the contracting agency which may be necessary to determine the extent of the contractor's compliance with this clause.

(c) (1) The term "small business concern" shall mean a small business as defined pursuant to Section 3 of the Small Business Act and in relevant regulations promulgated pursuant thereto.

(2) The term "small business concern owned and controlled by socially and economically disadvantaged individuals" shall mean a small business concern-

(i) which is at least 51 per centum owned by one or more socially and economically disadvantaged individuals; or in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by one or more socially and economically disadvantaged individuals; and

(if) whose management and daily business operations are controlled by one or more of such individuals.

The contractor shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, and other minorities, or any other individual found to be disadvantaged by the Small Business Administration pursuant to section 8(a) of the Small Business Act.

(d) Contractors acting in good faith may rely on written representations by their subcontractors as either a small business concern or a small business concern owned and controlled by socially and economically disadvantaged individuals.

End of part II.

PART III - CONTRACT SCHEDULE

ARTICLE I

STATEMENT OF WORK

A. Background

The U.S. Nuclear Regulatory Commission (NRC), in fulfillment of its statutory responsibilities, has a continuing need to inspect vendors supplying nuclear safety related components and equipment, hereinafter referred to as equipment, and nuclear safety related services, such as architectural and engineering design, and safety and stress analysis, hereinafter referred to as services, to NRC Licensees. Such equipment and services include, but are not necessarily limited to, those shown in Attachment # 2 hereto. Those who sell or otherwise furnish equipment or services are referred to as vendors. Such vendors exclude those supplying raw materials or those performing services exclusively at the nuclear plant site(s).

NRC conducts inspections of organizations over which NRC has jurisdiction as part of its primary mission to protect the public health and safety, safeguard nuclear material, and maintain environmental quality as related to the peaceful uses of atomic energy. However, the NRC Office of Inspection and Enforcement (IE) is unable to inspect all vendors of equipment and services. Thus, IE requires the services of a contractor to collect data as to vendors' equipment and services and to develop an integrated and automated system for the selection of vendors for inspection. The developed system will be utilized by NRC management to effectively monitor its Licensee Contractor and Vendor Inspection Program (LCVIP). Details of the LCVIP are available for examination in the NRC Public Document Room, under "NRC Manual Chapter 2700."

B. Objectives

1. The first and primary objective of this contract is the development of an automated inspection system which will enable IE to make the most cost effective use of its limited resources to inspect a meaningful range of vendors of equipment and services to NRC licensees. The developed system shall have identified, compiled, processed and evaluated information of the following nature:
 - a. All present vendors of equipment and services.
 - b. A ranking of all vendors within each category of equipment and service based on the quantity supplied to Licensees.
 - c. Application of the relative safety ratings of equipment and services.

- d. Compilation and application of adverse service performance data with respect to equipment and services.
 - e. Consideration of NRC's existing inspection reports and other experience with each vendor and its equipment and services.
 - f. Complete evaluation of the above data and the establishment of a ranked vendor inspection priority list.
 - g. Provisions for a small random selection of vendors not covered in the priority inspection list.
2. The second objective of this contract is to derive a method for measuring the impact of the developed inspection system.
 3. The third and final objective is to provide periodic maintenance and update of the developed and implemented system for a period of eleven (11) months following implementation thereof.

C. Specifications

The Contractor shall furnish all necessary qualified personnel, facilities, equipment, and materials, unless otherwise specified herein, to perform the following:

1. Phase I - This phase consists of the developmental portion of this contract and includes the collection of data, the development of the integrated and automated vendor selection system, the creation of an estimate of the manpower required to maintain the system, the preparation of an I.E. Manual Chapter outlining the functions of the system and general instructions as to its use, the development of an acceptance test for the purpose of measuring the inspection system's effectiveness, preparation of a Phase I final report, and deliverance of an oral presentation summarizing the Phase I written final report. It also includes the provision of monthly letter progress reports.
 - a. Collection of Data
 - (1) Employing material supplied by I.E., the Contractor shall list all present vendors of equipment and services to NRC licensees. From outside sources, the Contractor shall then seek out and identify the addresses and zipcodes of each. Finally, utilizing I.E. supplied data, the Contractor shall identify the categories of equipment and/or services provided by each vendor. It is estimated that there are presently 3,000 vendors of equipment and services to NRC licensees. This figure is an estimate only and does not preclude the possibility of the identification of a greater number of vendors.

- (2) Utilizing computer data supplied by I.E., the Contractor shall ascertain the manufacturing rate or volume of each vendor of equipment and/or services. Such an analysis shall include the relative or absolute number of items supplied to licensees.
- (3) Utilizing the results of previous NRC, American Society of Mechanical Engineers (ASME) and Institute of Electrical and Electronics Engineers (IEEE) classification efforts, the Contractor shall gather and develop information concerning the relative importance of the safety aspects of each category of equipment and services identified as a result of paragraph C.1.a.(1) above. Rather than developing another classification system, the Contractor shall utilize the Sandia Independent Verification Study to determine the relative safety significance of vendors' equipment and services. During the course of the contract, should the Contractor wish to suggest alternatives to the use of all of the elements of the Sandia Study, such suggestions shall be submitted in writing. Each such suggestion will elicit a response from the COAR (Contracting Officer's Authorized Representative). A copy of the Sandia Independent Verification Study is available for review at the NRC Public Document Room. ASME and IEEE classification efforts are available directly from the originating organization.
- (4) The Contractor shall review and analyze Licensee Event Report (LER) data in the possession of NRC, reliability information such as that contained in the Nuclear Plant Reliability Data System (NPRDS) developed by Edison Electric Institute, reports submitted to NRC under regulations contained in 10 CFR 50.55(e) and 10 CFR 21, NRC reactor construction and operating inspection experience, as well as any other sources suggested by the Contractor and concurred in in advance by the COAR. In reviewing this material, the Contractor shall identify adverse service experiences such as known problems or malfunctions with the vendors' equipment and services due to causes that are attributable to vendor activities, such as design, analysis, fabrication, testing, inspection, handling, shipping, storage, and misleading or erroneous operating instructions. Samples of the above referenced material may be examined in the NRC Public Document Room.

- (5) Utilizing computer data provided by I.E., the Contractor shall gather information concerning past inspection frequency and duration (numbers of hours), and the number and nature of previous inspection findings. The Contractor shall also consult by telephone, with NRC Region IV technical personnel (Arlington, TX) to ascertain the impact of NRC vendor inspections and/or vendor performance as indicated by trends in inspection experience. Additional sources of information on the impact of NRC vendor inspection and/or vendor performance shall be sought out by the Contractor and discussed with and concurred in by the COAR.
- (6) The Contractor shall prepare and submit a preliminary report of his research and findings in each of the areas discussed above in paragraphs (1) through (5). Such a report shall include a discussion of material developed, sources utilized, problems encountered, alternative solutions implemented where applicable, etc.

b. Development of Vendor Selection System

- (1) The Contractor shall develop and propose a system by which information gathered in accordance with paragraph C.1.a, above, shall be weighted in terms of the need to conduct inspections. A draft of the proposed system shall be submitted in accordance with Article II, "Delivery."
- (2) Following any required modification in and final approval of the weighting system by the COAR, the Contractor shall proceed to fully develop an integrated and automated system for the selection of vendors to be inspected. Information developed in accordance with the provisions of this contract shall be incorporated into the developed vendor selection system in a manner compatible with existing NRC computer hardware, software, and data files (see attachment #3). Computer time and terminal facilities for the development (as well as the update and maintenance) of the system will be provided by NRC through the National Institutes of Health IBM computer facility under NRC accounts.
- (3) In developing the inspection system, the Contractor shall include provisions for random selection of vendors (approximately 10% of the total inspections) so that each vendor has some probability of being selected for inspection.

- (4) The vendor selection system shall be developed in such a manner as to provide feedback to allow NRC to measure the impact of the vendor selection system on the various vendors. The system shall readily exhibit and shall provide means for measuring impact in such variables as:
 - (a) The performance and reliability of vendors' equipment and services.
 - (b) The number and nature of inspection findings in relation to time, and
 - (c) Vendor quality assurance program improvements, such as staff upgradings, increased training, significant program improvements and internal audit findings.

- (5) A draft technical discussion of the system developed in accordance with subparagraphs (2) through (4) above shall be submitted and shall include summaries of all contributing elements to the system, all procedures applied and/or to be applied thereto, all expected output from the system, a detailed computer users manual containing system design documentation, data base design documentation and instructions for system maintenance. A draft executive summary shall also be included, describing the above discussed information and the general capabilities of the system in language understandable to general management personnel.

Continued on next page.

c. Estimate of Manpower Required to Maintain the System

The Contractor shall develop an estimate of the manpower, in terms of manhours, that will be required, following the conclusion of this contract, for IE personnel to maintain the system and to update it, as necessary. Updating the system will include provisions for such possible occurrences as changes in volumes of products, changes in failure rates, new firms added, or old firms going out of business.

The Contractor's estimate shall show breakouts of the numbers of hours required for I.E. personnel to perform each of the separate tasks envisioned that, when combined, make up the total effort at maintenance and update.

d. Development of I.E. Manual Chapter

The Contractor shall prepare a draft I.E. Manual Chapter, in full accordance with all applicable I.E. Manual Chapter regulations, Chapter 0005, a copy of which is included herein as Attachment #4. The I.E. Manual Chapter shall include, at minimum, the following elements:

- (1) Introduction
- (2) Objectives
- (3) System Narrative
- (4) System Environment
- (5) System Flowchart Narrative
- (6) File Descriptions and Definitions
- (7) Transaction Descriptions
- (8) Program Descriptive Narrative of Processing Logic
- (9) Sample Input(s)
- (10) Sample Output(s)
- (11) Error and Recovery
- (12) Running Instructions
 - (a) Data Entry Procedures
 - (b) Program Run Procedures
 - (c) Frequency and Descriptions of Runs
 - (d) File Names and Locations
 - (e) File attributes
 - (f) Restart/Recovery Procedures
 - (g) Non-Routine Procedures

e. Development of Acceptance Test Plan

The Contractor shall develop and furnish for review an acceptance test plan. The test plan shall include provisions for testing each computer program independently and then testing all of the programs of the system by processing sets for data through all the programs. The test plan shall be created such that it will test all reasonable combinations of operations. The test data used shall be actual data acting on real files.

Should the developed vendor selection system consist of a number of programs, each dependent on the other, then they shall be tested in sequence. Only when the program being tested is judged as performing correctly can another program be tested. The processing from one program to another shall be compatible and according to requirements.

The final product of the test program will be the selection of vendors to be inspected based upon the developed selection criteria using a real data base as input. The test plan shall include all operating procedures so that it may be executed by I.E. with the cooperation of the Contractor.

The results of the application of this acceptance test do not constitute the sole basis for NRC's critical review of the developed vendor selection system. While the results of the acceptance test are important, NRC will also review, analyze, and approve or disapprove the proposed vendor selection system as well as all other deliverables due under this contract on the basis of their meeting all of the specifications set forth herein.

f. Submittal of Phase I Final Report

The Contractor shall submit a Phase I final report which shall include, but not necessarily be limited to the following information:

- (1) Sufficient documentation of vendor selection system development to permit full operation, maintenance, modification and updating of programs by in-house NRC, I.E. personnel. This will include all raw data and refinements thereof developed and/or collected in accordance with paragraphs C.1.a(1) through C.1.a(5) above, as well as the final method employed to establish relative weighting of gathered information, as developed in accordance with paragraph C.1.b(1).

- (2) Final technical discussion of the developed system as prepared and submitted in draft form in accordance with paragraph C.1.b(5).
- (3) Final estimate of the manpower required to maintain the developed system in accordance with paragraph C.1.c.
- (4) Final I.E. Manual Chapter containing a description of the system and instructions for its use in accordance with paragraph C.1.d.
- (5) A general assessment of work performed to date, problems encountered, recommendations, etc.

A draft of the above specified *** I final report shall be submitted in accordance with the schedule in Article II, "Delivery."

8. Delivery of Oral Report

The Contractor shall deliver an oral summary of the Phase I written report to NRC personnel at a time and place to be mutually agreed upon between the Contractor and the COAR.

Continued on next page.

h. Monthly Progress Reports

The Contractor shall furnish monthly letter progress reports, in five (5) copies, fully describing progress made to date, problems encountered, future plans, monthly and cumulative costs to date, and other information the Contractor deems appropriate. Such monthly progress reports shall commence thirty (30) days following the effective date of this contract and shall continue each thirty (30) days thereafter until the conclusion of Phase I of this contract.

2. Phase II - This phase consists of the Contractor furnishing regular maintenance of the vendor selection system developed in accordance with the above specifications, analysis of the degree of efficiency and reliability with which the system is functioning, formulation of recommendations for, and implementation of modifications to the system, following prior approval of the COAR, as well as periodic update of the system as necessitated by changing conditions of the following types:
- a. Changes in volume of production, supply, or services.
 - b. Changes in failure rates.
 - c. Addition of new vendors; deletion of old vendors.
 - d. Changes in addresses of vendors, etc.

The above listing is offered as an example of such items requiring update, and is not necessarily inclusive of all such possible items. The contemplated effort of maintenance, analysis, modification, and updating shall commence 13 months following the effective date of this contract and shall extend through the 24th month following the effective date of the contract. At the conclusion of the 24th month of this contract, the Contractor shall submit a final report detailing the functions performed in maintaining, analyzing, modifying and updating the system over the prior eleven (11) months, including problems encountered, and recommendations for further modifications in the system to be accomplished by NRC personnel following conclusion of this contract.

A draft of the above specified Phase II final report shall be submitted in accordance with the schedule in Article II, "Delivery."

3. All reports prepared in accordance with the provisions of Paragraphs C.1 and C.2 above, shall fully conform to the requirements of NRC Manual Chapter J202, "Publication of Unclassified Regulatory and Technical Documents Prepared by NRC Contractors, Including Reports Prepared Under or Pursuant to Interagency Agreements," a copy of which is included herein as attachment #5.

In addition, all documentation provided in accordance with the provisions of C.1 and C.2, above, shall fully conform to the applicable Federal Information Processing Standards (FIPS) listed in attachment #6 hereto.

ARTICLE IIDELIVERY

A. Time of Delivery

The following items shall be delivered in accordance with the below listed schedule:

<u>ITEM</u>	<u>QUANTITY</u>	<u>DELIVERY</u>
1. Preliminary research findings in accordance with Article I, Paragraph C.1.a(6)	5 ea.	90 days E.D.C. (following the effective date of the contract)
2. Draft Proposal of weighting of gathered information in accordance with Article I, Paragraph C.1.b(1)	5 ea.	120 days EDC
3. Draft technical discussions of developed vendor selection system in accordance with Paragraph C.1.b(5)	5 ea.	150 days EDC
4. Estimate of I.E. manpower required to maintain and update the system in accordance with Article I, Paragraph C.1.c	5 ea.	150 days EDC
5. Draft I.E. Manual Chapter in accordance with Article I, paragraph C.1.d.	5 ea.	270 days EDC
6. Acceptance test plan in accordance with Article I, paragraph C.1.e. (Government will complete review and provide comments within 20 days of delivery.)	5 ea.	300 days EDC
7. Draft Phase I final report in accordance with Article I, Paragraph C.1.f. (Government will complete review and provide comments within 30 days of delivery.)	5 ea.	335 days EDC

<u>ITEM</u>	<u>QUANTITY</u>	<u>DELIVERY</u>
8. Final acceptance test in accordance with Article I paragraph C.1.e.	5 ea.	365 days EDC
9. Phase I final report, in accordance with Article I, paragraph C.1.f.	5 ea.	395 days EDC
10. Draft Phase II final report, in accordance with Article I, Paragraph C.2. (Government will complete review and provide comments within 15 days of delivery)	5 ea.	700 days EDC
11. Phase II final report, in accordance with Article I, Paragraph C.2.	5 ea.	730 days EDC

Unless otherwise noted above, Government completion of review and submittal of comments on deliverables to the Contractor will take place within between 30 and 45 calendar days of submittal of each deliverable by the Contractor.

B. Place of Delivery

All deliverables required under this contract shall be submitted FOB destination to the below listed address:

U.S. Nuclear Regulatory Commission
Office of Inspection and Enforcement
East West Towers Building
4350 East West Highway, Room 453
Bethesda, MD 20555
Attn: COAR

All deliverables submitted through the mails shall be postpaid, fully insured, and addressed to:

U.S. Nuclear Regulatory Commission
Office of Inspection and Enforcement, Room E-453
Washington, DC 20555
Attn: COAR

Regardless of which means the Contractor selects to submit deliverables, such submittal, by the times specified in paragraph A above, and in a form specified in Article I to this contract shall be the sole responsibility of the Contractor.

END OF ARTICLE II

ARTICLE III

PERIOD OF PERFORMANCE

The period of performance shall commence on the effective date of this contract and shall not extend beyond two (2) years.

ARTICLE IV

PLACE OF PERFORMANCE

The work required under this contract shall be principally performed at the Contractor's office facilities. However, computer related activities, in accordance with Article I, Paragraph C.1.b(2) of this contract shall take place at one of the NRC Headquarters offices (as designated by the COAR) within the Washington, D.C. metropolitan area.

ARTICLE V

CONSIDERATION

- A. It is estimated that the total cost to the Government for full performance of this contract will be _____*, of which the sum of _____* represents the estimated reimbursable costs, and of which _____* represents the fixed fee.
- B. There shall be no adjustment in the total amount of the Contractor's fixed fee by reason of differences between any estimate of cost for performance of the work under this contract and the actual cost of performance of that work.
- C. The amount presently obligated by the Government with respect to this contract is _____*.

ARTICLE VI

OVERHEAD/GENERAL AND ADMINISTRATIVE RATES

Pending the establishment of final overhead and general and administrative rates which shall be negotiated based on audit of actual costs, the Contractor shall be reimbursed for such allowable costs hereunder at the provisional rates of _____*.

ARTICLE VII

DESIGNATION OF CONTRACTING OFFICER'S AUTHORIZED REPRESENTATIVE (C.O.A.R.)

- A. Performance of the work under this contract shall be subject to the written technical direction of the Contracting Officer's Authorized Representative (COAR). The term "technical direction" is defined to include, without limitation:
 - 1. Directions to the Contractor which redirect the contract effort, shift work emphasis between work areas or a task, require pursuit of certain lines of inquiry, fill in details, or otherwise serve to accomplish the contractual work requirements.

* To be specified at award.

2. Provision of written information to the Contractor shall assist in the interpretation of drawings, specifications, or technical portions of the work description.
3. Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government under the contract.

B. Technical direction must be within the scope of work stated in the contract. The COAR does not have the authority, and may not, issue technical direction which:

1. Constitutes an assignment of additional work outside the scope of the contract.
2. Constitutes a change as defined in the contract clause entitled "changes".
3. In any manner causes an increase or decrease in the total estimated contract cost of the time required for contract performance.
4. Changes or waives any of the expressed terms, conditions, or specifications of the contract.
5. Interferes with the Contractor's right to perform the terms and conditions of the contract.
6. Gives supervision to Contractor's employees.

C. If, in the opinion of the Contractor, any instruction or direction by the COAR is within one of the categories as defined in Paragraph B, above, the Contractor shall not proceed but shall notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction or direction and shall request the Contracting Officer to modify the contract accordingly. Upon receiving the notification from the Contractor, the Contracting Officer will do one of the following:

1. Advise the Contractor that the technical direction is within the scope of the contract effort and does not constitute a change under the "changes" clause of the contract;
2. Inform the Contractor not to perform under the direction and to cancel the direction; or
3. Initiate a modification to the contract.

Failure of the Contractor to notify the Government, in accordance with the above instruction, of COAR directions which it may feel falls within one of the six (6) circumstances described in Paragraph B, above, shall be deemed by the Government as the Contractor's acceptance of the direction as not falling within one of the specified categories.

Should the Contractor notify the Government of directions which, it feels, falls within one of the above six (6) categories, and the Contractor and Contracting Officer fail to agree upon the nature of the instruction or direction or upon the contract action to be taken with respect thereto, resolution of the matter shall be subject to the provisions of the contract clause entitled "Disputes."

- D. The Contracting Officer will designate a COAR within seven (7) calendar days of the effective date of this contract. A copy of the letter of designation will be forwarded to the Contractor immediately following designation.

ARTICLE VIII

INSPECTION AND ACCEPTANCE

- A. Inspection of the services and deliverables called for hereunder shall be performed by the COAR.
- B. Acceptance of the services and deliverables called for hereunder shall be accomplished by the Contracting Officer, or the COAR.

ARTICLE IX

BILLING INSTRUCTIONS FOR NRC COST-TYPE CONTRACTS

The Contractor shall submit vouchers in the manner and format described below and as illustrated in the sample voucher.

- A. Form. Invoices shall be submitted on the Contractor's letterhead, invoice form, or on the Government's Standard Form 1034, "Public Voucher for Purchases and Services Other Than Personal," and Continuation Form 1035. These forms are available from the U.S. Government Printing Office, 710 North Capitol Street, N.W., Washington, D.C. 20801.
- B. Number of Copies. Invoices shall be submitted in an original and four (4) copies to the address indicated below in Paragraph H.
- C. Frequency of Billing. The Contractor shall submit invoices no more frequently than once each month unless otherwise authorized by the Contracting Officer.

- D. Billing Following Expiration of the Contract. If allowable costs are incurred during the contract period, but invoicing for such costs takes place after the contract has expired, the specific period during which the invoiced costs were incurred shall be cited by the Contractor.
- E. Currency. Billings may be expressed in the currency normally utilized by the Contractor in maintaining his accounting records. Payments will be made in that currency. However, the U.S. dollar equivalent at the time of billing for all invoices paid under this contract shall not exceed the total U.S. Dollars authorized in the contract.
- F. Withholding of Fee. Fifteen percent (15%) of the fee negotiated under this contract (See Article V, Consideration) shall be withheld by the Contracting Officer. This shall be accomplished by subtracting fifteen percent of the amount billed as fee due from each invoice submitted in accordance herewith. Such withheld amounts shall be retained until the execution and delivery of a release by the Contractor at the conclusion of the period of performance of the contract.
- G. Maintenance of Accounts. The Contractor shall keep and maintain records and books of account which show accurately, and in an adequate manner, the basis for receiving compensation under this contract. The Contractor shall preserve such records and books of account for a period of three (3) years after the date of final payment under this contract. The Government shall, at all reasonable times, prior to and after the date of final payment under this contract, have the right to examine and make copies of such records and books.
- H. Preparation and Itemization of the Voucher. The Contractor shall furnish the information set forth below. The below listed explanatory notes are keyed to the sample voucher found as attachment #7 to this solicitation.
1. Payor's Name and Address. Address the original voucher (with 4 copies) to: U.S. Nuclear Regulatory Commission, Division of Accounting, Office of the Controller, ATTN: GOV/COM Accounts Section, Washington, DC 20555.
 2. Voucher Number. Insert the appropriate serial number of the voucher. This is to be in sequential order beginning with 001 as the number to be used for the first voucher submitted under this contract.
 3. Date of Voucher. Insert the date the voucher is prepared.
 4. Contract Number and Date. Insert the contract number and the date of the contract.

5. Payee's Name and Address. Show the name of the contractor as it appears in the contract and its correct address; except when an approved assignment has been made by the Contractor, or a different payee has been designated, then insert the name and address of the payee.
6. Contract Amount. Insert the total estimated cost of the contract, exclusive of fixed-fee. For incrementally funded contracts enter the amount currently obligated and available for payment.
7. Fixed Fee. Insert total fixed-fee (where applicable).
8. Billing Period. Insert the beginning and ending dates (day, month, and year) of the period in which costs were incurred and for which reimbursement is claimed.
9. Direct Costs. Insert the major cost elements
 - (i)(1) Direct Labor. This consists of salaries and wages paid (or accrued) for direct performance of the contract.
 - (i)(2) Fringe Benefits. This represents fringe benefits applicable to direct labor and billed as a direct cost. Fringe benefits included in direct costs should not be identified here.
 - (i)(3) Capitalized Nonexpendable Equipment. For educational institutions list each item costing \$1,000. or more; for contractors other than educational institutions list each item costing \$200. or more and having a life expectancy of more than one year. List only those items of equipment for which reimbursement is requested. A reference shall be made to the following (as applicable): (1) the item number for the specific piece of equipment listed in the Property Schedule; (2) the Contracting Officer's Approval Letter, if the equipment covered by the Property Schedule; or (3) be preceded by an asterisk (*) if the equipment is below the approval level. Further itemization of vouchers shall only be required for items having specific limitations set forth in the contract.
 - (i)(4) Materials, Supplies, and Noncapitalized Equipment. This is consumable materials and supplies and equipment other than that described in (i)(3) above.
 - (i)(5) Premium Pay. This is remuneration in excess of the basic hourly rate.
 - (i)(6) Consultants' Fee. These are fees paid to consultants.
 - (i)(7) Travel. Domestic travel is travel within the United States, its territories, possessions, and Canada; it should be billed

separately from foreign travel.

(i)(8) Other. List all other direct costs in total unless significant in amount. If significant, list cost elements and dollar amount separately, e.g., subcontracts.

10. Indirect Costs--Overhead. Cite the formula (rate and base) in effect during the time the cost was incurred and for which reimbursement is claimed.
11. Fixed-Fee. If the contract provides for a fixed-fee, it must be claimed as provided for by the contract. Cite the formula or method of computation in accordance with Paragraph F above.
12. Amount Billed for Current Period. Insert the amount billed for the major cost elements, adjustment, and adjusted amounts for the period.
13. Cumulative amount from Inception to Date of this Billing. Insert the cumulative amounts billed for the major cost elements and adjusted amounts claimed during this contract.
14. Total Amounts Claimed. Insert the total amounts claimed for the current and cumulative periods.
15. Adjustments. This includes amounts conceded by the contractor, outstanding suspensions, and disapprovals subject to appeal.
16. Grand Totals.

END OF ARTICLE IX

ARTICLE X

PRESERVATION/PACKAGING/PACKING

All materials to be delivered under this contract shall be afforded the degree of packaging (preservation and packing) required to prevent deterioration and/or damages due to hazards of shipment, handling, and storage. Such packaging shall be accomplished in such a manner as to insure safe delivery at destination.

ARTICLE XI

KEY PERSONNEL

The following individuals are designated as "Key Personnel" under this contract, and as such, are regarded by the Government to be essential to the work being performed thereunder. The Contractor shall notify the Contracting Officer or the COAR at least thirty (30) days prior to diverting any of the below listed individuals from service under this contract.

*

*

*

*To be specified at time of award.

ARTICLE XII

GOVERNMENT FURNISHED MATERIAL

Title to all source data and materials furnished by the Government, together with all plans, drawings, reports, and all other items pertaining to the work and services to be performed pursuant to this contract shall remain vested in the Government. The following material shall be provided by the Government to the Contractor within ten (10) working days after the effective date of this contract and is thus designated as Government Furnished Material in accordance with this article:

- A. Details of the Licensee Contractor and Vendor Inspection Program in accordance with Article I, Paragraph A.
- B. Material on present vendors of equipment and services to NRC licensees in accordance with Article I, Paragraph C.1.a(1).
- C. Materials identifying the categories of equipment and/or services provided by each vendor in accordance with Article I, Paragraph C.1.a(1).
- D. Computer data relating to the manufacturing rate or volume of each vendor of equipment or services in accordance with Article I, Paragraph C.1.a(2).
- E. Copy of Sandia Independent Verification Study in accordance with Article I, Paragraph C.1.a(3).

- F. Licensee Event Report data, reliability data from the Nuclear Plant Reliability Data System (Edison Electric Institute), and to NRC under regulations contained in 10 CFR 50.55(e) and 10 CFR 21, and data on NRC reactor construction and operating inspection experience, all in accordance with Article I, Paragraph C.1.a(4).
- G. Computer data indicating past inspection frequency and duration and the number and nature of previous inspection findings in accordance with Article I, Paragraph C.1.a(5).

ARTICLE XIII

SERVICE CONTRACT ACT WAGE DETERMINATION

This contract is subject to the U.S. Department of Labor Wage Determination Registers that are hereby incorporated by reference and which are included as Attachment #10 hereto. The applicable DOL Wage Determination will be included and numbered as an attachment at time of award.

ARTICLE XIV

PRIVATE USE AND PROTECTION OF UNCLASSIFIED
GOVERNMENT INFORMATION

- A. Except as specifically authorized by this contract, or as otherwise approved by the Project Officer, records or other information, documents and material furnished by the Commission to the contractor in the performance of this contract, or information developed by the contractor in the course of the work hereunder, shall be used only in connection with the work performed under this contract. The contractor shall, upon completion or termination of this contract, transmit to the Commission all records or other information, documents and material, and any copies thereof, furnished by the Commission to the contractor or developed by the contractor in the performance of this contract.
- B. The contractor shall be responsible for safeguarding from unauthorized disclosure any information or other documents and material exempt from public disclosure by the Commission's regulations and made available to the contractor in connection with the performance of work under this contract. The contractor agrees to conform to all regulations, requirements, and directions of the Commission with respect to such material.
- C. The contractor's duties under this clause shall not be construed to limit or affect in any way the contractor's obligation to conform to all security regulations and requirements of the Commission pertaining to classified information and material.

ARTICLE XV

SUBCONTRACTS FOR WORK OR SERVICES

No contract shall be made by the Contractor with any other party for furnishing any of the work or services required herein without the prior written approval of the Contracting Officer. This provision shall not be construed, however, as requiring the prior approval of contracts of employment between the Contractor and personnel assigned by the Contractor to provide services hereunder.

ARTICLE XVI

GENERAL PROVISIONS AND ALTERATIONS THERETO

The General Provisions of this contract consist of the "Appendix A - General Provisions, Cost Type Contracts with Concerns Other Than Educational Institutions," dated February 15, 1978, included herein as Attachment #9 and the alterations thereto, included herein as Attachment #8. Both the General Provisions and the alterations thereto are hereby incorporated as part of this contract.

End of Part III

PART IV - ATTACHMENTS

The following attachments are found in this part:

<u>Attachment No.</u>	<u>Item</u>
1.	Optional Form 60
2.	Examples of NRC Vendor Supplied Equipment and Services
3.	Description of NRC Computer Facilities
4.	Inspection and Enforcement Manual System Chapter 0005
5.	NRC Manual Chapter 3202, "Publication of Unclassified Regulatory and Technical Documents Prepared by NRC Contractors, Including Reports Prepared Under or Pursuant to Interagency Agreements."
6.	List of Applicable Federal Information Processing Standards (FIPS) Publications
7.	Sample Voucher
8.	Alterations to General Provisions
9.	General Provisions, Cost Type Contracts With Concerns Other Than Educational Institutions
10.	Service Contract Act Department of Labor Wage Determination
11.	Contractor Organizational Conflicts of Interest.

INSTRUCTIONS TO OFFERORS

1. The purpose of this form is to provide a standard format by which the offeror submits to the Government a summary of incurred and estimated costs (and attached supporting information) suitable for detailed review and analysis. Prior to the award of a contract resulting from this proposal the offeror shall, under the conditions stated in FPR 1-5.807-3 be required to submit a Certificate of Current Cost or Pricing Data (See FPR 1-3.807-3(h) and 1-5.807-4).

2. In addition to the specific information required by this form, the offeror is expected, in good faith, to incorporate in and submit with this form any additional data, supporting schedules, or substantiation which are reasonably required for the conduct of an appropriate review and analysis in the light of the specific facts of this procurement. For effective negotiations, it is essential that there be a clear understanding of:

- a. The existing, verifiable data.
- b. The judgmental factors applied in projecting from known data to the estimate, and
- c. The contingencies used by the offeror in his proposed price.

In short, the offeror's estimating process itself needs to be disclosed.

3. When attachment of supporting cost or pricing data to this form is impracticable, the data will be described (with schedules as appropriate), and made available to the contracting officer or his representative upon request.

4. The formats for the "Cost Elements" and the "Proposed Contract Estimate" are not intended as rigid requirements. These may be presented in different format with the prior approval of the Contracting Officer if required for more effective and efficient presentation. In all other respects this form will be completed and submitted without change.

5. By submission of this proposal the offeror grants to the Contracting Officer, or his authorized representative, the right to examine, for the purpose of verifying the cost or pricing data submitted, those books, records, documents and other supporting data which will permit adequate evaluation of such cost or pricing data, along with the computations and projections used therein. This right may be exercised in connection with any negotiations prior to contract award.

FOOTNOTES

1. Enter in this column those necessary and reasonable costs which in the judgment of the offeror will properly be incurred in the efficient performance of the contract. When any of the costs in this column have already been incurred (e.g., on a letter contract or change order), describe them on an attached supporting schedule. Identify all sales and transfers between your plants, divisions, or organizations under a common control, which are included at other than the lower of cost to the original transferee or current market price.

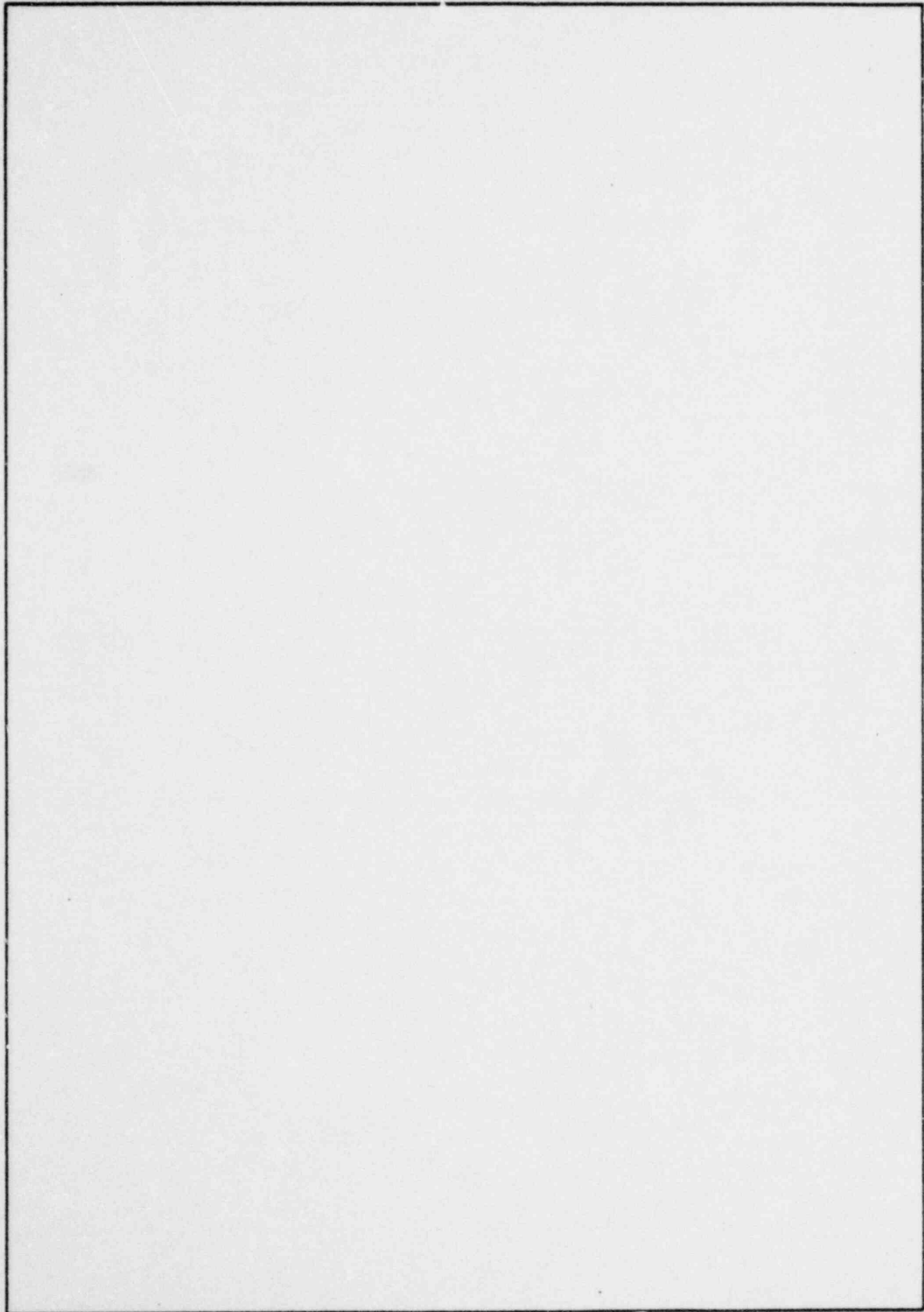
2. When space in addition to that available in Exhibit A is required, attach separate pages as necessary and identify in this "Reference" column the attachment in which the information supporting the specific cost element may be found. No standard format is prescribed; however, the cost or pricing data must be accurate, complete and current, and the judgment factors used in projecting from the data to the estimates must be stated in sufficient detail to enable the Contracting Officer to evaluate the proposal. For example, provide the basis used for pricing materials such as by vendor quotations, shop estimates, or invoice prices; the reason for use of overhead rates which depart significantly from experienced rates (reduced volume, a planned major re-arrangement, etc.); or justification for an increase in labor rates (anticipated wage and salary increases, etc.). Identify and explain any contingencies which are included in the proposed price, such as anticipated costs of rejects and defective work, or anticipated technical difficulties.

3. Indicate the rates used and provide an appropriate explanation. Where agreement has been reached with Government representatives on the use of forward pricing rates, describe the nature of the agreement. Provide the method of computation and application of your overhead expense, including cost breakdown and showing trends and budgetary data as necessary to provide a basis for evaluation of the reasonableness of proposed rates.

4. If the total cost entered here is in excess of \$250, provide on a separate page the following information on each separate item of royalty or license fee: name and address of licensor; date of license agreement; patent numbers, patent application serial numbers, or other basis on which the royalty is payable; brief description, including any part or model numbers of each contract item or component on which the royalty is payable; percentage or dollar rate of royalty per unit; unit price of contract item; number of units; and total dollar amount of royalties. In addition, if specifically requested by the contracting officer, a copy of the current license agreement and identification of applicable claims of specific patents shall be provided.

5. Provide a list of principal items within each category indicating known or anticipated source, quantity, unit price, competition obtained, and basis of establishing source and reasonableness of cost.

CONTINUATION OF EXHIBIT A—SUPPORTING SCHEDULE AND REPLIES TO QUESTIONS II AND V



ATTACHMENT 2

Examples of NRC Vendor-Supplies Equipment
and Services

- A. Equipment vendors of ASME Class 1, 2, and 3 components:
 1. Vessels
 2. Piping
 3. Valves and valve operators
 4. Pumps
 5. Supports
 6. Core support structures

- B. Equipment vendors of IEEE Class 1E components:
 1. Transmitters
 2. Actuators, electric
 3. Thermocouple
 4. RTD
 5. Limit switch
 6. Differential pressure switch
 7. Pressure switch
 8. Solenoid valves
 9. Terminal blocks
 10. Enclosures
 11. Terminal lugs
 12. Motors
 13. Electrical penetrations
 14. Connectors
 15. Level switch
 16. Rotometers

17. Cable
18. Splices
19. Batteries
20. Transformers
21. Diesel generators
22. Switchgear/circuit breakers
23. Relays
24. Motor control centers

C. Vendors of misc. equipment:

1. Radiation monitoring
2. Hydrogen analyzer
3. Neutron monitors (out of core)
4. Containment penetrations

D. Service supplies by NSSS, AE, manufacturers, contractors, and test laboratories associated with the equipment mentioned in A, B, and C or the systems containing such equipment, e.g.:

1. Design
2. Analyses
3. Prototype qualification, structural, functional and environmental
4. Performance testing
5. Procurement
6. Fabrication
7. Shipment
8. Interface activities
9. Installation instructions
10. Operating instructions
11. Maintenance instructions

ATTACHMENT 3

DESCRIPTION OF NRC COMPUTER FACILITIES

I. System Environment*

Computer-IBM 370-168 Large-scale at National Institute of Health (NIH)
Bethesda, Maryland

II. Peripheral Equipment

3 on-line file disk packs

NRC001 IBM 3330

NRC002 IBM 3330

AEC001 IBM 3330

Job entry E/W Towers, Bethesda, Maryland

Rem 77 1-printer, card reader

III. Type of Processing

Batch

TSO

Language-Cobol

- PL/1

IV. Preferred Data Entry

Wylbur or TSO text editor

V. Provided by I/E-PMIS

Magnetic Tapes

Computer Manuals

Computer Account Initials

IE/NRC Documentation Guidelines

U.S. NUCLEAR REGULATORY COMMISSION
OFFICE OF INSPECTION AND ENFORCEMENT

INSPECTION AND ENFORCEMENT MANUAL

CHAPTER

MC 0005 IE MANUAL SYSTEM

0005-01 PURPOSE

The purpose of this chapter is to describe the IE Manual system, and to define appropriate responsibility and authority for preparing and issuing instructions.

0005-02 POLICY

Basic policies and procedures that have overall applicability to IE programs shall be incorporated into the IE Manual.

0005-03 OBJECTIVES

The objectives of the IE Manual system are:

- a. To provide a system to be used to promulgate policy, procedures, inspection objectives, required scopes of inspection, and guidance developed for the Office of Inspection and Enforcement.
- b. To provide a single, flexible, categorized source of information covering all phases of IE operations.

0005-04 DEFINITIONS

041 Policy - A statement of basic IE policy to be followed unless deviations are approved by an appropriate level of management.

042 Procedure - An implementing instruction or a requirement to be followed that normally implements a stated policy.

043 Inspection Procedure - A description of inspection objectives, inspection requirements, and guidance within a specific subject area that defines the scope and depth of inspection during a single or planned series of inspections in order to determine whether a licensee's actions meet NRC requirements and commitments made by the licensee.

044 Guidance - Examples or discussion that are designed to help the IE staff follow procedures and inspections procedures contained in the IE Manual.

0005-05 RESPONSIBILITIES AND AUTHORITIES

051 The Director, Division of Field Operations is responsible for:

- a. Preparing administrative Manual Chapters except for those under the cognizance of the Assistant to the Director.
- b. Administering a system for issuing, printing and distributing all IE Manual issuances and maintaining a stock of all issuances.

052 Directors of Materials Inspection Programs and Reactor Inspection Programs are responsible for:

- a. Preparing programmatic and functional chapters specifying the inspection procedures to be followed and the frequency of inspection.
- b. Preparing other Manual Chapters as assigned.

053 The Assistant to the Director is responsible for preparing administrative Manual Chapters in the areas of personnel; budgeting and control of funds; management controls, data and reports; and other areas as assigned.

054 Regional Directors are responsible for the preparation of Manual Chapters as assigned.

0005-06 ADMINISTRATION CHAPTERS

061 The first 25 chapters of the IE Manual (Chapters 0000 through 2400) are nontechnical in nature and describe the general operating methods of the Office of Inspection and Enforcement. When practical, the nontechnical requirements are written to cover all programs uniformly, i.e., materials, operating reactors, etc.

062 Each chapter will be divided into various Manual Chapters (MC's). For example, Chapter 0200 may contain MC 0205, 0210, 0215, 0216, etc. Some gaps may appear between MC numbers in order to provide flexibility in adding MC's at a later date. Within each MC, there will be a statement of the purpose of the Chapter. This will normally be followed by any necessary definitions and applicable policy statements, together with any needed background information to support the bases for the policy or the intent of the Chapter. Subsequent sections provide implementing procedures and guidance.

063 A Manual Chapter consists of sections (01), subsections (011), and further subdivisions [a., (1), (a). 1, a] as needed. A Manual Chapter may also include enclosures to a section to provide examples, and appendices which may contain supplemental or more detailed instructions and guidance. If a Manual Chapter is sufficiently long, it will contain a table of contents. Pagination will be by consecutive numbers and each page will show the date of issuance.

0005-07 PROGRAMMATIC CHAPTERS

071 Chapters 2500 through 2900 have been designated as the programmatic chapters. They describe the programs of inspection to be conducted by Inspection and Enforcement in fulfillment of its responsibilities as set forth in 10 CFR Part 1.

072 Each chapter will be divided into various Manual Chapters (MC's). A typical subdivision of a programmatic chapter is as follows:

<u>MC</u>	<u>Title</u>
2500	Reactor Inspection Program
2510	Light Water Reactor (LWR) Inspection Program
2511	LWR Inspection Program - Pre-CP Phase
2512	LWR Inspection Program - Construction Phase
2513	LWR Inspection Program - Preoperational Testing and Operational Preparedness Phase
2514	LWR Inspection Program - Startup Phase
2515	LWR Inspection Program - Operations Phase
2516	LWR Inspection Program - Decommissioning and Dismantling Phase
2520	High Temperature Gas Cooled Reactor Inspection Program
2530	Liquid Metal Fast Breeder Reactor Inspection Program
2540	Test and Research Reactors and Critical Facilities
2590	Special Projects

073 The typical format for a programmatic chapter is as follows:

- a. Applicability - Identifies time frame in plant life when program applies, applicability to multi-unit sites, interfaces with other phases of the inspection program, and similar matters.
- b. Objectives - Identifies purpose of the inspection program and general methodology for achievement of the inspection objectives.
- c. Discussion - Identifies the specific inspection procedures that are to be completed by the IE inspector within a specified time period. Describes IE policy pertaining to the inspection program and implementation of same.
- d. Definitions - Establishes the meaning of words, phrases, and symbols used in the inspection program, as appropriate.

074 Programmatic MC's consist of sections (A), subsections (1), and further subdivisions [a., (1.), (a), 1, a] as needed. Pagination is by MC number followed by a sequential number, e.g. 2511-3. Each page will be dated.

0005-08 FUNCTIONAL CHAPTERS

081 Chapters 3000 through 9900 are established to identify the specific inspection requirements that IE inspectors must meet during inspections of licensee and contractor activities. These chapters are arranged by subject matter and consist of individual inspection procedures.

082 Each inspection procedure is subdivided into three sections:

- a. Section I - Inspection Objectives - States the specific objectives of the inspection procedure.
- b. Section II - Inspection Requirements - Describes the specific items to be inspected by IE. This includes sample size and identification of specific systems, components, and records, as appropriate. This section may also specify the method of inspection, i.e., observation, record review, discussion, etc. Inspection requirements are numbered (1), and may be divided into subitems (a.).
- c. Section III - Guidance - Provides additional policy and technical information to the inspector to assist in meeting the inspection requirements. It also may provide references to appropriate industry standards and regulatory guides. Guidance is not provided for all inspection requirements but rather, only for those that are deemed to require additional information. The numbering of guidance items corresponds to the inspection requirement.

083 Each page of the inspection procedures shows in the upper right corner the procedure title, procedure number and issue date. The first two digits of the procedure number designate the chapter of the IE Manual in which the procedure is to be filed. Each Section (I, II and III) will begin on a new page. Pagination is by section number followed by a sequential number, e.g., II-4.

0005-09 INTERPRETATIONS

There are two unnumbered chapters in the IE Manual entitled Interpretations and 10 CFR. These chapters are used to provide guidance to the IE staff as to proper interpretations of Title 10 of the Code of Federal Regulations (10 CFR) and of license and other regulatory requirements. Guidance regarding interpretations of technical specifications, however, is normally found in the applicable functional chapter.

0005-10 TEMPORARY INSTRUCTIONS

101 A system of Temporary Instructions (TI's) is also part of the IE Manual system. The purpose of the TI's is to provide program requirements, both administrative and inspection related, on a systematic basis. Typically, TI's are issued for the following types of situations:

- a. The procedure or policy has a limited life.
- b. Trial use of the instruction is desired.
- c. A change or transition in procedure or policy is expected in the near future.
- d. There is a need for prompt dissemination of the instruction.

102 Specifications for the Temporary Instruction system are as follows:

- a. When possible, TI's are numbered to be related to a particular MC, e.g. 0210/1. When this is not possible, a TI is numbered related to a chapter, e.g. 0200/2. The TI's should be filed in the Manual under the referenced MC or chapter.
- b. The format of TI's may not be structured as formally as the rest of the Manual. In some cases, a TI may take the form of a memorandum which has been incorporated into the system.
- c. TI's normally include an expiration date or reference an event that terminates the instruction.
- d. TI's must be approved by the Director, Division of Field Operations.

- e. TI's are printed on yellow paper and are transmitted by an appropriate Change Notice (see Section 0005-11).

0005-11 CHANGE NOTICES

111 Issuance are transmitted to manual holders by means of Change Notices. These notices are numbered sequentially by calendar year. For example, the 15th issuance in 1975 would have the following number:

CHANGE NOTICE NO. 75-15

The Change Notice lists the Manual Chapter or TI number and any manual page numbers (including dates) that are superseded by the new issuance; the Manual Chapter or TI number, appropriate page numbers, and the date of the new issuance being transmitted; the appropriate distribution; and any clarifying or other appropriate remarks. The Change Notice specifies the date on which the instruction is effective. It should be noted that pen-and-ink changes may be made to existing issuances using the Remarks section of the Change Notice; however, such changes will be kept to a minimum. After making all appropriate changes required by the Change Notice, it should be physically removed from the issuance that it transmitted, and it should be filed in the Change Notices section of the IE Manual.

112 There are no approval signatures on the Change Notice or on the Manual Chapters or TI's. Appropriate concurrences are obtained in Headquarters, however, prior to issuance, and these concurrences are retained in the Headquarters files.

0005-16 NOTICE OF RECEIPT

In order to ensure that instructions have been received by each Regional Office and Director, IE Headquarters, the recipients must notify the Administrative Officer of the receipt of a Change Notice and its attached instructions. For this purpose, Headquarters will send to each Administrative Assistant and Headquarters Director with each Change Notice issued, a notification showing the number of copies sent and the date transmitted. The notification is to be completed to acknowledge receipt and returned to the Administrative Officer.

0005-20 REQUESTS FOR GUIDANCE, PROCEDURE REVISION AND NEW PROCEDURES

201 Requests for guidance on instructions contained in the IE Manual, suggested revisions to existing procedures, and suggestions for new instructions may be initiated by any Regional Office or Headquarters Branch or by the Assistant to the Director. All such requests and suggestions should be addressed to the responsible Director, or to the Director of Field Operations or to the Assistant to the Director, as appropriate. In any case, a copy of the request or suggestion should be sent to the Director of Field Operations. The initiating office should enter the item into the Action Item Tracking System.

202 Requests for guidance should contain a full explanation of the problem and the reasons why the guidance is needed.

203 Suggestions regarding new procedures and revisions to existing procedures should contain as much detailed information as practicable. For revisions to existing procedures, a marked-up copy of the procedure will, in most cases, be useful.

0005-25 COMMENTS ON ISSUANCES

251 Comments from Regional Office and Headquarters staffs on IE Manual issuances are necessary in order to have a useful set of procedures and guidelines for the efficient performance of assigned functions. Although comments and suggestions may be made at any time (c.f. 0005-20), opportunities will be provided when appropriate for review of draft instructions prior to issuance, Temporary Instructions, and periodic review of Manual Chapters.

252 In most instances, drafts of new Manual Chapters will be sent to one or more Regional Offices for comment prior to the instruction being made effective. A due date for comments will be specified. The same procedure may be followed for proposed revisions to existing Manual Chapters, if comments are needed, or if it is felt that implementation is not necessary immediately.

253 For Temporary Instructions where immediate implementation is necessary, but field comments are desired before the instruction is issued as a Manual Chapter, a due date for comments is specified in the Change Notice that transmits the TI. In general, it is advantageous to base comments on experience gained in implementing the TI.

254 For Manual Chapters, a periodic review system will be established such that all Manual Chapters are reviewed over a period of time. Regional Offices and Headquarters Offices will be requested specifically to review selected Manual Chapters periodically.

Form NRC-489
(1-75)

U. S. NUCLEAR REGULATORY COMMISSION
NRC MANUAL
TRANSMITTAL NOTICE

CHAPTER NRC-3202 PUBLICATION OF UNCLASSIFIED REGULATORY AND TECHNICAL DOCUMENTS PREPARED BY NRC CONTRACTORS, INCLUDING REPORTS PREPARED UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS

SUPERSEDED:

Number	Date
Chapter _____	_____
Page _____	_____
_____	_____
Appendix _____	_____

TRANSMITTED:

Number	Date
TN _____ 3200-3	
Chapter _____ NRC-3202	1/25/78
Page _____	_____
_____	_____
Appendix _____ NRC-3202	1/25/78

REMARKS:

This chapter and appendix establish responsibilities, basic requirements, standards and procedures for the documentation, production and dissemination of regulatory and technical reports prepared by NRC consultants and by NRC contractors and their subcontractors, including reports prepared under or pursuant to interagency agreements.

U. S. NUCLEAR REGULATORY COMMISSION
NRC MANUAL

Volume: 3000 Information and Foreign Activities
Part : 3200 Technical Information and Document Control

ADM

Chapter 3202 PUBLICATION OF UNCLASSIFIED REGULATORY AND TECHNICAL
DOCUMENTS PREPARED BY NRC CONTRACTORS, INCLUDING REPORTS
PREPARED UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS

3202-01 COVERAGE

This chapter and its appendix handbook establish responsibilities, basic requirements, standards and procedures for the documentation, production and dissemination of regulatory and technical reports prepared by NRC consultants and by NRC contractors and their subcontractors, including reports prepared under or pursuant to interagency agreements. These reports are hereafter referred to as contractor documents. This chapter does not cover NRC staff-generated documents, environmental impact statements, NRC docket material, or the documents generated by NRC boards, panels and advisory committees.

3202-02 OBJECTIVES

021 To assure production of information and reports as required by the Energy Reorganization Act of 1974 and the Freedom of Information Act.

022 To assure that dissemination of regulatory and technical documents is consistent with requirements for public availability of information on the regulatory process.

023 To assure that national security, patent rights, copyrights, and commercial proprietary rights are not compromised by the release, distribution, or dissemination of information from the NRC.

024 To assure that formal NRC contractor documents will carry the registered NRC designation NUREG as the prime identification.

3202-03 RESPONSIBILITIES AND AUTHORITIES

031 The Director, Office of Administration, develops and maintains, in consultation with Directors of Offices and Divisions, NRC standards, procedures and guides for the production and dissemination of regulatory and technical contractor documents.

Approved: January 15, 1978

- 032 The Director, Division of Technical Information and Document Control:
- a. develops and administers a central document control system for identifying, printing and distributing contractor documents and responding to requests for them.
 - b. develops and maintains guides and standards for the documentation, formatting, printing, dissemination, and public sale of contractor documents.
 - c. assures that a system exists for review of contractor documents for adherence to patent, copyright and security policies prior to dissemination.
 - d. establishes and administers interagency agreements necessary for the dissemination and public sale of contractor documents and controls the duplication and printing of contractor documents to assure adherence to the Government Printing and Binding Regulations issued by the Joint Committee on Printing (JCP), Congress of the United States.
 - e. establishes distribution data banks, maintains official standard distribution lists for automatic distribution of contractor documents, and controls distribution to assure adherence to the Government Printing and Binding Regulations and the Privacy Act (Title 5, U.S.C.).
- 033 Directors, Offices and Divisions:
- a. establish the contract or Standard Order for Work* provisions, including those required by this chapter and its appendix; Chapter NRC-3203, Distribution of Unclassified NRC Staff- and Contractor-Generated Documents and its appendix; Chapter NRC-0260, Printing and Related Activities and its appendix; and NRC Bulletin 1102-6, Procedure for Placement of Work with DOE (to be issued). In those provisions:
 - (1) specify what documents will be reviewed for policy, management, regulatory and legal issues by NRC staff in draft prior to printing and distribution. If the document is to be reviewed by NRC staff, give the conditions under which the contractor may publish documents in the event of unresolvable differences relative to the draft, including the type of disclaimer to be used in addition to the standard government disclaimer (see Exhibit 6).

*In the case of DOE work, this is NRC Form 173, Standard Order for DOE Work.

- (2) provide for the reviews necessary to insure that the national security, patent rights, copyrights, and commercial proprietary rights are not compromised by the release or dissemination of documents. If the contractor is to be authorized to make the review, designate the contractor officials who are authorized to sign NRC Form 426 prior to NRC distribution of documents.
 - (3) specify that all formal documents carry NUREG numbers as the prime identification, as illustrated in the appendix, and that interim documents include the title page indicated in the appendix.
 - (4) specify whether formal documents shall be printed by NRC or the contractor if the contractor has a JCP authorized federal printing plant (see appendix, part III).
 - (5) specify that all formal documents required by NRC shall be distributed by NRC.
 - (6) establish the number of copies the contractor may retain or request for internal and external distribution and charge against NRC. Written justification must be provided to the NRC JCP representative when the number exceeds the 50 copies authorized by JCP.
- b. assure adherence to instructions and authorizations regarding the reproduction and distribution of documents.
 - c. recommend standard distribution category(ies) and provide standard and incidental distribution lists for contractor documents to the contractor and the Division of Technical Information and Document Control.
 - d. provide changes to the official standard and incidental distribution lists to the contractor and the Division of Technical Information and Document Control.

034 Director, Office of the Executive Legal Director, provides legal review and advice to NRC staff on questions regarding inventions, patents, and use of copyrighted material.

035 Director, Division of Security, provides review of documents to assure that national security interests are not compromised by the release.

036 Director, Division of Contracts:

- a. coordinates the flow of all documents to and from contractors where such documents may result in alterations in the terms and conditions of applicable contracts as they pertain to document production and distribution.

Approved: January 25, 1978

- b. advises the contractor as to the source and method for obtaining documents required from the government for performance of the contract.
- c. provides contractor with copies of NRC Manual Chapters 3202, 3203 and 0260, when appropriate.
- d. determines that requests for proposals and invitations for bids and subsequent contracts awarded require contractor compliance with Chapter NRC-3202 and the Government Printing and Binding Regulations, when appropriate.

3202-04 DEFINITIONS*

041 camera-ready copy - copy ready for printing. This is a colloquial term of long standing that is used even though the printing process may not involve the so-called copy camera (see also reproducible masters).

042 central document control system - means for developing and maintaining the policies, procedures and guides needed to identify and produce regulatory and technical documents and to assure adherence to requirements and standards for documentation, formatting, printing and distribution.

043 commercial proprietary right - trade secrets and commercial or financial information obtained from a person and privileged or confidential.

044 contractor document - a document prepared in accordance with the provisions of a contract or under or pursuant to an interagency agreement.

045 copyright - "the exclusive, legally secured right to reproduce (as by writing or printing), publish and sell the matter and form of literary, musical or artistic work..." (Webster's Third International Dictionary). Copyrighted material may not be reproduced without the permission of the author or publisher.

046 disseminate - to announce the publication of documents and make them available for free distribution, sale or copying.

047 distribute - to dispense documents to specific organizations and individuals to assure participation in the regulatory process and support of research and technological investigations. Such distribution may be accomplished by the use of standard distribution data banks established and maintained by the Division of Technical Information and

*Words underscored in definitions are also defined in list.

Document Control based on the requests of the originating Office or Division.

048 document - a printed record or copy thereof (see also report).

049 documentation - includes classification and associated required markings, the NRC document number unique to the document, title (and subtitle, if any), author or correspondent (if any), organization identification and contract number (or interagency agreement number), date and availability.

0410 formal contractor documents - regulatory and technical documents that record the results of contractor or interagency agreement work at principal points in the program. Such documents may include, but are not limited to, quarterly and annual progress reports and final reports. Prior to publication, these documents shall have received the reviews and approvals required by NRC. Such reviews and approvals shall include, but not necessarily be limited to, patent review (if applicable) and security review (if applicable). These reports will carry NUREG designations as the prime identification.

0411 interim contractor documents - regulatory and technical documents prepared in accordance with contract or interagency agreement requirements for recording plans and results during the course of the work. Such documents may include, but are not limited to, informal progress reports, quick-look reports, data reports, status summary reports, project descriptions, pre-test predictions, model verifications, experiment safety analyses, experiment operating procedures, facility certification reports, and test result reports.

0412 NRC program or project sponsor - the NRC individual responsible for the performance of a consultant or a contractor and his subcontractor or work performed under or pursuant to an interagency agreement.

0413 patent review - review by legal staff to assure protection rights in inventions.

0414 publicly available documents - documents which are available in the NRC Public Document Room (PDR) for public inspection and copying.

0415 regulatory and technical documents - documents that have been prepared in support of regulatory investigations and are to become publicly available records. Such documents shall carry unique identification.

0416 report - a regulatory or technical document that is to be printed and disseminated which carries the bibliographic documentation required for storage and retrieval.

0417 reproducible masters - camera-ready copy which includes (1) originals of line drawings (or prints that can be copied), (2) glossy

prints of black and white photographs (colored photographs cannot be reproduced), (3) original typed or printed text, tables, cover, title page, contents and abstract, or (4) other forms of the materials listed in (1), (2) and (3) that are acceptable to a printer who will guarantee to prepare reproducible copy therefrom (see appendix, part IV, for guidelines).

0418 unique identification - NRC identification used on a document and its attachments, revisions, and supplements that is not used on any other document.

3202-05 BASIC REQUIREMENTS

051 Applicability. The provisions of this chapter and its appendix apply to NRC consultants and to NRC contractors and subcontractors, including those working under interagency agreements, whose contracts require the preparation of regulatory and technical documents. Because of the unique requirements of NRC boards, panels and advisory committees which report directly to the Commission, the handling of reports prepared by consultants and contractors to them are governed by the Board or Panel Chairman and, in the case of advisory committees, by the Advisory Committee Management Officer.

052 Forms. NRC Form 426, "Publication Release for Unclassified Formal NRC Staff, Consultant and Contractor Reports" (Exhibit 5) shall be used as provided in the appendix.

053 Appendix 3202. Standards, procedures and methods for managing the production and dissemination of contractor documents are contained in the appendix to this chapter.

054 Preparation Requirements.

- a. Documents to be Printed by NRC. All contractor documents to be printed by NRC shall be prepared according to Appendix 3202. The reproducible masters for the requisite distribution shall be transmitted to the Division of Technical Information and Document Control by the NRC program or project sponsor or the authorized contractor official.
- b. Documents Printed by Authorized Federal Printing Plants or Duplicated by a Contractor. All contractor documents to be printed or duplicated by the contractor (as specified by the contract, agreement, or standard order for work) shall be prepared according to Appendix 3202, and a reproducible master and sufficient copies for standard and incidental distribution shall be supplied to the Division of Technical Information and Document Control accompanied by completed NRC Form 426 signed by the NRC program or project sponsor or the authorized contractor official.

055 References. The NRC manual chapters referenced are available from the Division of Technical Information and Document Control. The other citations are available from the Government Printing Office.

- a. Chapter NRC 0260, "Printing and Related Activities."
- b. Chapter NRC 2101, "NRC Security Program."
- c. NRC Appendix 2101, Part III, "Control of Classified Information and Documents."
- d. NRC Appendix 2101, Part VIII, "Physical Protection of Classified NRC Facilities and Matter."
- e. Chapter NRC 3203, "Distribution of Unclassified NRC Staff- and Contractor-Generated Documents."
- f. NRC Bulletin 1102-6, "Procedure for Placement of Work with DOE" (to be issued).
- g. Title 44, U.S. Code, "Public Printing and Documents."
- h. Government Printing and Binding Regulations of the Joint Committee on Printing, Congress of the United States, No. 24, April 1977 (JCP Regulations).
- i. Title 5, U.S. Code.

NRC Appendix 3202

PUBLICATION OF REGULATORY AND TECHNICAL DOCUMENTS
PREPARED BY NRC CONTRACTORS, INCLUDING REPORTS
PREPARED UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS

HANDBOOK

U.S. NUCLEAR REGULATORY COMMISSION
DIVISION OF TECHNICAL INFORMATION AND DOCUMENT CONTROL

Approved: January 25, 1978

PUBLICATION OF UNCLASSIFIED REGULATORY AND TECHNICAL
 DOCUMENTS PREPARED BY NRC CONTRACTORS, INCLUDING REPORTS
 PREPARED UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS NRC Appendix 3202

CONTENTS

	<u>PAGE</u>
PART I FORMAL CONTRACTOR DOCUMENTS TO BE PRINTED BY NRC.....	1
A. DOCUMENTATION.....	1
1. Applicability.....	1
2. Front Cover and Title Page.....	1
3. Availability Information.....	3
4. Disclaimer.....	3
5. Abstract.....	4
B. PATENT AND SECURITY REVIEWS.....	4
1. Patent Review.....	4
2. Security Review.....	4
C. PROCEDURES FOR PRINTING OR DUPLICATING AND DISTRIBUTING.....	5
1. Printing or Duplicating.....	5
2. Reprinting or Reduplicating.....	5
3. Distribution of Documents.....	5
 EXHIBITS	
1. Sample Cover for Unclassified Formal Contractor- Prepared Documents, Excluding Those Prepared Under or Pursuant to Interagency Agreements.....	6
2. Sample Title Page for Unclassified Formal Contractor- Prepared Documents, Excluding Those Prepared Under or Pursuant to Interagency Agreements.....	7
3. Sample Cover for Unclassified Formal Reports Prepared Under or Pursuant to Interagency Agreements.....	8
4. Sample Title Page for Unclassified Formal Reports Prepared Under or Pursuant to Interagency Agreements....	9
5. NRC Form 426, Publications Release.....	10
6. Disclaimer and Availability Statements.....	11
 PART II INTERIM CONTRACTOR DOCUMENTS TO BE PRINTED BY NRC OR AN AUTHORIZED FEDERAL PRINTING PLANT OR DUPLICATED BY A CONTRACTOR.....	
A. DOCUMENTATION.....	13
1. Applicability.....	13
2. Title Page.....	13

CONTENTS

	<u>PAGE</u>
B. PATENT AND SECURITY REVIEWS.....	13
1. Patent Review.....	13
2. Security Review.....	14
C. PROCEDURES FOR PRINTING OR DUPLICATING AND DISTRIBUTING.....	14
1. Printing or Duplicating.....	14
2. Distribution of Documents Printed by NRC..	15
3. Distribution of Documents Duplicated by Contractor.....	15
 EXHIBIT	
7. Sample Title Page for Interim Contractor Documents To Be Made Publicly Available.....	16
 PART III FORMAL DOCUMENTS TO BE PRINTED UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS BY AGENCIES WITH JCP AUTHORIZED FEDERAL PRINTING PLANTS.....	
A DOCUMENTATION.....	17
1. Applicability.....	17
2. Front Cover and Title Page.....	17
3. Availability and Price Information.....	19
4. Disclaimer.....	19
5. Abstract.....	20
B. PATENT AND SECURITY REVIEWS.....	20
1. Patent Review.....	20
2. Security Review.....	20
C. PROCEDURES FOR PRINTING AND DISTRIBUTING.....	20
1. Printing.....	20
2. Reprinting.....	20
3. Distribution of Documents.....	21
 PART IV GUIDELINES FOR PREPARATION OF MANUSCRIPT AND REPRODUCIBLE MASTERS TO BE PRINTED BY NRC.....	
A. INTRODUCTION.....	23

CONTENTS

	<u>PAGE</u>
B. ORDER OF ELEMENTS IN A REPORT.....	23
C. FRONT MATTER.....	24
1. Cover, Title Page and Disclaimer.....	24
2. Abstract.....	24
3. Guides for Preparing an Abstract.....	25
4. Summary.....	25
5. Table of Contents and Page Numbers.....	25
6. List of Figures.....	26
7. List of Tables.....	26
8. Preface.....	26
9. Acknowledgments.....	26
10. Previous Reports in Series.....	26
Exhibit 8 - Table of Contents.....	27
Exhibit 9 - Table of Contents Using Numbers and Decimals.....	28
Exhibit 10 - Table of Contents for Con- ference Proceedings.....	29
11. Abbreviations and Symbols.....	30
D. TEXT.....	30
1. Title of Report.....	30
2. Introduction.....	30
3. Paper.....	30
4. Typing Instructions.....	30
5. Image Area.....	30
6. Page Numbering.....	30
7. Photocopied Text.....	31
8. Footnotes.....	31
E. BACK MATTER.....	31
1. References.....	31
a. Format.....	31
b. Availability Requirement.....	32
c. Proprietary and Classified Documents.....	32
2. Bibliography.....	32
3. Appendix.....	33
4. Glossary.....	33
5. Distribution List.....	33

CONTENTS

	<u>PAGE</u>
F. GRAPHIC AND TABULAR MATTER.....	33
1. Tables.....	33
2. Figures.....	34
3. Photographs.....	34
4. Special Graphics.....	34
G. EXAMPLES OF REFERENCE CITATIONS.....	34
1. Correspondence.....	34
2. Internal Papers.....	34
3. Personal Communications; Private Communications; Notes Regarding Visits....	35
4. Procedures Manuals.....	35
5. Government Agency Printed Documents and Drafts of Documents to be Printed that Have Been Made Available to the Public for Comment.....	35
6. NRC Contractor Reports and Reports Pre- pared on Interagency Agreements.....	36
7. NRC Applicant Document.....	36
8. Project Documents.....	36
9. Licensee Documents.....	36
10. Books.....	36
11. Conference Papers.....	36
12. Journal Articles, Magazine Articles, Newspaper Articles.....	37
13. University Theses.....	37
14. Codes and Standards.....	37

PUBLICATION OF UNCLASSIFIED REGULATORY AND TECHNICAL
DOCUMENTS PREPARED BY NRC CONTRACTORS, INCLUDING REPORTS
PREPARED UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS NRC Appendix 3202

This appendix provides standards and procedures for the documentation, production and dissemination of regulatory and technical documents that are to be made publicly available and are prepared by contractors or other government agencies in accordance with contract requirements or interagency agreements. It is presented in four parts: Part I - Formal Contractor Documents to be Printed by NRC, Part II - Interim Contractor Documents to be Printed by NRC or Duplicated by Contractor, Part III - Formal Documents to be Printed Under or Pursuant to Interagency Agreements by Agencies with JCP Authorized Federal Printing Plants, and Part IV - Guidelines for Preparation of Manuscripts and Reproducible Copy to be Printed by NRC.

PART I

FORMAL CONTRACTOR DOCUMENTS TO BE PRINTED BY NRC

A. DOCUMENTATION

1. Applicability

- a. The requirements of this part apply to contractor and interagency agreement documents that are to be printed by NRC. Contractors, other than DOE laboratories with authorized federal printing plants, may not print reports prepared for NRC.
- b. With respect to classified documents and documents "For Official Use Only," the requirements set forth in this part shall be used in conjunction with Chapter NRC-2101.
- c. The requirements of this part do not apply to consultants and contractors of the NRC boards, panels, and advisory committees which report directly to the Commission.

2. Front Cover and Title Page

- a. Separate covers and title pages are required (see Exhibits 1 and 2 for contractor reports and Exhibits 3 and 4 for reports prepared under or pursuant to interagency agreements).*

*Reproducible copy of the cover of the performing organization may be submitted; however, the data elements shown in Exhibit 1 must be included.

b. The items shown in Exhibits 1 through 4 and discussed below shall appear on the title page and cover, as appropriate.*

- (1) NRC Document Number. Each document shall be identified by an NRC-controlled alphanumeric number as the prime number unique to that document. The centralized document control system for unique identification is maintained by the Division of Technical Information and Document Control. Numbers may be obtained by calling Division of Technical Information and Document Control or submitting a copy of NRC Form 426 (Exhibit 5) with a request for a number.

The NRC identification number will have the form:

NUREG/CR-1234

The contractor's report number, if any, may be inserted below the NUREG number on the title page and cover, as shown in Exhibits 1 through 4.

When a document consists of more than one volume or binding or is issued in more than one edition, an appropriate volume, supplement, part or revision designation shall appear immediately below the report number.

(2) Title and Subtitle

(a) Use a brief title that indicates clearly the subject matter covered in the document.

(b) When a document is prepared in more than one volume, repeat the primary title on each volume.

(c) If appropriate, show the type of document (e.g., annual report, final report, thesis, etc.) and the period covered as part of the subtitle.

- (3) Personal Author(s)' Name(s). Authors' names should be given on the title page and cover unless this is impractical, as in the case of annual reports which have many contributors. If authors' contributions are as editors, compilers, etc., so indicate on title

*These requirements meet the specifications of American National Standard ANSI Z39.13-1974, Guidelines for Format and Production of Scientific and Technical Reports, and ANSI Z39.23-1974, Technical Report Numbers.

page following the names. In addition, list affiliation of each author only if affiliated with an organization other than the organization generating the document.

(4) Organization Identification. On the title page and cover, provide information of the type illustrated in Exhibits 1 through 4.

(5) Basis for Report Date(s)

(a) The basis for dating may be shown along with the date on the title page. Various bases for dating are possible; e.g., date document completed, date reviews completed, date published, date distributed, etc.

(b) More than one date, with the basis for each, may be shown where this is necessary.

3. Availability Information

All formal documents will be made available for sale by NRC and by the National Technical Information Service (NTIS). The following statements will be inserted on the inside of the front cover (Exhibit 6) by the Division of Technical Information and Document Control:

Available from
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Available from
National Technical Information Service (NTIS)
Springfield, Virginia 22161

4. Disclaimer

The following notice will be added during the printing step on the inside front cover (Exhibit 6): "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, or any of their employees, makes any warranty, expressed or implied, nor assumes any legal liability or responsibility for any third party's use, or the results of such use, of any information, apparatus, product or process disclosed in this report, or represents that its use by such third party would not infringe privately owned rights." The following additional statement, "The views expressed in this report are not necessarily those of the U.S. Nuclear Regulatory Commission" will be printed below the standard disclaimer, if appropriate.

5. Abstract

An abstract of 200 words or less shall be prepared for each formal document. If the abstract is included in the document, it should appear on a separate page between the table of contents and the text.*

B. PATENT AND SECURITY REVIEWS

1. Patent Review

Patent implications shall be considered prior to approval of reports for public release so that disclosure will not adversely affect the patent rights of NRC or the contractor. If the work being reported is contractually managed through another government agency (e.g., DOE laboratories), that government agency should be requested by the contractor to perform the patent review. The result of such review shall be reported on NRC Form 426 in item II (Exhibit 5).

If NRC directly administers the contract or the contractor is unable to obtain a patent clearance from the government agency administering the contract, the responsible NRC contracting officer shall be consulted, and the responsible NRC program or project sponsor shall consider the patent implications. If there is no need for patent review because of the certainty that the document contains no description of novel technical developments which may be of an inventive nature, NRC Form 426 may be completed with the statement "not applicable" or "N/A" in the space for the Patent Counsel's signature. If there is a possibility that there is disclosure of developments of an inventive nature, the contracting officer shall request assistance from the NRC Patent Counsel, Office of the Executive Legal Director.

2. Security Review

In most cases, contractor reports will be unclassified. Should a report of classified work be required, however, the NRC program or project sponsor must work with the NRC Division of Security to establish the appropriate classification procedures and inform the contractor of such procedures through the contracting officer.

*This preferred positioning of the abstract in the document need not be followed if the style manual of the originating organization requires a different location.

C. PROCEDURES FOR PRINTING OR DUPLICATING AND
DISTRIBUTING

1. Printing or Duplicating

Reproducible masters prepared in accordance with this appendix* shall be transmitted to the Division of Technical Information and Document Control, accompanied by completed NRC Form 426 (Exhibit 5). NRC Form 426 must be signed by the NRC program or project sponsor or the authorized contractor official. The Division of Technical Information and Document Control will review the masters for adherence to the standards set forth in this chapter and appendix and will arrange for printing and distributing the document. Unsatisfactory masters will be reported to the program or project sponsor for appropriate contractual action by the contracting officer or, in the case of government agency or interagency agreement work, the publications manager of the performing organization.

2. Reprinting or Reduplicating

Requests for reprinting or reduplicating any document subsequent to the initial printing or duplication require approval of the Division of Technical Information and Document Control. Each request shall include a written justification for the reprinting or reduplicating and a list of recipients and their complete addresses.

3. Distribution of Documents

All copies of formal contractor documents will be distributed by the Division of Technical Information and Document Control in accordance with instructions on NRC Form 426 (Exhibit 5).

If any distribution is to be made other than, or in addition to, the standard distribution established for the document, written justification for printing or duplicating additional copies shall accompany the reproducible masters when submitted to the Division of Technical Information and Document Control.

The final pages of the reproducible masters shall be the distribution list.

*For guidelines, see part III.

EXHIBIT 1

SAMPLE COVER FOR UNCLASSIFIED FORMAL CONTRACTOR-PREPARED
DOCUMENTS, EXCLUDING THOSE PREPARED UNDER OR PURSUANT TO
INTERAGENCY AGREEMENTS

NRC Report No.
Contractor Report No. (if any)
Vol., Part, Rev., etc. (if any)

NUREG/CR-0012
UCLA-ENG-7761

Title

**LMFBR FUEL ANALYSIS
TASK B: POST-ACCIDENT HEAT REMOVAL**

Subtitle and Type of Report
(Annual, Topical, etc.)

Final Report
October 1, 1976 - September 30, 1977

Author(s)

J. Castle N. C. Ostrander
J. M. McDonough I. Catton

Contractor

University of California, Los Angeles

NRC

Prepared for
U. S. Nuclear Regulatory Commission

EXHIBIT 2

SAMPLE TITLE PAGE FOR UNCLASSIFIED FORMAL CONTRACTOR-
PREPARED DOCUMENTS, EXCLUDING THOSE PREPARED UNDER OR
PURSUANT TO INTERAGENCY AGREEMENTS

NRC Report No.
Contractor Report No. (if any)
Vol., Part, Rev., etc. (if any)
Distribution Category No. (if any)

NUREG/CR-0012
UCLA ENG 7761

Title

LMFBR FUEL ANALYSIS
TASK B POST-ACCIDENT HEAT REMOVAL

Subtitle and Type of Report
(Annual, Topical, etc.)

Final Report
October 1, 1976 - September 30, 1977

Author(s), Editor(s),
Compiler(s), etc.

J. Castle N. C. Ostrander
J. M. McDonough I. Catton

Report Dates and Bases

Manuscript Completed: October 1977
Date Published: January 1978

Contractor Name
and Address

School of Engineering and Applied Science
University of California
Los Angeles, CA 90024

NRC Sponsorship

Prepared for
Division of Project Management
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Under Contract No. NRC-03-77-001

NRC Contract No.

EXHIBIT 3

SAMPLE COVER FOR UNCLASSIFIED FORMAL REPORTS PREPARED
UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS

NRC Report No.
Contractor Report No. (if any)
Vol., Part, Rev., etc. (if any)

NUREG/CR-1234
ORNL-6789
Vol. 3, Rev. 2

Title

**A CRITICAL EVALUATION OF THE
NONRADIOLOGICAL ENVIRONMENTAL
TECHNICAL SPECIFICATIONS**

Subtitle

Volume 3
Peach Bottom Atomic Power Station
Units 2 and 3

Author(s)

S. M. Adams
P. A. Cunningham
D. D. Gray
K. D. Kumar
A. J. Witten

Contractor Names

Oak Ridge National Laboratory

NRC Sponsorship

Prepared for
U. S. Nuclear Regulatory Commission

EXHIBIT 4

SAMPLE TITLE PAGE FOR UNCLASSIFIED FORMAL REPORTS PREPARED
UNDER OR PURSUANT TO INTERAGENCY AGREEMENTS

NRC Report No.
Contractor Report No. (if any)
Vol., Part, Rev., etc. (if any)
Distribution Category No. (if any)

NUREG CR 1234
ORNL 6789
Vol 3 Rev 2
R2

Title

**A CRITICAL EVALUATION OF THE
NONRADIOLOGICAL ENVIRONMENTAL
TECHNICAL SPECIFICATIONS**

Subtitle

**Volume 3
Peach Bottom Atomic Power Station
Units 2 and 3**

Author(s)

S. M. Adams
P. A. Cunningham
D. D. Gray
K. D. Kumar
A. J. Witten

Report Dates and Bases

Manuscript Submitted: August 10, 1976
Date Published: April 1977

Contractor Names
and Addresses

Oak Ridge National Laboratory
Oak Ridge, TN 37830
operated by
Union Carbide Corporation
for the
U. S. Department of Energy

NRC Sponsorship

Interagency Agreement No.
NRC FIN No. or
Contract No.

Prepared for
Division of Safeguards, Fuel Cycle and Environmental Research
Office of Nuclear Regulatory Research
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555
Under Interagency Agreement DOE 40 550 79
NRC FIN No. A12347

EXHIBIT 5

1. REPORT NUMBER		Obtain in advance from Division of Technical Information and Document Control	NRC FORM 426 112-771 NRCM 3201	U.S. NUCLEAR REGULATORY COMMISSION
2. DISTRIBUTION CATEGORY NO.		Insert appropriate number from the NRC Distribution Category List	PUBLICATIONS RELEASE FOR UNCLASSIFIED FORMAL NRC STAFF, CONSULTANT, AND CONTRACTOR REPORTS	
3. TITLE AND SUBTITLE (State in full as shown on document.)				
4. AUTHORS (If more than three, name first author followed by "and others.")				
5. ORGANIZATIONAL UNIT (If contract, give organizational unit of author to whom inquiries may be addressed.)				
OFFICE DIVISION		BRANCH UNIT		TELEPHONE NO.
6. REPORT DATE(S)		BASIS FOR EACH DATE (e.g. date manuscript submitted, date date of publication)		
7. CONTRACT NUMBER		8. NAME OF NRC PROGRAM SPONSOR FOR CONTRACT		TELEPHONE NO.
9. TYPE OF DOCUMENT (X) (and)				
<input type="checkbox"/> (a) REGULATORY REPORT (e.g. Environmental Impact Statement, Safety Evaluation Report, etc.) <input type="checkbox"/> (b) TECHNICAL REPORT <input type="checkbox"/> (c) CONFERENCE PAPER (1) TITLE OF CONFERENCE _____ (2) DATE(S) OF CONFERENCE _____ (3) LOCATION OF CONFERENCE _____ <input type="checkbox"/> (d) OTHER (Indicate type of item, e.g. thesis, translation, draft, etc.) _____				
10. RECOMMENDED DISTRIBUTION ("X") (If reproduced by Contractor, send all copies to the Division of Technical Information and Document Control for distribution.)				
<input type="checkbox"/> STANDARD DISTRIBUTION AND NTIS SALE (Documents may be distributed to Distribution Category identified in Item 2 above, and to the NTIS for sale to the public.) <input type="checkbox"/> OTHER (Specify special instructions such as "Make available only as specifically approved by program office," "Send to attached addresses in addition to standard distribution," etc. Such request must be justified. Continue on reverse or separate sheet if necessary.)				
11. ADDITIONAL INFORMATION AND REMARKS (Use this space if necessary to expand on answers given above. Continue on reverse or separate sheet.)				
12. CLEARED		13. SUBMITTED BY		
Forward completed, signed NRC Form 426 together with the related document for review.		a. NAME OF HEAD OF ORGANIZATIONAL UNIT (type or print)		
TO: Patent Counsel Office of Executive Legal Director		b. ORGANIZATIONAL UNIT		
<input type="checkbox"/> a. PATENT CLEARANCE GRANTED <input type="checkbox"/> b. PATENT CLEARANCE NOT GRANTED		c. DIVISION		
c. PATENT COUNSEL'S SIGNATURE		d. SIGNATURE (NRC responsible staff members or authorized contractor official)		
e. DATE		e. DATE		

NRC FORM 426 (12-77) PREVIOUS EDITIONS OF THIS FORM ARE OBSOLETE. EXISTING STOCK MAY BE USED.

EXHIBIT 6
DISCLAIMER AND AVAILABILITY STATEMENTS
(BACK OF COVER)

NOTICE

This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, or any of their employees, makes any warranty, expressed or implied, or assumes any legal liability or responsibility for any third party's use, or the results of such use, of any information, apparatus, product or process disclosed in this report, or represents that its use by such third party would not infringe privately owned rights.

The views expressed in this report are not necessarily those of the U.S. Nuclear Regulatory Commission.

Available from
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Available from
National Technical Information Service
Springfield, Virginia 22161

PART II

INTERIM CONTRACTOR DOCUMENTS TO BE PRINTED BY
NRC OR AN AUTHORIZED FEDERAL PRINTING PLANT OR
DUPLICATED BY A CONTRACTOR

A. DOCUMENTATION

1. Applicability

- a. The requirements of this part apply to contractor documents that are to be printed by NRC or an authorized Federal printing plant or duplicated by a contractor.
- b. With respect to classified documents and documents "For Official Use Only," these requirements shall be used in conjunction with Chapter NRC-2101.
- c. The requirements of this part do not apply to consultants and contractors to the NRC boards, panels, and advisory committees which report directly to the Commission.

2. Title Page

- a. A title page is required for each document. This page may be typed on plain bond and attached to the document.
- b. The items shown in Exhibit 7 and discussed below shall appear on the title page. While the layouts and typefaces need not be exactly the same as in Exhibit 7, the items shall appear in approximately the locations indicated.
 - (1) NRC Accession Number. Each document to be made publicly available will be given a number unique to that document by the Division of Technical Information and Document Control.
 - (2) The other title page items are self-explanatory or are explained in Exhibit 7.
- c. The title page shall be marked "Interim."

B. PATENT AND SECURITY REVIEWS

1. Patent Review

Patent implications shall be considered prior to approval of reports for public release so that disclosure will not adversely

affect the patent rights of NRC. If the work being reported is contractually managed through another government agency (e.g., DOE laboratories), that government agency should be requested by the contractor to perform the patent review. The result of such review shall be reported on NRC Form 426 in item II (Exhibit 5).

If NRC directly administers the contract or the contractor is unable to obtain a patent clearance from the government agency administering the contract, the responsible NRC contracting officer shall be consulted, and the responsible NRC program or project sponsor shall consider the patent implications. If there is no need for patent review because of the certainty that the document contains no description of novel technical developments of an inventive nature, NRC Form 426 may be completed with the statement "not applicable" or "N/A" in the space for the Patent Counsel's signature. If there is a possibility that there is disclosure of developments of an inventive nature, the NRC contracting officer shall request assistance from the NRC Patent Counsel, Office of the Executive Legal Director.

2. Security Review

In most cases, contractor reports will be unclassified. Should a report of classified work be required, however, the program or project sponsor must work with the Division of Security to establish the appropriate classification procedures and inform the contractor of such procedures.

C. PROCEDURES FOR PRINTING OR DUPLICATING AND DISTRIBUTING

1. Printing or Duplicating. Interim documents may be printed by NRC or an authorized Federal printing plant or duplicated (as defined by the Joint Committee on Printing, JCP, U.S. Congress)* by the contractor. If to be printed by NRC, the

*duplicating - as defined by JCP, means that material produced by use of single-unit duplicating equipment with an image area not larger than 11 by 17 inches and which has a maximum image of 10-3/4 by 14 inches: provided that work exceeding 5,000 production units of any one page, and work exceeding 25,000 production units in the aggregate of multiple pages, shall not be done without authority of JCP. Any work exceeding the limits stated above and requiring equipment other than that listed as duplicating equipment in the Government Printing and Binding Regulations must be approved by JCP or requisitioned by the Division of Technical Information and Document Control.

reproducible masters of the document, accompanied by a completed NRC Form 426, must be sent to the Division of Technical Information and Document Control.

2. Distribution of Documents Printed by NRC. The masters of documents to be printed by NRC shall include a list of those to whom the document is to be distributed, complete with organization address and Zip code, or a standard distribution list shall be specified if an applicable one exists.
3. Distribution of Documents Duplicated by Contractor. Interim documents duplicated by the contractor shall be distributed by the contractor or the Division of Technical Information and Document Control. If to be distributed by NRC, the necessary copies and a list of those to whom the document is to be distributed, complete with organization address and Zip code, and a completed NRC Form 426 shall accompany the documents when sent to the Division of Technical Information and Document Control; a standard distribution list may be specified if an applicable one exists.

If distributed by the contractor, two copies of the document shall be sent to the Division of Technical Information and Document Control, along with a list of those to whom copies were distributed and a completed NRC Form 426. An accession number will be assigned before the document is sent to the NRC Public Document Room. A copy of the NRC Form 426 will be returned to the contractor with the accession number assigned.

EXHIBIT 7

SAMPLE TITLE PAGE FOR INTERIM CONTRACTOR DOCUMENTS
TO BE MADE PUBLICLY AVAILABLE

Accession No.
(Will be added by NRC)
Contractor Report No.

Title of Program for Which
Contract Written
Limited Subject of
This Document
Type of Document: Status
Report, Quick-Look
Report, etc.

Individual

Contractor and Address

Interagency Agreement
or Contract No.

INTERIM REPORT

Accession No. _____

Contract Program or Project Title:

Subject of this Document:

Type of Document:

Author(s):

Date of Document:

Responsible NRC Individual and NRC Office or Division:

This document was prepared primarily for preliminary or internal use. It has not received full review and approval. Since there may be substantive changes, this document should not be considered final.

Oak Ridge National Laboratory
Oak Ridge, Tennessee 37830
operated by
Union Carbide Corporation
for the
U.S. Department of Energy

Prepared for
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
Under Interagency Agreement DOE 40-550-75
NRC FIN No. A12347

INTERIM REPORT

PART III

FORMAL DOCUMENTS TO BE PRINTED UNDER OR PURSUANT
TO INTERAGENCY AGREEMENTS BY AGENCIES WITH JCP
AUTHORIZED FEDERAL PRINTING PLANTS

A. DOCUMENTATION

1. Applicability

- a. The requirements of this part apply to NRC staff who are responsible for agreements with other agencies and their contractors who print regulatory and technical documents required by agreements with NRC.
- b. With respect to classified documents and documents "For Official Use Only," the requirements set forth in this part shall be used in conjunction with Chapter NRC-2101.
- c. The requirements of this part do not apply to consultants and contractors to the NRC boards and advisory committees which report directly to the Commission.

2 Front Cover and Title Page

- a. Separate covers (of different paper than that of the text) and title pages are required.*
- b. Items such as those shown in Exhibits 3 and 4 and discussed below shall appear on the front cover and title page, as appropriate.** While layouts and typefaces need not be exactly the same as in Exhibits 3 and 4, the items shall appear in approximately the locations indicated and with the same relative prominence.
 - (1) NRC Document Number. Each document shall be identified by an NRC-controlled alphanumeric number as the prime number unique to that document. The centralized document control system for unique

*The cover stock of the performing organization may be used; however, it must include the data elements shown in Exhibit 3.

**These requirements meet the specifications of American National Standard ANSI Z39.18-1974, Guidelines for Format and Production of Scientific and Technical Reports, and ANSI Z39.23-1974, Technical Report Numbers.

identification is maintained by the Division of Technical Information and Document Control. Numbers may be obtained by calling the Division of Technical Information and Document Control or submitting a copy of NRC Form 426 (Exhibit 5) with a request for a number.

The NRC identification number will have the form:

NUREG/CR-1234

The contractor's report number, if any, may be inserted below the NUREG number on the title page and cover, as shown in Exhibits 3 and 4.

When a document consists of more than one volume or binding or is issued in more than one edition, an appropriate volume, supplement, part, or revision designation shall appear immediately below the report number(s). NRC document numbers on covers and title pages shall be shown entirely on one line to facilitate computer processing.

(2) Title and Subtitle

- (a) Use a brief title, which indicates clearly the subject matter covered in the document.
- (b) When a document is prepared in more than one volume, repeat the primary title on each volume.
- (c) If appropriate, show the type of document (e.g., annual report, final report, thesis, etc.) and the period covered as part of the subtitle.

(3) Personal Author(s)' Name(s)

- (a) Authors' names should be given on the title page and cover unless this is impractical, as in the case of annual reports which have many contributors. If authors' contributions are as editors, compilers, etc., so indicate on title page and cover following the names. In addition, list affiliation of each author only if affiliated with an organization other than the organization generating the document.
- (b) Authors may be identified on backstrips (spines) of bound volumes.

(4) Organization Identification

- (a) On cover, provide the name of the contractor responsible for preparing the document, followed by "Prepared for the U.S. Nuclear Regulatory Commission."
- (b) On the title page, provide information of the type illustrated in Exhibit 4.

(5) Basis for Report Date(s)

- (a) The basis for dating may be shown along with the date on the title page. Various bases for dating are possible; e.g., date document completed, date reviews completed, date published, date distributed, etc.
- (b) More than one date, with the basis for each, may be shown where this is necessary.

3. Availability and Price Information

All formal documents will be made available for sale by NRC and NTIS. The following statement is required on the inside of the front cover (Exhibit 6):

Available from
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Available from
National Technical Information Service (NTIS)
Springfield, Virginia 22161

4. Disclaimer

The following notice shall be added during the printing step on the inside front cover (Exhibit 6): "This report was prepared as an account of work sponsored by the United States Government. Neither the United States Government nor any agency thereof, or any of their employees, makes any warranty, expressed or implied, or assumes any legal liability or responsibility for any third party's use, or the results of such use, of any information, apparatus, product or process disclosed, or represents that its use by such third party would not infringe privately owned rights." The following additional statement, "The views expressed in this report are not necessarily those of the U.S. Nuclear Regulatory Commission" will be printed below the standard disclaimer, if appropriate.

5. Abstract

An abstract of 200 words or less shall be prepared for each formal document. Within the document, the abstract shall appear on a separate page between the table of contents and the text.*

B. PATENT AND SECURITY REVIEWS

1. Patent Review

Patent implications shall be considered prior to approval of reports for public release so that disclosure will not adversely affect the patent rights of NRC or the contractor. The government agency responsible for the interagency agreement with NRC should perform the patent review. The results of such review shall be reported by the agency on NRC Form 426 in item II (Exhibit 5).

2. Security Review

In most cases, consultant, contractor, and subcontractor reports will be unclassified. Should a report of classified work be required, however, the NRC program or project sponsor must work with the Division of Security to establish the appropriate classification procedures and inform the contractor.

C. PROCEDURES FOR PRINTING AND DISTRIBUTING

1. Printing

Contractor documents may be printed only by a JCP authorized printing plant. Documents printed by the contractor and one reproducible master shall be submitted by the NRC program or project sponsor or the authorized contractor official to the Division of Technical Information and Document Control, with completed NRC Form 426. The number of copies specified by the agreement or contract for standard and incidental distribution shall be provided. The appropriate identifying number (NUREG/CR-____) may be obtained as discussed in section A.2.b.(1).

2. Reprinting

Requests for reprinting of any document at NRC expense subsequent to the initial printing require approval of the Division of Technical Information and Document Control. The

*This preferred positioning of the abstract in the document need not be followed if the style manual of the originating organization requires a different location.

request shall include a written justification for the reprinting and a list of recipients and their complete addresses.

3. Distribution of Documents

Each document transmitted to the Division of Technical Information and Document Control shall be accompanied by a recommendation for distribution on NRC Form 426 (Exhibit 5) and sufficient copies for standard and incidental distribution.

PART IV

GUIDELINES FOR PREPARATION OF MANUSCRIPTS AND
 REPRODUCIBLE MASTERS TO BE PRINTED BY NRC

A. INTRODUCTION

These guidelines provide instructions to U.S. Nuclear Regulatory Commission contractors for the preparation of reproducible masters (camera-ready copy) of reports submitted to NRC for printing or duplicating. They are intended for the use of NRC contractors that do not have written editorial standards for manuscript preparation. Organizations with established report preparation staffs and style manuals should use their own procedures and guidelines; this particularly applies to the DOE laboratories.

Adherence to these or similar established guidelines will insure the professional quality and timely publication of NRC contractor reports. Manuscripts submitted which do not adhere to these or similar professional guidelines will be reported to the program or project sponsor for appropriate contractual action by the contracting officer or, in the case of government agency or interagency agreement work, the publications manager of the performing organization.

Questions about the implementation of these guidelines should be addressed to NRC's Division of Technical Information and Document Control, Washington, D.C. 20555; (301) 492-7566.

B. ORDER OF ELEMENTS IN A REPORT

Organize the manuscript according to the following order of elements before submitting it to NRC.

	<u>Element</u>	<u>Page Number</u>	<u>Right or Left Hand Page</u>
Front Matter	Title page	none	Right
	Back of title page	none	Left
	Abstract	iii	Right
	Back of Abstract page	none	Left
	Table of Contents	v	Right
	List of Figures	Small Roman (odd or even)	Right or Left
	List of Tables	Small Roman (odd or even)	Right or Left
	Preface	Small Roman (odd)	Right
	Acknowledgments	Small Roman (odd)	Right
	Abbreviations and Symbols	Small Roman (odd)	Right

<u>Element</u>	<u>Page Number</u>	<u>Right or Left Hand Page</u>	
Introduction	Unnumbered, but considered Arabic 1	Right	
Text	Numbered consecutively throughout in Arabic numerals	Right	
References	Numbered consecutively throughout in Arabic numerals	Right	
Back Matter	Bibliography	Numbered consecutively throughout in Arabic numerals	Right or Left
	First Appendix	Numbered consecutively throughout in Arabic numerals	Right
	Glossary	Numbered consecutively throughout in Arabic numerals	Right or Left
	Distribution Lists	Numbered consecutively throughout in Arabic numerals	Right

When an element ends on a right-hand page and the next element is to start on a right-hand page, leave a blank unnumbered page and skip a number so that the right-hand page starts on an odd page. Right-hand pages are always assigned odd numbers, left-hand pages are always assigned even numbers.

C. FRONT MATTER

1. Cover, Title Page and Disclaimer

The appropriate cover and title page with the information specified in Part I of this Appendix shall accompany each reproducible master.

2. Abstract

An abstract of 200 words or less shall appear in each report. The abstract shall summarize the major points of the report, including what investigations the report covers, and any findings, conclusions, and recommendations. For progress reports, concentrate on status of work to date. The preferred

location for the abstract is between the title page and the table of contents.

For conference proceedings, each paper shall include an abstract of 200 words or less. The abstract shall appear on the first text page of each paper between the title and the text.

3. Guides for Preparing an Abstract

The abstract is a condensed version of the document and should summarize or highlight the major points. It should never exceed one paragraph or 200 words, and should provide a review of the contents of the work in abbreviated form.

The abstract should state what was investigated and give any conclusions reached. A review of the major and minor headings of the report and, in particular, the introduction and conclusion section can be useful in deciding what information to include. The first sentence of the abstract should state the subject of the report.

The writing should be concise; that is, words and ideas that are either repetitious or unnecessary should not be used. Care should be taken, however, to include the article (a, an, the) and transitional words (and, however, but) that are important to readability. The language should be concise, but the abstract should not read like a telegram.

4. Summary

Contractor reports (other than short summary reports) should include a 500- to 1,000-word summary of major findings conclusions and recommendations (if any) of the report. The summary should state the purpose and nature of the investigation, as well as provide a brief account of the procedures used. It should provide a concise overview for persons in management positions. Though more complete than an abstract, the summary should not contain a detailed description of the work on which the findings, conclusions and recommendations were based.

The summary may appear as a separate section between the abstract and the table of contents. It may also be the final section of the text. When it appears between the abstract and table of contents, it is treated as front matter. When it appears as the final section of text, it should be listed in the table of contents and treated as text matter.

5. Table of Contents and Page Numbers

A table of contents shall be provided if the report contains more than 25 pages of text. The table of contents shall list all

major sections of the text, including the front matter. It shall include chapter or section numbers, as well as the title of and page number for each. (See Exhibits 8 and 9 for sample tables of contents.) In reports made up of chapters or papers by different authors, the table of contents shall list the name of each author with the title of the chapter or the paper (see Exhibit 10, for example).

When proofreading the table of contents, insure that the page numbers and wording of chapter and section titles are identical with those in the text.

6. List of Figures

A separate page listing figures shall be included when there are five or more figures in the report. The figure numbers and captions shall correspond to those in the text. Such a list is unnecessary for conference proceedings or symposium compilations.

7. List of Tables

A separate page listing tables shall be included if there are five or more tables in the report. The table numbers and titles shall correspond to those in the text. Such a list is unnecessary for conference proceedings or symposium compilations.

8. Preface (Optional)

The preface is the author's statement about the purpose, background, or scope of the work. It can also contain acknowledgments of help received during the course of the work, if the acknowledgments do not run over several paragraphs. The preface can also cite permission obtained for use of previously published work. The author's name shall appear at the end of the preface with his title, affiliation, and the date.

9. Acknowledgments

Unless they are more than one page long, acknowledgments shall appear in the preface.

Acknowledgments, if extensive, shall follow the preface on a separate page and carry a small Roman page number.

10. Previous Reports in Series

If the report under preparation is one in an ongoing series, list all previous reports in the series. Include report number and issuance dates.

Exhibit 8

TABLE OF CONTENTS

Abstract.	iii
List of Figures	right roman
List of Tables.	right roman
Preface	right roman
Acknowledgments	right roman
Previous Reports.	right roman
I. Introduction	1
A. Background.	3
B. Overview and Objectives of Study.	8
II. Experimental Apparatus and Procedure	10
A. Experimental Apparatus.	15
B. Experimental Procedure.	19
III. Results.	22
IV. Discussion	25
References.	35
Bibliography.	37
Appendixes	
A. Thermophysical Property Values.	39
B. Experimental Data	41
Glossary.	47

Exhibit 9

CONTENTS

ABSTRACT iii

SUMMARY. right roman

1. INTRODUCTION. 1

2. EXPERIMENT DESIGN 3

 2.1 Test Train 3

 2.2 Flow Shroud. 3

 2.3 Fuel Rods. 8

 2.4 Instrumentation. 10

 2.4.1 Test Train Instrumentation. 10

 2.4.2 Fuel Rod Instrumentation. 12

3. EXPERIMENT CONDUCT. 16

 3.1 Preconditioning. 17

 3.2 Power Increase and Steady-State Operation. 25

 3.3 Flow Reduction 26

4. PRELIMINARY POSTIRRADIATION EXAMINATION RESULTS 33

 4.1 Visual and Dimensional Characterization. 33

 4.1.1 Rod IE-007. 33

 4.1.2 Rod IE-008. 38

 4.1.3 Rod IE-009. 38

 4.1.4 Rod IE-010. 40

 4.2 Discussion 40

5. EXPERIMENTAL RESULTS AND COMPARISON OF CALCULATED
 AND MEASURED FUEL ROD BEHAVIOR. 42

 5.1 Analytical Model 43

 5.1.1 Fuel Rod Model. 43

 5.1.2 Experimental Conduct Model. 44

 5.2 Cladding Elongation. 44

Exhibit 10

CONTENTS

OPENING REMARKS (W. P. Bishop)	1
TOPIC I: VALUES AND IMPACTS OF WASTE PARTITIONING.	5
Partitioning--An ERDA Overview (R. D. Walton, Jr., V. G. Trice, Jr., and K. D. Dance)	6
Discussion	22
Partitioning--Fired or Foe? (J. W. Bartlett).	24
Discussion	34
A Program to Establish the Technical Feasibility and Incentives for Partitioning (J. O. Blomeke).	38
Discussion.	49
The Impact of Partitioning on the Fuel Fabricator (I. E. Knudsen and B. H. Neuman)	53
Discussion.	62
Projected Benefits from Actinide Partitioning (C. Braun and M. Goldstein).	64
Discussion.	76
TOPIC II: HAZARDS IN RADIOACTIVE WASTE DISPOSAL.	80
Potential Environmental Advantages from Partitioning of Radioactive Waste (J. L. Russell)	81
Discussion.	89
Other than High-Level Waste (G. R. Bray)	95
Discussion.	105
Environmental Hazards from High-Level Waste (B. L. Cohen).	107
Discussion.	127

II. Abbreviations and Symbols

When the abbreviations and symbols used in the report are numerous, and when there is a possibility they will not be understood by the intended audience, include a separate section for them. The list, labeled as such, shall appear as the last item of the front matter on a new right-hand page.

D. TEXT

1. Title of Report

The title of the report shall be repeated on the first page of text. It shall be centered at the top of the page, like a chapter or section title.

2. Introduction (Optional)

Not every report needs an introduction. Where background information essential to an understanding of the text is necessary, include an introduction. Otherwise, background information shall be included in the preface.

The introduction follows the preface (or acknowledgments), beginning on a new page. As the first text page, it shall be unnumbered but considered as page number 1. If there is no introduction, begin the report with the first major text heading, after repeating the report title.

3. Paper

Plain, white, bond paper shall be used. Company letterhead is not acceptable.

4. Typing Instructions

Paragraphs shall be single spaced and typed flush left in block style (no paragraph indentations). Double space between paragraphs, triple space before headings, and double space after headings.

5. Image Area

The image areas for typing shall be 6 x 8-1/2 in.

6. Page Numbering

Pages shall be numbered consecutively throughout, with small Roman numerals for all front matter and Arabic numerals for all text and back matter. The report will be printed on both sides of the paper; therefore, all left-hand pages must carry even numbers, and all right-hand pages, odd numbers.

New chapters may begin on a new page; either a left- or right-hand page. Page numbers shall be centered one-half inch above the bottom of the typing guide. Guidelines for numbering pages containing figures or tables are found in a later section on Graphic and Tabular Matter.

7. Photocopied Text

Pages reproduced by photocopying machines are not acceptable as camera-ready material. Photographically reproduced pages (using photographic print paper) are acceptable.

8. Footnotes

Footnotes in the body of the report shall be used only for explanatory material not extensive enough to comprise an appendix.

Notes citing references to literature used in the preparation of the report shall appear as part of the references (see item G, below).

Footnotes shall appear at the bottom of the text page between the last line of text and the page number; that is, the last line of the footnote shall be on the bottom line of the 6 x 8-1/2 in. typing guide. A double space shall appear between the last line of text and the first line of the footnote. A 20-space line shall appear above the first footnote.

Single, double or triple asterisks or daggers shall be used to mark footnotes in the text and at the bottom of the page.

E. BACK MATTER

1. References

- a. Format. Citations of source documents in technical and research reports shall be numbered consecutively in the order in which they appear in the text and collected in a reference section. For short reports (20 pages or less), the reference section shall appear at the end of the report directly following the text. For long reports, reference sections shall appear at the end of each chapter or major section. In either case, reference sections are labeled as such and may begin at the end of the text or on a new page. For reports with more than one reference section, if a citation appears in separate chapters or sections, it shall be repeated in each appropriate reference section.

Multiple line citations shall be typed single space, with double spacing between citations.

The second and subsequent lines of an entry shall be typed flush with the same margin as the first line so that the reference number stands out. (See item G for guidelines on how to cite specific references.)

- b. Availability Requirement. The provisions of 10 CFR 2.740 and 10 CFR 9.4 require that written, reproducible material used as source material in NRC regulatory and technical documents produced by its contractors and subcontractors be readily available for inspection and copying or be documents ordinarily available from a public library. Accordingly, reference citations must be presented in a format recognizable by a librarian. Citations to information not available in the open literature shall state where the document can be purchased or copied. Give purchase price, if known (see item G for guidelines).
- c. Proprietary and Classified Documents. When nonproprietary or unclassified (or declassifiable) information contained in proprietary or classified documents must be used as source material, it should be (1) inserted in the body of the text or as a footnote to the text, (2) copied and placed in an appendix, or (3) abstracted and made available for inspection and copying for a fee at the NRC Public Document Room. If alternative (3) is chosen, the abstract should be referenced in the reference list in the appropriate sequence.

In some instances, reference to classified or proprietary documents cannot be avoided because those documents are the only source for the material. The documents are required, however, to be withheld from the public. Nevertheless the public must be made aware that such documents served as the bases for the material presented. Accordingly, proprietary documents and classified documents (omit the title if the title is classified) may be referenced when necessary. This type of reference should include a statement such as the following: This document is not publicly available because it contains proprietary (or national security) information.

2. Bibliography

Citations of other documents pertinent to the subject but not referenced in the text shall be listed in a bibliography. Bibliographic entries shall be arranged alphabetically by personal or corporate author name.

The bibliography, labeled as such, shall follow the last reference section in the text and begin on a new page, either right or left.

3. Appendix

The appendix shall comprise information supplemental to the report. The types of material to be placed in the appendix are (a) explanations too long for footnotes but helpful to the reader seeking further assistance or clarification, (b) passages from documents or laws that support or illustrate the text, or (c) long charts or tables.

The first appendix shall appear on the first right-hand page directly after the reference section or bibliography. Each additional appendix shall begin on a new page, either right or left. Each appendix shall be identified by a title and heading centered above the text.

4. Glossary

A glossary shall be included if the report contains many terms that will be unfamiliar to the intended audience. Terms shall be arranged alphabetically, with each new entry beginning on a new line. Definitions shall follow the term on the same line, dictionary style.

The glossary, labeled as such, shall appear directly after the appendix, beginning on a new page, either right or left.

5. Distribution List

The distribution list shall cite the NRC distribution category and any supplemental distribution the report is to receive. The supplemental recipients shall be listed by title and complete address, including Zip Code. It shall begin on a right-hand page.

F. GRAPHIC AND TABULAR MATTER

1. Tables

Each table shall have a number, in Arabic numerals, and a title. The table number and title shall be centered above the table. Tables shall be numbered sequentially throughout the text or double-numbered by chapter, such as 1.4, 5.6, etc.

Tables shall be referred to in the text by number rather than by direction ("Table 4" rather than "the above table"). When a table must be continued from one page to the next, the table number ("Table 3, Continued") and the column headings shall be repeated at the head of the new page.

Pages containing full-page tables shall be numbered in the same manner as regular text pages.

2. Figures

Each figure shall have a number, in Arabic numerals, and a title. The figure number and title shall be placed below the figure. Figures shall be numbered sequentially throughout the text or doubled-numbered by chapter, such as 1.4, 5.6, etc.

Figures shall be referred to in the text by number rather than by direction ("Figure 3" rather than "the figure below").

Pages containing full-page figures shall be numbered in the same manner as regular text pages.

3. Photographs

Only continuous-tone glossy black and white prints are acceptable. The following types are not acceptable: color prints and prescreened or half-tone prints or plates. All photographs shall be mounted and the title, number, and page number placed on the page. Photographs shall be considered as figures with respect to numbers and title.

4. Special Graphics

Special graphics include oversized engineering drawings and foldouts. Instructions for handling special graphics shall be provided for each document, where appropriate.

G. EXAMPLES OF REFERENCE CITATIONS

1. Correspondence

Letter from D. B. Blackman, Georgetown Municipal Utility, to R. A. Gilbert, NRC, Subject: Answers to NRC Questions on Docket 50-825, dated January 31, 1975. Available in NRC PDR for inspection and copying for a fee.

2. Internal Papers

Internal papers, such as technical notes and minutes of meetings should not be referenced unless they are already available in the NRC Public Document Room (PDR) or will be made available in the PDR prior to issuance of the report. For a technical note, list author (if any), title, and date, and state that it is "available in the NRC PDR for inspection and copying for a fee." The same format is applicable to minutes of meetings. Calculations and working papers should not be referenced. If the information in them is pertinent to the text of the report, it should be made part of the report as text, footnote, or appendix.

3. Personal Communications, Private Communications, Notes
Regarding Visits

References of the following type should not be used:

J. G. Facer, ERDA Grand Junction Office, personal communication to M. B. Sears, Oak Ridge National Laboratory, December 16, 1975.

Staff visit to the Exxon mine waste dump, Converse County Wyoming, April 12, 1972.

In both instances place these remarks directly in the text, since they do not represent any retrievable information.

4. Procedures Manuals

Procedures manuals should not be referred to unless they are normally available. The citation should give sufficient information to indicate where they can be obtained. If specific procedures are pertinent, they can be reiterated in the text without reference to documents.

5. Government Agency Printed Documents and Drafts that Have
Been Made Available to the Public for Comment

For draft reports:

U.S. Nuclear Regulatory Commission, "Draft Generic Environmental Statement on the Use of Recycle Plutonium in Mixed Oxide Fuel in Light Water Cooled Reactors," USNRC Report NUREG-0002, Vols. 1-5, April 1976. Available in NRC PDR for inspection and copying for a fee.

If specific pages are being referenced, insert volume and page numbers following the title; e.g., Vol. 4, pp. 10-20, 500-730.

For final reports:

U.S. Nuclear Regulatory Commission, "Final Generic Environmental Statement on the Use of Recycle Plutonium in Mixed Oxide Fuel in Light Water Cooled Reactors," USNRC Report NUREG-0002, Vols. 1-5, August 1976. Available for purchase from National Technical Information Service, Springfield, Virginia 22161.

R. O. Meyer, "The Analysis of Fuel Densification," USNRC Report NUREG-0085, p. 48, July 1976. Available for purchase from National Technical Information Service, Springfield, Virginia 22161.

6. NRC Contractor Reports and Reports Prepared on Interagency Agreements

M.A.M. Shinaishin, University of Arizona, "Dynamic Simulation of a Sodium-Cooled Fast Reactor Power Plant," p. 196, USNRC Report NUREG-0110, September 1976. Available for purchase from National Technical Information Service, Springfield, Virginia 22161.

G. L. Bordner and others, "Pretest Analysis SLSF In-Reactor Experiment 62," USNRC Accession No. 771090001, prepared for NRC by Argonne National Laboratory, October 1976. Available in NRC PDR for inspection and copying for a fee.

7. NRC Applicant Document

Exxon Nuclear Company, "Preliminary Safety Analysis Report," Vol. 3, p. 5.4-3, Nuclear Fuel Recovery and Recycling Center, Docket 50-564, April 1976. Available in NRC PDR for inspection and copying for a fee.

8. Project Documents

The format given in item G.7 for applicant documents may be used for project documents, with the docket number replaced by the project number.

9. Licensee Documents

The format given in item G.7 for applicant documents may be used for licensee documents, with the docket number or the license number.

10. Books

S. Glasstone, Sourcebook on Atomic Energy, p. 155, D. Van Nostrand Co., Inc. New York, 1974.

11. Conference Papers

Unpublished conference papers should not be referenced. The information being used should be stated in the text and credit to the originator given in text or footnote. If the originator can supply a paper, it may be placed in an appendix and mentioned in the text.

Published conference papers should be referenced as follows:

J. L. Russell, "Potential Environmental Advantages from Partitioning of Radioactive Waste," p. 83 in Proceedings of

the Conference on the Management of Radioactive Waste: Waste Partitioning as an Alternative, USNRC Conference Report CONF-001, June 1976. Available for purchase from National Technical Information Service, Springfield, Virginia 22161.

12. Journal Articles, Magazine Articles, Newspaper Articles

S. D. Shearer and C. W. Still, "Evaluation of Atmospheric Radon in the Vicinity of Uranium Mill Tailings," Health Physics 17, 77-88 (1976). Available in public technical libraries.

"Why the Nuclear Power Race Worries the U.S.," p. 68, Business Week, August 23, 1976. Available in public libraries.

"Argentina Says It Has Atom Fuel To Triple Its Electrical Capacity," p. 53, The New York Times, August 31, 1976. Available in public libraries.

13. University Theses

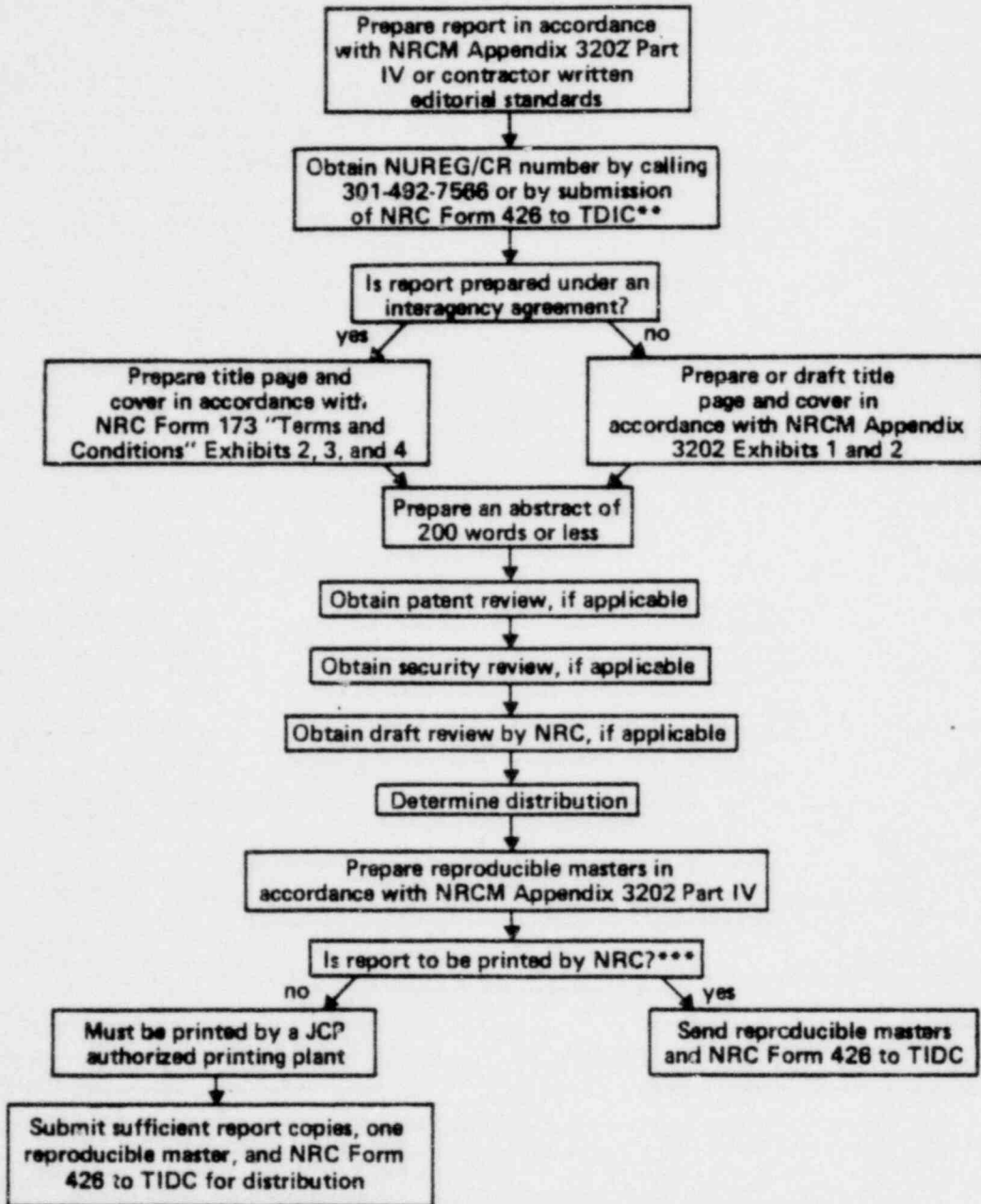
J. J. Jacobs, "Programming Language I for the Varian PLCU," Master's Thesis, p. 70, North Carolina University, 1971.

14. Codes and Standards

"American National Standard Requirements for Collection, Storage and Maintenance of Quality Assurance Records for Nuclear Power Plants," ANSI N45.2.9 1974. Available from American National Standards Institute, 1430 Broadway, New York, N.Y. 10018, Copyrighted.

"Draft American National Standard Requirements for Collection, Storage, and Maintenance of Quality Assurance Records for Nuclear Power Plants," ANSI N45.2.9, Rev. 1, Draft 1, February 1976. Available from The American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

Exhibit 11
U. S. Nuclear Regulatory Commission
PROCEDURES FOR PUBLICATION OF
FORMAL CONTRACTOR DOCUMENTS*



*See NRCM 3202 or NRC Form 173 "Terms and Conditions," item 12, for definition. Complete procedures (NRCM 3202) and forms may be obtained by calling 301-492-7566.

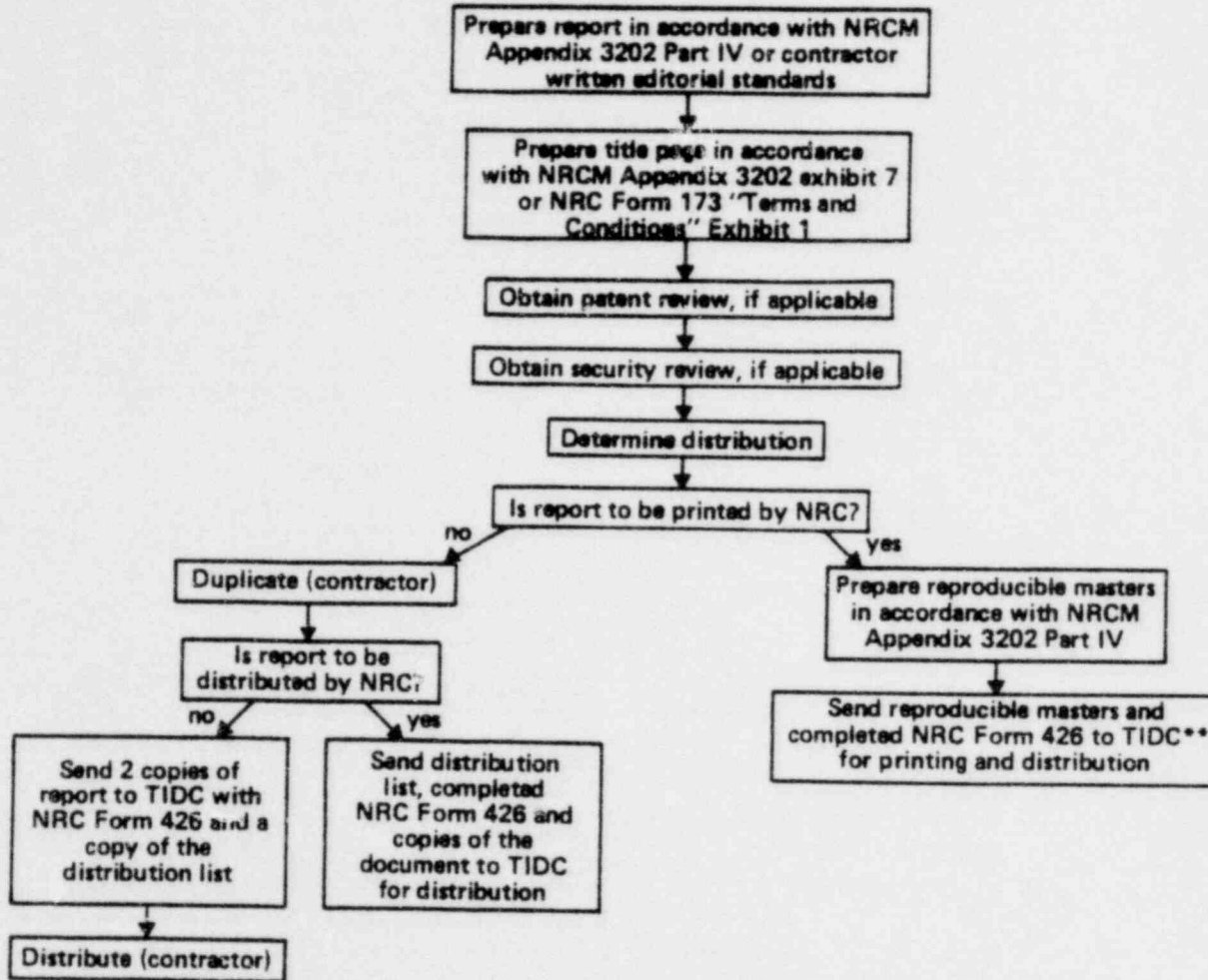
**Division of Technical Information and Document Control, Landow 212, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555.

***If DOE contractor, see NRC Form 173 "Terms and Conditions," item 12, for printing authorizations. If not DOE contractor or other government agency, printing must be done by NRC.

Contact: 1. NRC Technical Monitor for contract or Standard Order for Work.

2. Division of Technical Information and Document Control, Telephone 301-492-7566.

U. S. Nuclear Regulatory Commission
PROCEDURES FOR ISSUANCE OF
INTERIM CONTRACTOR REPORTS*



*Send NRCM 3202 or NRC Form 173 "Terms and Conditions," item 12, for definition. Complete procedures (NRCM 3202) and forms may be obtained by calling 301-492-7566.

**Division of Technical Information and Document Control, Landow 212, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555.

Contact: 1. NRC Technical Monitor for contract or Standard Order for Work.

2. Division of Technical Information and Document Control, Telephone 301-492-7566.

List of Applicable Federal Information Processing
Standards (FIPS) Publications

<u>Number</u>	<u>Title</u>
21-1	Acquisition of Cobol Programs and/or Programming Services
24	Flow-chart Symbols and Their Usage in Information Processing
46	Data Encryption Standard
4	Calendar Date
5-1	States and Outlying Areas of the United States
6-2	Counties and County Equivalents of the States of the United States
8-4	Standard Metropolitan Statistical Areas
9	Congressional Districts of the United States
10-2	Countries, Dependencies and Areas of Special Sovereignty
38	Guidelines for Documentation of Computer Programs and Automated Data Systems

The above FIPS PUBS may be ordered from:

National Technical Information Service
U.S. Department of Commerce
Springfield, Virginia 22161
Telephone: (703) 557-4650

SAMPLE VOUCHER	
(a) Payor's Name and Address The U. S. Nuclear Regulatory Commission Division of Accounting, CON Attention: Gov/Com Accts Section Washington, DC 20555	(b) Voucher No. (c) Date Voucher Prepared (d) Contract No. and Date
(e) Payee's Name and Address ABC CORPORATION 100 Main Street Anywhere, U.S.A. "or" The National Bank, Anywhere, U.S.A. Assignee for ABC Corporation Anywhere, U.S.A. (When Payments are Assigned)	(f) Total Estimated Cost of Contract (g) Total Fixed-Fee
(h) This voucher represents reimbursable costs from <u>July 1, 1977</u> through <u>July 31, 1978</u>	
(i) Direct Costs	(l) Amount Billed for Current Period (m) Cumulative Amount From Inception to Date of this Billing
(i)(1) Direct Labor	\$ 3,400 \$ 6,800
(i)(2) Fringe Benefits	600 1,200
(i)(3) Capitalized Nonexpendable Equipment	5,000 8,000
(i)(4) Materials, Supplies and Noncapitalized Equipment	2,000 4,000
(i)(5) Premium Pay	100 150
(i)(6) Consultant's Fee	100 100
(i)(7) Travel — Domestic	200 200
Foreign	200 200
(i)(8) Other	-0- -0-
Total Direct Costs	\$11,600 \$20,650
(j) INDIRECT COSTS	
% of Direct Labor or Other Base (Formula)	4,000 6,000
(k) FIXED-FEE EARNED (Formula)	700 1,400
(n) Total Amounts Claimed	\$16,300 \$28,050
(o) Adjustments	
Outstanding Suspensions	(1,700)
(p) Grand Totals	\$16,300 \$26,350

Alterations to the General Provisions

1. The Clause entitled, "Service Contract Act of 1965," as amended, attached hereto and forming a part hereof, is added as Clause #62.
2. The following clause, entitled "NRC-Furnished Proprietary Information" is added as Clause #63:

Clause #63

NRC-Furnished Proprietary Information

In connection with the performance of work under this contract, the Commission is furnishing herewith for your review and evaluation, certain trade secrets or confidential or privileged commercial or financial information determined by the Commission to be otherwise exempt from public inspection or disclosure. It is understood that you agree to hold such information in confidence and, except as may be necessary under the terms of this contract, you will not directly, indirectly, or otherwise use, disclose, duplicate or disseminate the information in whole or in part to any other person or organization. It is further understood that you will return this information to the Commission at the conclusion of your use.

3. Clause #56, entitled "Preference for U.S. Air Carriers" is deleted in its entirety.
4. The clause entitled "Privacy Act" attached hereto and forming a part hereof is added as Clause #64.

APPENDIX A - GENERAL PROVISIONS

Cost-Type
Contracts with Concerns Other Than Educational Institutions

<u>General Provisions</u>	<u>Page</u>
1. Definitions.....	1
2. Changes.....	1
3. Limitation of Funds.....	2
4. Limitation of Cost.....	4
5. Allowable Cost, Fee and Payment.....	5
6. Standards of Work.....	7
7. Inspection and Correction of Defects.....	7
8. Assignment.....	9
9. Examination of Records by Comptroller General.....	9
10. Subcontracts.....	10
11. Utilization of Small Business Concerns.....	12
12. Termination for Default or Convenience of the Government.....	12
13. Disputes.....	17
14. Buy American Act.....	18
15. Convict Labor.....	19
16. Contract Work Hours and Safety Standards Act-Overtime Compensation.....	19
17. Equal Opportunity.....	20
18. Officials Not to Benefit.....	21
19. Covenant Against Contingent Fees.....	21
20. Notice and Assistance Regarding Patent and Copyright Infringement.....	22
21. Patents.....	22
22. Government Property.....	30
23. Nuclear Hazards Indemnity-Product Liability.....	35
24. Utilization of Labor Surplus Area Concerns.....	37
25. Audit and Records.....	38
26. Price Reduction for Defective Cost or Pricing Data.....	39
27. Price Reduction for Defective Cost or Pricing Data-Price Adjustments.....	40
28. Subcontractor Cost and Pricing Data.....	41
29. Utilization of Minority Business Enterprises.....	42
30. Listing of Employment Openings.....	43
31. Payment of Interest on Contractor's Claims.....	46
32. Employment of the Handicapped.....	46
33. Clean Air and Water.....	47
34. Negotiated Overhead Rates.....	48
35. Notice to the Government of Labor Disputes.....	49
36. Required Source for Jewel Bearing.....	50
37. Cost Accounting Standards.....	52
38. Administration of Cost Accounting Standards.....	55
39. Notice Regarding Late Delivery.....	56
40. Key Personnel.....	56
41. Excusable Delays.....	57
42. State and Local Taxes.....	57
43. Copyright.....	58

APPENDIX A - GENERAL PROVISIONS (Cont'd)

General Provisions (Cont'd)

	<u>Page</u>
44. Patent Indemnity.....	59
45. Copyright Indemnification of Government.....	59
46. Litigation and Claims.....	59
47. Renegotiation.....	60
48. Permits.....	60
49. Consultant or Comparable Employment Services of Contractor Employees.....	61
50. Safety, Health and Fire Protection.....	61
51. Security.....	61
52. Contractors Organization.....	63
53. Private Use of Information and Data.....	63
54. Drawings, Designs, Specifications.....	63
55. Contractor Procurement.....	64
56. Preference for U.S. Flag Air Carriers.....	64
57. Authorized Representative.....	65
58. Stop Work Order.....	66
59. Publication and Publicity.....	67
60. Dissemination of Contract Information.....	67
61. Work for Others.....	68

APPENDIX A
U. S. NUCLEAR REGULATORY COMMISSION
GENERAL PROVISIONS FOR COST-TYPE CONTRACTS

Contracts with Concerns Other Than Educational Institutions

1. DEFINITIONS (1-7.102-1 and 9-7.5005-4)

As used throughout this contract, the following terms shall have the meaning set forth below:

(a) The term, "head of the agency" or "Secretary" as used herein means the Secretary, the Under Secretary, and Assistant Secretary, or any other head or assistant head of the executive or military department or other Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the head of the agency or the secretary.

(b) The term "Commission" means the United States Nuclear Regulatory Commission or any duly authorized representative thereof, including the Contracting Officer except for the purpose of deciding an appeal under the article entitled "Disputes."

(c) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.

(d) Except as otherwise provided in this contract, the term "subcontracts" includes purchase orders under this contract.

2. CHANGES (1-7.404-5)

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

- (i) Drawings, designs, or specifications;
- (ii) Method of shipment or packing; and
- (iii) Place of inspection, delivery, or acceptance.

(b) If any such change causes an increase or decrease in the estimated cost of, or the time required for the performance of any part of the work under this contract, whether changed or not changed by any such order, or otherwise affects any other provision of this contract, an equitable adjustment shall be made:

- (i) In the estimated cost or delivery schedule, or both;

(ii) In the amount of any fixed fee to be paid to the Contractor; and

(iii) In such other provisions of the contract as may be affected, and the contract shall be modified in writing accordingly.

Any claim by the Contractor for adjustment under this clause must be asserted within thirty (30) days from the date of receipt by the Contractor of the notification of change; Provided, however, That the Contracting Officer, 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 contract. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, except as provided in paragraph (c) below, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

(c) Notwithstanding the provisions of paragraphs (a) and (b) above, the estimated cost of this contract and, if this contract is incrementally funded, the funds allotted for the performance thereof, shall not be increased or deemed to be increased except by specific written modification of the contract indicating the new contract estimated cost and, if this contract is incrementally funded, the new amount allotted to the contract. Until such modification is made, the Contractor shall not be obligated to continue performance or incur costs beyond the point established in the clause of this contract entitled "Limitation of Cost" or "Limitation of Funds."

3. LIMITATION OF FUNDS (1-7.202-3(b) and 1-7.402-2(c))

(Applicable to Contracts which are incrementally funded)

(a) It is estimated that the cost to the Government for the performance of this contract will not exceed the estimated cost set forth in the Schedule, and the Contractor agrees to use his best efforts to perform the work specified in the Schedule and all obligations under this contract within such estimated cost.

(b) The amount presently available for payment and allotted to this contract, the items covered thereby, the period of performance which it is estimated the allotted amount will cover, are specified in the Schedule. It is contemplated that from time to time additional funds will be allotted to this contract up to the full estimated cost set forth in the Schedule, exclusive of any fee. The Contractor agrees to perform or have performed work on this contract up to the point at which the total amount paid and payable by the Government pursuant to the terms of this contract approximates but does not exceed the total amount actually allotted to the contract.

(c) If at any time the Contractor has reason to believe that the costs which he expects to incur in the performance of this contract in the next succeeding 60 days, when added to all costs previously incurred, will exceed

75 percent of the total amount then allotted to the contract, the Contractor shall notify the Contracting Officer in writing to that effect. The notice shall state the estimated amount of additional funds required to continue performance for the period set forth in the Schedule. Sixty days prior to the end of the period specified in the Schedule the Contractor will advise the Contracting Officer in writing as to the estimated amount of additional funds, if any, that will be required for the timely performance of the work under the contract or for such further period as may be specified in the Schedule or otherwise agreed to by the parties. If, after such notification, additional funds are not allotted by the end of the period set forth in the Schedule or an agreed date substituted therefor, the Contracting Officer will, upon written request by the Contractor, terminate this contract pursuant to the provisions of the Termination clause on such date. If the Contractor, in the exercise of his reasonable judgment, estimates that the funds available will allow him to continue to discharge his obligations hereunder for a period extending beyond such date, he shall specify the later date in this request and the Contracting Officer, in his discretion, may terminate this contract on that later date.

(d) Except as required by other provisions of this contract specifically citing and stated to be an exception from this clause, the Government shall not be obligated to reimburse the Contractor for costs incurred in excess of the total amount from time to time allotted to the contract and the Contractor shall not be obligated to continue performance under the contract (including actions under the Termination clause) or otherwise to incur costs in excess of the amount allotted to the contract, unless and until the Contracting Officer has notified the Contractor in writing that such allotted amount has been increased and has specified in such notice an increased amount constituting the total amount then allotted to the contract. To the extent the amount allotted exceeds the estimated cost set forth in the Schedule, such estimated cost shall be correspondingly increased. No notice, communication, or representation in any other form or from any person other than the Contracting Officer shall affect the amount allotted to this contract. In the absence of the specified notice, the Government shall not be obligated to reimburse the Contractor for any costs in excess of the total amount then allotted to the contract, whether those excess costs were incurred during the course of the contract or as a result of termination. When and to the extent that the amount allotted to the contract has been increased, any costs incurred by the Contractor in excess of the amount previously allotted shall be allowable to the same extent as if such costs had been incurred after such increase in the amount allotted; unless the Contracting Officer issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses.

(e) Change order: issued pursuant to the Changes clause of this contract shall not be considered an authorization to the Contractor to exceed the amount allotted in the Schedule in the absence of a statement in the change order, or other contract modification, increasing the amount allotted.

(f) Nothing in this clause shall affect the right of the Government to terminate this contract. In the event this contract is terminated, the Government and the Contractor shall negotiate an equitable distribution of all property produced or purchased under the contract based upon the share of costs incurred by each.

(g) In the event that sufficient funds are not allotted to this contract to allow completion of the work contemplated by this contract, the Contractor shall be entitled to that percentage of the fee set forth in the Schedule equivalent to the percentage of completion of the work contemplated by this contract.

4. LIMITATION OF COST (1-7.202-3(a) and 1-7.402-2(a))

(Applicable to Contracts which are fully funded only)

(a) It is estimated that the total cost to the Government for the performance of this contract, exclusive of any fee, will not exceed the estimated cost set forth in the Schedule, and the Contractor agrees to use his best efforts to perform the work specified in the Schedule and all obligations under this contract within such estimated cost. If, at any time, the Contractor has reason to believe that the costs which he expects to incur in the performance of this contract in the next succeeding 60 days, when added to all costs previously incurred, will exceed 75 percent of the estimated cost then set forth in the Schedule, or if, at any time, the Contractor has reason to believe that the total cost of the Government for the performance of this contract, exclusive of any fee, will be greater or substantially less than the then estimated cost hereof, the Contractor shall notify the Contracting Officer in writing to that effect, giving the revised estimate of such total cost for the performance of this contract.

(b) Except as required by other provisions of this contract specifically citing and stated to be an exception from this clause, the Government shall not be obligated to reimburse the Contractor for costs incurred in excess of the estimated cost set forth in the Schedule, and the Contractor shall not be obligated to continue performance under the contract (including actions under the Termination clause) or otherwise to incur costs in excess of the estimated cost set forth in the Schedule, unless and until the Contracting Officer shall have notified the Contractor in writing that such estimated cost has been increased and shall have specified in such notice a revised estimated cost which shall thereupon constitute the estimated cost of performance of this contract. No notice, communication, or representation in any other form or from any person other than the Contracting Officer shall affect the estimated cost of this contract. In the absence of the specified notice, the Government shall not be obligated to reimburse the Contractor for any costs in excess of the estimated cost set forth in the Schedule, whether those excess costs were incurred during the course of the contract or as a result of termination. When and to the extent that the estimated cost set forth in the Schedule has been increased, any costs incurred by the Contractor in excess of the estimated cost prior to such increase shall be allowable to the same extent as if such costs had been incurred after the increase; unless the Contracting Officer issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses.

(c) Change orders issued pursuant to the Changes clause of this contract shall not be considered an authorization to the Contractor to exceed the estimated cost set forth in the Schedule in the absence of a statement in the change order, or other contract modification, increasing the estimated cost.

(d) In the event that this contract is terminated or the estimated cost not increased, the Government and the Contractor shall negotiate and equitable distribution of all property produced or purchased under the contract based upon the share of costs incurred by each.

5. ALLOWABLE COST, FIXED-FEE AND PAYMENT. (1-7.202-4) and (1-7.402-3)

(a) For the performance of this contract, the Government shall pay to the Contractor:

(1) The cost thereof (hereinafter referred to as "allowable cost") determined by the Contracting Officer to be allowable in accordance with:

(i) Subpart 1.15.2 of the Federal Procurement Regulations (41 CFR 1-15.2), as in effect on the date of this contract; and

(ii) The terms of this contract; and

(2) Such fixed-fee, if any, as may be provided for in the Schedule.

(b) Payments shall be made to the Contractor when requested as work progresses, but not more frequently than bi-weekly, in amounts approved by the Contracting Officer. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as such representative may require, an invoice or public voucher supported by a statement of cost for the performance of this contract and claimed to constitute allowable cost. For this purpose, except as provided herein with respect to pension contributions, the term "costs" shall include only those recorded costs which result, at the time of the request for reimbursement, from payment by cash, check, or other form of actual payment for items or services purchased directly for the contract, together with (when the Contractor is not delinquent in payment of costs of contract performance in the ordinary course of business) costs incurred, but not necessarily paid, for materials which have been issued from the Contractor's stores inventory and placed in the production process for use on the contract, for direct labor, for direct travel, for other direct inhouse costs, and for properly allocable and allowable indirect costs, as is shown by records maintained by the Contractor for purposes of obtaining reimbursements under Government contracts plus the amount of progress payments which have been paid to the Contractor's subcontractors under similar cost standards. In addition, when pension contributions are paid by the Contractor to the retirement fund less frequently than quarterly, accrued costs therefore shall be excluded from indirect costs therefore for payment purposes until such costs are paid. If pension contributions are paid on a quarterly or more frequent basis, accruals therefor may be included in indirect costs for payment purposes provided that they are paid to the fund within 30 days after the close of the period covered. If payments are not made to the fund within such 30-day period, pension contribution costs shall be excluded from indirect cost for payment purposes until payment has been made. The restriction on payment more frequently than bi-weekly and the requirement of prior payment for items or services purchased directly for the contract shall not apply when the Contractor is a small business concern.

(c) Promptly after receipt of each invoice or voucher and statement of cost, the Government shall, except as otherwise provided in this contract

subject to the provisions of (d), below, make payment thereon as approved by the Contracting Officer. Payment of the fixed-fee, if any, shall be made to the Contractor as specified in the Schedule: Provided, however, That after payment of 85 percent of the fixed-fee set forth in the Schedule, the Contracting Officer may withhold further payment of fee until a reserve shall have been set aside in an amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed 15 percent of the total fixed-fee, or \$100,000, whichever is less.

(d) At any time or times prior to final payment under this contract the Contracting Officer may have the invoices or vouchers and statements of cost audited. Each payment theretofore made shall be subject to reduction for amounts included in the related invoice or voucher which are found by the Contracting Officer, on the basis of such audit, not to constitute allowable cost. Any payment may be reduced for overpayments, or increased for underpayments, on preceding invoices or vouchers.

(e) On receipt and approval of the invoice or voucher designated by the Contractor as the "completion invoice" or "completion voucher" and upon compliance by the Contractor with all the provisions of this contract (including without limitation, the provisions relating to patents and the provisions of (f), below), the Government shall promptly pay to the Contractor any balance of allowable cost, and any part of the fixed-fee, which has been withheld pursuant to (c), above, or otherwise not paid to the Contractor. The completion invoice or voucher shall be submitted by the Contractor promptly following completion of the work under this contract but in no event later than 1 year (or such longer periods as the Contracting Officer may in his discretion approved in writing) from the date of such completion.

(f) The Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor or any assignee under this contract shall be paid by the Contractor to the Government, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract. Reasonable expenses incurred by the Contractor for the purpose of securing such refunds, rebates, credits, or other amounts shall be allowable costs hereunder when approved by the Contracting Officer. Prior to final payment under this contract, the Contractor and each assignee under this contract whose assignment is in effect at the time of final payment under this contract shall execute and deliver:

(1) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including any interest thereon), properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(2) A release discharging the Government its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, subject only to the following exceptions:

(i) Specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor;

(ii) Claims, together with reasonable expenses incidental thereto, based upon liabilities of the Contractor to third parties arising out of the performance of this contract: provided, however, that such claims are not known to the Contractor on the date of the execution of the release; and provided further, that the Contractor gives notice of such claims in writing to the Contracting Officer not more than 6 years after the date of the release or the date of any notice to the Contractor that the Government is prepared to make final payment, whichever is earlier; and

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

(g) Any costs incurred by the Contractor under the terms of this contract which would constitute allowable cost under the provisions of this clause shall be included in determining the amount payable under this contract, notwithstanding any provisions contained in the specifications or other documents incorporated in the contract by reference, designating services to be performed or materials to be furnished by the Contractor at his expense or without cost to the Government.

6. STANDARDS OF WORK (1-7.402-4)

The Contractor agrees that the performance of work and services pursuant to the requirements of this contract shall conform to high professional standards.

7. INSPECTION AND CORRECTION OF DEFECTS (1-7.402-5)

(a) All work under this contract shall be subject to inspection and test by the Government (to the extent practicable) at all times (including the period of performance) and places, and in any event prior to acceptance. The Contractor shall provide and maintain an inspection system acceptable to the Government covering the work hereunder. The Government, through any authorized representative, may inspect the plant or plants of the Contractor or of any of his subcontractors engaged in the performance of this contract. If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor the Contractor shall provide and shall require subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. All inspections and tests by the Government shall be performed in such a manner as will not unduly delay the work. Except as otherwise provided in this contract, final inspection and acceptance shall be made at the place of delivery as promptly as practicable after delivery and shall be deemed to have been made no later than 90 days after the date of such delivery, if acceptance has not been made earlier within such period.

(b) At any time during performance of this contract, but not later than 6 months (or such other time as may be provided in the Schedule) after acceptance of all of the end items (other than designs, drawings, or reports) to be delivered under this contract, the Government may require the Contractor to remedy by correction or replacement, as directed by the Contracting Officer, any failure by the Contractor to comply with the requirements of this contract. Any time devoted to such correction or replacement shall not be included in the computation of the period of time specified in the preceding sentence, except as provided in (d), below, except as otherwise provided in paragraph (c), below, the allowability of the cost of any such replacement or correction shall be determined as provided in the clause of this contract entitled "Allowable Cost, Fixed Fee, and Payment," but no additional fee shall be payable with respect thereto. Corrected articles shall not be tendered again for acceptance unless the former tender and the requirement of correction is disclosed. If the Contractor fails to proceed with reasonable promptness to perform such replacement or correction, the Government (1) may by contract or otherwise perform such replacement or correction and charge to the Contractor any increased cost occasioned the Government thereby..or may reduce any fixed fee payable under the contract (or require repayment of any fixed fee theretofore paid) in such amount as may be equitable under the circumstances, or (2) in the case of articles not delivered, may require the delivery of such articles, and shall have the right to reduce any fixed fee payable under this contract (or to require repayment of any fixed fee theretofore paid) in such amount as may be equitable under the circumstances, or (3) may terminate this contract for default. Failure to agree to the amount of any such increased cost to be charged to the Contractor or to such reduction in, or repayment of, the fixed fee, shall be deemed to be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(c) Notwithstanding the provisions of paragraph (b), above, the Government may at any time require the Contractor to remedy by correction or replacement, without cost to the Government, any failure by the Contractor to comply with the requirements of this contract, if such failure is due to fraud, lack of good faith, or willful misconduct on the part of any of the Contractor's directors or officers, or on the part of any of his managers, superintendents, or other equivalent representatives, who has supervision or direction of (1) all or substantially all of the Contractor's business, or (2) all or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed, or (3) a separate and complete major industrial operation in connection with the performance of this contract. The Government may at any time also require the Contractor to remedy by correction or replacement, without cost to the Government, any such failure caused by one or more individual employees selected or retained by the Contractor after any such supervisory personnel has reasonable grounds to believe that any employee is habitually careless or otherwise unqualified.

(d) The provisions of paragraph (b), above, shall apply to any corrected or replacement and item or component until 6 months after its acceptance.

(e) The Contractor shall make his records of all inspection work available to the Government during the performance of this contract and for such longer period as may be specified in this contract.

(f) Except as provided in this clause and as may be provided in the Schedule, the Contractor shall have no obligation or liability to correct or replace articles which at the time of delivery are defective in material or workmanship or otherwise not in conformity with the requirements of this contract.

(g) Except as otherwise provided in the Schedule, the Contractor's obligation to correct or replace Government-furnished property (which is property in the possession of or acquired directly by the Government and delivered or otherwise made available to the Contractor) shall be governed by the provisions of the clause of this contract entitled "Government Property."

8. ASSIGNMENT (9-7.5006-46)

Neither this contract nor an interest therein nor claim thereunder shall be assigned or transferred by the contractor except as expressly authorized in writing by the Contracting Officer.

9. EXAMINATION OF RECORDS BY COMPTROLLER GENERAL (1-7. 103-3 and 9-7.5004-10)

(a) This clause is applicable if the amount of this contract exceeds \$10,000 and was entered into by means of negotiation, including small business restricted advertising, but is not applicable if this contract was entered into by means of formal advertising.

(b) The contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of 3 years after final payment under this contract unless the Commission authorizes their prior disposition, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor involving transactions related to this contract.

(c) The contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of 3 years after final payment under the subcontract unless the Commission authorizes their prior disposition, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (1) purchase orders not exceeding \$10,000 and (2) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

(d) The periods of access and examination described in (b) and (c), above, for records which relate to (1) appeals under the "Disputes" clause of this contract, (2) litigation or the settlement of claims arising out of the performance of this contract, or (3) costs and expenses of this contract 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.

(e) Nothing in this contract shall be deemed to preclude an audit by the General Accounting Office of any transaction under this contract.

10. SUBCONTRACTS (1-7.402-8)

(a) The Contractor shall notify the Contracting Officer reasonably in advance of entering into any subcontract which (1) is cost-reimbursement type, time and materials, or labor-hour, or (2) is fixed-price type and exceeds in dollar amount either \$25,000 or 5 percent of the total estimated cost of this contract, or (3) provides for the fabrication, purchase, rental, installation, or other acquisition of special test equipment having a value in excess of \$1,000 or of any items of industrial facilities, or (4) has experimental, developmental or research work as one of its purposes.

(b) In the case of a proposed subcontract which is (1) cost-reimbursement type, time and materials, or labor-hour which would involve an estimated amount in excess of \$10,000, including any fee, (2) is proposed to exceed \$100,000, or (3) is one of a number of subcontracts under this contract with a single subcontractor for the same or related supplies or services which, in the aggregate are expected to exceed \$100,000, the advance notification required by (a), above, shall include:

(1) A description of the supplies or services to be called for by the subcontract;

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

(3) The proposed subcontract price, together with the Contractor's cost or price analysis thereof;

(4) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data when such data and certificate are required by other provisions of this contract to be obtained from the subcontractor;

(5) Identification of the type of subcontract to be used;

(6) A memorandum of negotiation which sets forth the principal elements of the subcontract price negotiations. A copy of this memorandum shall be retained in the Contractor's file for the use of Government reviewing authorities. The memorandum shall be in sufficient detail to reflect the most significant considerations controlling the establishment of initial or revised prices. The memorandum should include an explanation of why cost or pricing data was, or was not required, and, if it was not required in the case of any price negotiation in excess of \$100,000, a statement of the basis for determining that the price resulted from or was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. If cost or pricing data was submitted and a certificate of cost or pricing data was required, the memorandum shall reflect the extent to which reliance was not placed upon the factual cost or pricing data submitted and the extent to which this data was not used by the Contractor in determining the total price objective and in negotiating the final price. The memorandum shall also reflect the extent to which it was recognized in the negotiation that any cost or pricing data submitted by the subcontractor was not accurate, complete, or current; the action taken by the Contractor and the subcontractor as a result; and the effect, if any, of such defective data on the total price negotiated. Where the total price negotiated differs significantly from the Contractor's total price objective, the memorandum shall explain this difference;

(7) When incentives are used, the memorandum of negotiation shall contain an explanation of the incentive fee/profit plan identifying each critical performance element, management decisions used to quantify each incentive element, reasons for incentives on particular performance characteristics, and a brief summary of trade-off possibilities considered as to cost, performance, and time; and

(8) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract to be obtained from the subcontractor.

(c) The Contractor shall obtain the written consent of the Contracting Officer prior to placing any subcontract for which advance notification is required under (a) above. The Contracting Officer may, in his discretion, ratify in writing any such subcontract; such action shall constitute the consent of the Contracting Officer as required by this paragraph (c).

(d) The Contractor agrees that no subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis.

(e) The Contracting Officer may, in his discretion, specifically approve in writing any of the provisions of a subcontract. However, such approval or the consent of the Contracting Officer obtained as required by this clause shall not

be construed to constitute a determination of the allowability of any cost under this contract, unless such approval specifically provides that it constitutes a determination of the allowability of such cost.

(f) The Contractor shall give the Contracting Officer immediate notice in writing of any action or suit filed, and prompt notice of any claim made against the Contractor by any subcontractor or vendor which in the opinion of the Contractor, may result in litigation, related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(g) Notwithstanding (c) above, the Contractor may enter into subcontracts within (i) or (ii) of (a) above, without the consent of the Contracting Officer, if the Contracting Officer has approved in writing the Contractor's procurement system and the subcontract is within the scope of such approval. (This subparagraph (g) however, shall not be applicable to those subcontracts subject to paragraph (j) below, if any.)

(h) To facilitate small business participation in subcontracting under this contract, the Contractor agrees to provide progress payments on the fixed-price types of subcontracts of those subcontractors which are small business concerns, in conformity with the standards for customary progress payments stated in the Federal Procurement Regulations, Subpart 1-30.5, as in effect on the date of this contract. The Contractor further agrees that the need for such progress payments will not be considered as a handicap or adverse factor in the award of subcontracts.

(i) The Contractor shall select subcontractors (including suppliers) on a Competitive basis to the maximum extent consistent with the objectives and requirements of this Contract.

11. UTILIZATION OF SMALL BUSINESS CONCERNS (1-1.710-3(a))

(Applicable to contracts exceeding \$10,000)

(a) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with small business concerns.

(b) The contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the contractor finds to be consistent with the efficient performance of this contract.

12. TERMINATION FOR DEFAULT OR FOR CONVENIENCE OF THE GOVERNMENT (1-8.702)

(a) The performance of work under the contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part:

(1) Whenever the contractor shall default in performance of this contract in accordance with its terms (including in the term "default" any such failure by the contractor to make progress in the prosecution of the work hereunder as endangers such performance), and shall fail to cure such default within a period of ten days (or such longer period as the Contracting Officer may allow) after receipt from the Contracting Officer of a notice specifying the default; or

(2) Whenever for any reason the Contracting Officer shall determine that such termination is in the best interest of the Government.

Any such termination shall be effected by delivery to the contractor of a Notice of Termination specifying whether termination is for the default of the contractor or for the convenience of the Government, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective. If, after notice of termination of this contract for default under (1) above, it is determined for any reason that the contractor was not in default pursuant to (1), or that the contractor's failure to perform or to make progress in performance is due to causes beyond the control and without the fault or negligence of the contractor pursuant to the provisions of the clause of this contract relating to excusable delays, the Notice of Termination shall be deemed to have been issued under (2) above, and the rights and obligations of the parties hereto shall in such event be governed accordingly.

(b) After receipt of a Notice of Termination and except as otherwise directed by the Contracting Officer, the contractor shall:

(1) Stop work under the contract on the date and to the extent specified in the Notice of Termination;

(2) Place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the work under the contract as is not terminated;

(3) Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination;

(4) Assign to the Government, in the manner and to the extent directed by the Contracting Officer, all of the right, title, and interest of the contractor under the orders or subcontracts so terminated, in which case the Government shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;

(5) With the approval or ratification of the Contracting Officer, to the extent he may require, which approval or ratification shall be final and conclusive for all purposes of this clause, settle all outstanding liabilities

and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of this contract;

(6) Transfer title to the Government (to the extent that title has not already been transferred) and deliver in the manner, at the times and to the extent directed by the Contracting Officer, (i) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in respect of the performance of, the work terminated by the Notice of Termination; (ii) the completed or partially completed plans, drawings, information, and other property which, if the contract had been completed, would be required to be furnished to the Government; and (iii) the jigs, dies, and fixtures, and other special tools and tooling acquired or manufactured for the performance of this contract for the cost of which the contractor has been or will be reimbursed under this contract;

(7) Use his best efforts to sell; in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Contracting Officer, any property of the types referred to in (6) above: Provided, however, That the contractor (i) shall not be required to extend credit to any purchaser, and (ii) may acquire any such property under the conditions prescribed by and at a price or prices approved by the Contracting Officer: And provided further, That the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Government to the contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Contracting Officer may direct;

(8) Complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and

(9) Take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation of the property related to this contract which is in the possession of the contractor and in which the Government has or may acquire an interest.

The contractor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of the fee, or any item of reimbursable cost, under this clause. At any time after expiration of the plant clearance period, as defined in Subpart 1-8.1 of the Federal Procurement Regulations (41 CFR 1-8.1), as the definition may be amended from time to time, the contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorized by the Contracting Officer, and may request the Government to remove such items or enter into a storage agreement covering them. Not later than fifteen (15) days thereafter, the Government will accept such items and remove them or enter into a storage agreement covering the same: Provided, That the list submitted shall be subject to verification by the Contracting Officer upon removal of

the items or, if the items are stored, within forty-five (45) days from the date of submission of the list, and any necessary adjustment to correct the list as submitted shall be made prior to final settlement.

(c) After receipt of a Notice of Termination, the contractor shall submit to the Contracting Officer his termination claim in the form and with the certification prescribed by the Contracting Officer. Such claim shall be submitted promptly but in no event later than one year from the effective date of termination, unless one or more extensions in writing are granted by the Contracting Officer upon request of the contractor made in writing within such one-year period or authorized extension thereof. However, if the Contracting Officer determines that the facts justify such action, he may receive and act upon any such termination claim at any time after such one-year period or any extension thereof. Upon failure of the contractor to submit his termination claim within the time allowed, the Contracting Officer may, subject to any review required by the contracting agency's procedures in effect as of the date of execution of this contract, determine, on the basis of information available to him, the amount, if any, due to the contractor by reason of the termination and shall thereupon pay to the contractor the amount so determined.

(d) Subject to the provisions of paragraph (c), and subject to any review required by the contracting agency's procedures in effect as of the date of execution of this contract, the contractor and the Contracting Officer may agree upon the whole or any part of the amount or amounts to be paid (including an allowance for the fee) to the contractor by reason of the total or partial termination of work pursuant to this clause. The contract shall be amended accordingly, and the contractor shall be paid the agreed amount.

(e) In the event of the failure of the contractor and the Contracting Officer to agree in whole or in part, as provided in paragraph (d), as to the amounts with respect to costs and fee, or as to the amount of the fee, to be paid to the contractor in connection with the termination of work pursuant to this clause, the Contracting Officer shall, subject to any review required by the contracting agency's procedures in effect as of the date of execution of this contract, determine, on the basis of information available to him, the amount, if any, due to the contractor by reason of the termination and shall pay to the contractor the amount determined as follows:

(1) If the settlement includes cost and fee--

(i) There shall be included therein all costs and expenses reimbursable in accordance with this contract, not previously paid to the contractor for the performance of this contract prior to the effective date of the Notice of Termination, and such of these costs and may continue for a reasonable time thereafter with the approval of or as directed by the Contracting Officer: Provided, however, That the contractor shall proceed as rapidly as practicable to discontinue such costs;

(ii) There shall be included therein so far as not included under (i) above, the cost of settling and paying claims arising out of the termination of work under subcontracts or orders, as provided in paragraph (b)(5) above, which are properly chargeable to the terminated portion of the contract;

(iii) There shall be included therein the reasonable costs of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of termination inventory: Provided, however, That if the termination is for default of the contractor there shall not be included any amounts for the preparation of the contractor's settlement proposal; and

(iv) There shall be included therein a portion of the fee payable under the contract determined as follows—

(A) In the event of the termination of this contract for the convenience of the Government and not for the default of the contractor, there shall be paid a percentage of the fees equivalent to the percentage of the completion of work contemplated by the contract, but exclusive of subcontract effort included in subcontractors' termination claims, less fee payments previously made hereunder; or

(B) In the event of the termination of this contract for the default of the contractor, the total fee payable shall be such proportionate part of the fee (or, if this contract calls for articles of different types, of such part of the fee as is reasonably allocable to the type of article under consideration) as the total number of articles delivered to and accepted by the Government bears to the total number of articles of a like kind called for by this contract.

If the amount determined under this subparagraph (1) is less than the total payment theretofore made to the contractor, the contractor shall repay to the Government the excess amount.

(2) If the settlement includes only the fee, the amount thereof will be determined in accordance with subparagraph (1)(iv) above.

(f) Costs claimed, agreed to, or determined pursuant to paragraphs (c), (d), and (e) of this clause shall be in accordance with the contract cost principles and procedures in FPR 1-15.2.

(g) The contractor shall have the right of appeal, under the clause of this contract entitled "Disputes," from any determination made by the Contracting Officer under paragraph (c) or (e) above, except that, if the contractor has failed

to submit his claim within the time provided in paragraph (c) above and has failed to request extension of such time, he shall have no such right of appeal. In any case where the Contracting Officer has made a determination of the amount due under paragraph (c) or (e) above, the Government shall pay to the contractor the following: (1) If there is no right of appeal hereunder or if no timely appeal has been taken, the amount so determined by the Contracting Officer, or (2) if an appeal has been taken, the amount finally determined on such appeal.

(h) In arriving at the amount due the contractor under this clause there shall be deducted (1) all unliquidated advance or other payments theretofore made to the contractor, applicable to the terminated portion of this contract, (2) any claim which the Government may have against the contractor in connection with this contract, and (3) the agreed price for, or the proceeds for sale of, any materials, supplies, or other things acquired by the contractor or sold pursuant to the provisions of this clause and not otherwise recovered by or credited to the Government.

(i) In the event of a partial termination, the portion of the fee which is payable with respect to the work under the continued portion of the contract shall be equitably adjusted by agreement between the contractor and Contracting Officer and such adjustment shall be evidenced by an amendment of this contract.

(j) The Government may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by the contractor in connection with the terminated portion of the contract whenever in the opinion of the Contracting Officer the aggregate of such payments shall be within the amount to which the contractor will be entitled hereunder. If the total of such payments is in excess of the amount finally determined to be due under this clause, such excess shall be payable by the contractor to the Government upon demand, together with interest computed at the rate of 6 percent per annum, for the period from the date such excess payment is received by the contractor to the date on which excess is repaid to the Government: Provided, however, That no interest shall be charged with respect to any such excess payment attributable to a reduction in the contractor's claim by reason of retention or other disposition of termination inventory until 10 days after the date of such retention or disposition, or such later date as determined by the Contracting Officer by reason of the circumstances.

(k) The provisions of this clause relating to the fee shall be inapplicable if this contract does not provide for payment for a fee.

13. DISPUTES (1-7.102-12)

(a) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his

decision to writing and mail or otherwise furnish a copy thereof to the contractor. The decision of the Contracting Officer shall be final and conclusive unless within 30 days from the date of receipt of such copy, the contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Commission. The decision of the Commission 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 contractor 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 contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(b) This "Dispute," clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (a) above: Provided, That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

14. BUY AMERICAN ACT (1-6.104-5) (9-7.5004-16)

(a) In acquiring end products, the Buy American Act (41 U.S. Code 10a-10d) provides that the Government give preference to domestic source end products. For the purpose of this clause:

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

(ii) "End products" means those articles, materials, and supplies which are to be acquired under this contract for public use; and

(iii) A "domestic source end product" means (A) an unmanufactured end product which has been mined or produced in the United States and (B) 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 purposes of this (a) (iii) (B), components of foreign origin of the same type of kind as the products referred to in (b) (i) or (ii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(b) The Contractor agrees that there will be used under this contract (by the Contractor, subcontractor, materialmen and suppliers) only domestic source end products, except end products:

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

(ii) 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;

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

(iv) As to which the Commission determines the cost to the Government to be unreasonable.

15. CONF CT LABOR (1-12.204)

In connection with the performance of work under this contract the Contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c) (2)) and Executive Order 11755, December 29, 1973.

16. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION
(1-12.303)

This contract, to the extent that it is of a character specified in the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), is subject to the following provisions and to all other applicable provisions and exceptions of such act and the regulations of the Secretary of Labor thereunder.

(a) Overtime Requirement. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers, mechanics, apprentices, trainees, watchmen, and guards shall require or permit any laborer, mechanic, apprentice, trainee, watchman, or guard in any workweek in which he is employed on such work to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act unless such laborer, mechanic, apprentice, trainee, watchman, or guard receives compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek, whichever is the greater number of overtime hours.

(b) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions of paragraph (a), the Contractor and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer, mechanic, apprentice, trainee, watchman, or guard employed in violation of the provisions of paragraph (a) in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed on such work in excess of 8 hours or in excess of his standard workweek of 40 hours without payment of the overtime wages required by paragraph (a).

(c) Withholdings for unpaid wages and liquidated damages. The Contracting Officer may withhold from the Government Prime Contractor, from any moneys payable on account of work performed by the Contractor or subcontractor, such sums as may

administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions of paragraph (b).

(d) Subcontracts. The Contractor shall insert paragraphs (a) through (d) of this clause in all subcontracts, and shall require their inclusion in all subcontracts of any tier.

(e) Records. The Contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for 3 years from the completion of the contract.

17. EQUAL OPPORTUNITY (1-12.803-2).

(The following clause is applicable unless this contract is exempt under the rules, regulations, and relevant order of the Secretary of Labor (41 CFR, ch. 60)).

During the performance of this contract, the contractor agrees as follows:

(a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.

(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended, in whole or in part, and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

18. OFFICIALS NOT TO BENEFIT (1-7.202-17)

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provisions shall not be construed to extend to this contract if made with a corporation for its general benefit.

19. COVENANT AGAINST CONTINGENT FEES (1-1.503) (9-7.5004-2)

(a) Warranty—Termination or deduction for breach.

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract 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 contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

(b) Subcontracts and purchase orders.

Unless otherwise authorized by the Contracting Officer in writing, the contractor shall cause provisions similar to the foregoing to be inserted in all subcontracts and purchase orders entered into under this contract.

20. NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
(1-7.103-4) (Applicable to Contracts exceeding \$10,000)

(a) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this contract of which the Contractor has knowledge.

(b) In the event of any claim or suit against the Government, on account of any alleged patent or copyright infringement arising out of the performance of this Contract or out of the use of any supplies furnished or work or services performed hereunder, the Contractor shall furnish to the Government, when requested by the Contracting Officer, all evidence and information in possession of the Contractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except where the Contractor has agreed to indemnify the Government.

21. PATENTS (1-9.107-5(a))

(a) Definitions.

(1) "Subject Invention" means any invention or discovery of the Contractor conceived or first actually reduced to practice in the course of or under this contract, and includes any art, method, process, machine, manufacture, design, or composition of matter, or any new and useful improvements thereof, or any variety of plant, which is or may be patentable under the Patent Laws of the United States of America or any foreign country.

(2) "Contract" means any contract, agreement, grant, or other arrangement, or subcontract entered into with or for the benefit of the Government where a purpose of the contract is the conduct of experimental, development, or research work.

(3) "States and domestic municipal governments" means the States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, the Trust Territory of the Pacific Islands, and any political subdivision and agencies thereof.

(4) "Government agency" includes an executive department, independent commission, board, office, agency, administration, authority, Government corporation, or other Government establishment of the executive branch of the

Government of the United States of America and for the purpose of this contract the U.S. Nuclear Regulatory Commission.

(5) "To the point of practical application" means to manufacture in the case of a composition of product, to practice in the case of a process, or to operate in the case of a machine and under such conditions as to establish that the invention is being worked and that its benefits are reasonably accessible to the public.

(b) Allocation of principal rights.

(1) Assignment to the Government. The Contractor agrees to assign to the Government the entire right, title, and interest throughout the world in and to each Subject Invention, except to the extent that rights are retained by the Contractor under paragraphs (b)(2) and (d) of this clause.

(2) Greater rights determinations. The Contractor or the employee-inventor with authorization of the Contractor may retain greater rights than the nonexclusive license provided in paragraph (d) of this clause in accordance with the procedure and criteria of 41 CFR 1-9.109-6. A request for determination whether the Contractor or the employee-inventor is entitled to retain such greater rights must be submitted to the Contracting Officer at the time of the first disclosure of the invention pursuant to paragraph (a) (2) (1) of this clause, or not later than 3 months thereafter, or such longer period as may be authorized by the Contracting Officer for good cause shown in writing by the Contractor. The information to be submitted for a greater rights determination is specified in 41 CFR 1-9.109-6. Each determination of greater rights under this contract normally shall be subject to paragraph (c) of this clause and to the reservations and conditions deemed to be appropriate by the agency.

(c) Minimum rights acquired by the Government. With respect to each Subject Invention to which the Contractor retains principal or exclusive rights, the Contractor:

(1) Hereby, grants to the Government a nonexclusive, nontransferable, paid-up license to make, use, and sell each Subject Invention throughout the world by or on behalf of the Government of the United States (including any Government agency) and States and domestic municipal governments;

(2) Agrees to grant to responsible applicants, upon request of the Government, a license on terms that are reasonable under the circumstances:

(1) Unless the Contractor, his licensee, or his assignee demonstrates to the Government that effective steps have been taken within 3 years after a patent issues on such invention to bring the invention to the point of practical application, or that the invention has been made available for licensing

royalty-free or on terms that are reasonable in the circumstances, or can show cause why the principal or exclusive rights should be retained for a further period of time; or

(ii) To the extent that the invention is required for public use by governmental regulations or as may be necessary to fulfill public health, safety or welfare needs, or for other public purposes stipulated in this contract;

(3) Shall submit written reports at reasonable intervals upon request of the Commission during the term of the patent on the Subject Invention regarding:

(i) The Commercial use that is being made or is intended to be made of the invention; and

(ii) The steps taken by the Contractor or his transferee to bring the invention to the point of practical application or to make the invention available for licensing;

(4) Agrees to refund any amounts received as royalty charges on any Subject Invention in procurements for or on behalf of the Government and to provide for that refund in any instrument transferring rights to any party in the invention; and

(5) Agrees to provide for the Government's paid-up license pursuant to paragraph (c) (1) of this clause in any instrument transferring rights in a Subject Invention and to provide for the granting of licenses as required by (2) of this clause, and for the reporting of utilization information to the Commission as required by paragraph (c) (3) of this clause whenever the instrument transfers principal or exclusive rights in any Subject Invention. Nothing contained in this paragraph (c) shall be deemed to grant to the Government any rights with respect to any invention other than a Subject Invention.

(d) Minimum rights to the Contractor.

(1) The Contractor reserves a revocable, nonexclusive, royalty-free license in each patent application filed in any country on a Subject Invention and any resulting patent in which the Government acquires title. The license shall extend to the Contractor's domestic subsidiaries and affiliates, if any, within the corporate structure of which the Contractor is a part and shall include the right to grant sublicenses of the same scope to the extent the Contractor was legally obligated to do so at the time the contract was awarded. The license shall be transferable only with approval of the Commission except when transferred to the successor of that part of the Contractor's business to which the invention pertains.

(2) The Contractor's nonexclusive domestic license retained pursuant to paragraph (d)(1) of this clause may be revoked or modified by the Commission to the extent necessary to achieve expeditious practical application of the Subject Invention under 41 CFR 101-4.103-3 pursuant to an application for exclusive license submitted in accordance with 41 CFR 101-4.104-3. This license shall not be revoked in that field of use and/or the geographical areas in which the Contractor has brought the invention to the point of practical application and continues to make the benefits of the invention reasonable accessible to the public. The Contractor's nonexclusive license in any foreign country reserved pursuant to paragraph (d)(1) of this clause may be revoked or modified at the discretion of the Commission to the extent the Contractor or his domestic subsidiaries or affiliates have failed to achieve the practical application of the invention in that foreign country.

(3) Before the modification or revocation of the license, pursuant to paragraph (d)(2) of this clause, the Commission shall furnish the Contractor a written notice of its intention to modify or revoke the license and the Contractor shall be allowed 30 days (or such longer period as may be authorized by the Commission for good cause shown in writing by the Contractor) after the notice to show cause why the license should not be modified or revoked. The Contractor shall have the right to appeal, in accordance with procedures prescribed by the Commission any decision concerning the modification or revocation of his license.

(e) Invention, identification, disclosures, and reports.

(1) The Contractor shall establish and maintain active and effective procedures to ensure that Subject Inventions are promptly identified and timely disclosed. These procedures shall include the maintenance of laboratory notebooks or equivalent records and any other records that are reasonably necessary to document the conception and/or the first actual reduction to practice of Subject Inventions, and records which show that the procedures for identifying and disclosing the inventions are followed. Upon request, the Contractor shall furnish the Contracting Officer a description of these procedures so that he may evaluate and determine their effectiveness.

(2) The Contractor shall furnish the Contracting Officer:

(1) A complete technical disclosure for each Subject Invention within 6 months after conception or first actual reduction to practice whichever occurs first in the course of or under the contract, but in any event prior to any on sale, public use, or publication of such invention known to the Contractor. The disclosure shall identify the contract and inventor and shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art to which the invention pertains a clear understanding of the nature, purpose, operation, and, to the extent known, the physical, chemical, biological, or electrical characteristics of the invention;

(ii) Interim reports at least every 12 months from the date of the contract listing Subject Inventions for that period and certifying that:

(A) The Contractor's procedures for identifying and disclosing Subject Inventions as required by this paragraph (e) have been followed throughout the reporting period; and

(B) All Subject Inventions have been disclosed or that there are no such inventions; and

(iii) A final report within 3 months after completion of the contract work, listing all Subject Inventions or certifying that there were no such inventions.

(3) The Contractor shall obtain patent agreements to effectuate the provisions of this clause from all persons in his employ who perform any part of the work under this contract except nontechnical personnel, such as clerical employees and manual laborers.

(4) The Contractor agrees that the Commission may duplicate and disclose Subject Invention disclosures and all other reports and papers furnished or required to be furnished pursuant to this clause.

(5) In order to protect the patent interest of the Government or the Contractor, the Contractor shall obtain the written approval of the Contracting Officer prior to the release or publication of the information in any Subject Invention disclosure by the Contractor or other parties acting on his behalf.

(f) Forfeiture of rights in unreported Subject Inventions.

(1) The Contractor shall forfeit to the Government all rights in any Subject Invention which he fails to disclose to the Contracting Officer within 6 months after the time he:

(i) Files or causes to be filed a United States or foreign application thereon; or

(ii) Submits the final report required by paragraph (e)(2)(iii) of this clause, whichever is later.

(2) However, the Contractor shall not forfeit rights in a Subject Invention if, within the time specified in (1)(i) or (1)(ii) of this paragraph (f), the Contractor:

(i) Prepared a written decision based upon a review of the record that the invention was neither conceived nor first actually reduced to practice in the course of or under the contract; or

(ii) Contending that the invention is not a Subject Invention, he nevertheless discloses the invention and all facts pertinent to his contention to the Contracting Officer; or

(iii) Establishes that the failure to disclose did not result from his fault or negligence.

(3) Pending written assignment of the patent applications and patents on a Subject Invention determined by the Contracting Officer to be forfeited (such determination to be a final decision under the Disputes Clause), the Contractor shall be deemed to hold the invention and the patent applications and patents pertaining thereto in trust for the Commission. The forfeiture provision of this paragraph (f) shall be in addition to and shall not supersede other rights and remedies which the Government may have with respect to Subject Inventions.

(g) Examination of records relating to inventions.

(1) The Contracting Officer or his authorized representative until the expiration of 3 years after final payment under this contract shall have the right to examine any books (including laboratory notebooks), records, documents, and other supporting data of the Contractor which the Contracting Officer reasonably deems pertinent to the discovery or identification of Subject Inventions or to determine compliance with the requirements of this clause.

(2) The Contracting Officer shall have the right to review all books (including laboratory notebooks), records and documents of the Contractor relating to the conception or first actual reduction to practice of inventions in the same field of technology as the work under this contract to determine whether any such inventions are Subject Inventions if the Contractor refuses or fails to:

(i) Establish the procedures of paragraph (e)(1) of this clause; or

(ii) Maintain and follow such procedures; or

(iii) Correct or eliminate any material deficiency in the procedures within thirty (30) days after the Contracting Officer notifies the Contractor of such a deficiency.

(h) Withholding of payment (Not applicable to Subcontracts).

(1) Any time before final payment of the amount of this contract, the Contracting Officer may, if he deems such action warranted, withhold payment until a reserve not exceeding \$50,000 or 5 percent of the amount of this contract, whichever is less, shall have been set aside if in his opinion the Contractor fails to:

(i) Establish, maintain, and follow effective procedures for identifying and disclosing Subject Inventions pursuant to paragraph (e)(1) of this clause; or

(ii) Disclose any Subject Invention pursuant to paragraph (e)(2)(i) of this clause; or

(iii) Deliver acceptable interim reports pursuant to paragraph (e)(2)(ii) of this clause; or

(iv) Provide the information regarding subcontracts pursuant to paragraph (i)(5) of this clause.

The reserve or balance shall be withheld until the Contracting Officer has determined that the Contractor has rectified whatever deficiencies exist and has delivered all reports, disclosures, and other information required by this clause.

(2) Final payment under this contract shall not be made before the Contractor delivers to the Contracting Officer all disclosures of Subject Inventions required by paragraph (e)(2)(i) of this clause, and an acceptable final report pursuant to (e)(2)(iii) of this clause.

(3) The Contracting Officer may, in his discretion, decrease or increase the sums withheld up to the maximum authorized above. If the Contractor is a nonprofit organization the maximum amount that may be withheld under this paragraph shall not exceed \$50,000 or 1 percent of the amount of this contract whichever is less. No amount shall be withheld under this paragraph while the amount specified by this paragraph is being withheld under other provisions of the contract. The withholding of any amount or subsequent payment thereof shall not be construed as a waiver of any rights accruing to the Government under this contract.

(1) Subcontracts

(1) For the purpose of this paragraph the term "Contractor" means the party awarding a subcontract and the term "Subcontractor" means the party being awarded a subcontract, regardless of tier.

(2) Unless otherwise authorized or directed by the Commission Contracting Officer, the Contractor shall include this Patent Rights clause modified to identify the parties in any subcontract hereunder if a purpose of the subcontract is the conduct of experimental, developmental, or research work. In the event of refusal by a Subcontractor to accept this clause, or if in the opinion of the Contractor this clause is inconsistent with the policy set forth in 41 CFR 1-9.107-3, the Contractor:

(i) Shall promptly submit a written notice to the Commission Contracting Officer setting forth reasons for the Subcontractor's refusal and other pertinent information which may expedite disposition of the matter; and

(ii) Shall not proceed with the subcontract without the written authorization of the Commission Contracting Officer.

(j) The Contractor shall not, in any subcontract or by using a subcontract as consideration therefor, acquire any rights in his Subcontractor's Subject Invention for his own use (as distinguished from such rights as may be required solely to fulfill his contract obligations to the Government in the performance of his contract).

(k) All invention disclosures, reports, instruments, and other information required to be furnished by the Subcontractor to the Commission Contracting Officer under the provisions of a Patent Rights clause in any subcontract hereunder may, in the discretion of the Commission Contracting Officer, be furnished to the Contractor for transmission to the Commission Contracting Officer.

(l) The Contractor shall promptly notify the Commission Contracting Officer in writing upon the award of any subcontract containing a Patent Rights clause by identifying the Subcontractor, the work to be performed under the subcontract and the dates of award and estimated completion. Upon request of the Commission Contracting Officer, the Contractor shall furnish a copy of the subcontract. If there are no subcontracts containing Patent Rights Clauses, a negative report shall be included in the final report submitted pursuant to paragraph (e)(2)(iii) of this clause.

(m) The Contractor shall identify all Subject Inventions of the Subcontractor of which he acquires knowledge in the performance of this contract and shall notify the Commission Contracting Officer promptly upon the identification of the inventions.

(n) It is understood that the Commission is a third party beneficiary of any subcontract clause granting rights to the Government in Subject Inventions, and the Contractor hereby assigns to the Commission all rights that he would have to enforce the Subcontractor's obligations for the benefit of the Commission with respect to Subject Inventions. The Contractor shall not be obligated to enforce the agreements of any Subcontractor hereunder relating to the obligations of the Subcontractor to the Commission in regard to Subject Inventions.

(j) Reserved

(k) Reserved

(l) No claim for pecuniary award or compensation under the provisions of the Atomic Energy Act of 1954 as amended shall be asserted by the Contractor or its employees with respect to any invention or discovery made or conceived in the course of or under this contract.

(m) With respect to any U.S. Patent Application filed by the Contractor on any contract invention or discovery made or conceived in the course of the contract, the Contractor will incorporate in the first paragraph of the U.S. Patent Application the following statement:

"The invention described herein was made in the course of, or under a contract (if desired may substitute contract with identifying number) with the U.S. Nuclear Regulatory Commission."

22. GOVERNMENT PROPERTY (1-7.203-21)

(a) The Government shall deliver to the Contractor, for use in connection with and under the terms of this contract, the property in the Schedule or specifications, together with such related data and information as the Contractor may request and as may reasonably be required for the intended use of such property (hereinafter referred to as "Government-furnished Property"). The delivery or performance dates for the supplies or services to be furnished by the Contractor under this contract are based upon the expectation that Government-furnished property suitable for use will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet such delivery or performance dates. In the event that Government-furnished property is not delivered to the Contractor by such time or times, the Contracting Officer shall, upon timely written request made by the Contractor make a determination of the delay, if any, occasioned the Contractor and shall equitably adjust the estimated cost, fixed fee, or delivery or performance dates, or all of them, and any other contractual provisions affected by any such delay in accordance with the procedures provided for in the clause of this contract entitled "Changes." In the event that Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt thereof notify the contracting officer of such fact and, as directed by the Contracting Officer, either (1) return such property at the Government's expense or otherwise dispose of the property, or (2) effect repairs or modifications. Upon completion of (1) or (2), above, the Contracting Officer upon written request of the Contractor shall equitably adjust the estimated cost, fixed fee, or delivery or performance dates, or all of them, and any other contractual provision affected by the return or disposition, or the repair or modification in accordance with the procedures provided for in the clause of this contract entitled "Changes." The foregoing provisions for adjustment are exclusive and the Government shall not be liable to suit for breach of contract by reason of any delay in delivery of Government-furnished property or delivery of such property in a condition not suitable for its intended use.

(b) (1) By notice in writing the Contracting Officer may (i) decrease the property furnished or to be furnished by the Government under this contract, or (ii) substitute other Government-owned property for property to be furnished by the Government, or to be acquired by the Contractor for the Government under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct with respect to the removal and shipping of property covered by such notice.

(2) In the event of any decrease in or substitution of property pursuant to paragraph (1), above, or any withdrawal of authority to use property provided under any contract or lease, which property the Government had agreed in the Schedule to make available for the performance of this contract, the Contracting Officer, upon the written request of the contractor (or, if the substitution of property causes a decrease in the cost of performance, on his own initiative), shall equitably adjust such contractual provisions as may be affected by the decrease, substitution, or withdrawal, in accordance with the procedures provided for in the "Changes" clause of this contract.

(c) Title to all property furnished by the Government shall remain in the Government. Title to all property purchased by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in the Government upon delivery of such property by the vendor. Title to other property, the cost of which is reimbursable to the Contractor under the contract, shall pass to and vest in the Government upon (1) issuance for use of such property in the performance of this contract, or (2) commencement of processing or use of such property in the performance of this contract, or (3) reimbursement of the cost thereof by the Government in whole or in part, whichever first occurs. All Government-furnished property, together with all property acquired by the Contractor title to which vests in the Government under this paragraph, are subject to the provisions of this clause and are hereinafter collectively referred to as "Government property." Title to the Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty.

(d) The Contractor shall be directly responsible for and accountable for all Government property provided under this contract. The contractor shall establish and maintain a system to control, protect, preserve, and maintain all Government property. This system shall, upon request by the Contracting Officer, be submitted for review and, if satisfactory, approved in writing by the Contracting Officer. The Contractor shall maintain and make available such records as are required by the approved system and must account for all Government property until relieved of responsibility therefor in accordance with the written instructions of the Contracting Officer. To the extent directed by the Contracting Officer, the Contractor shall identify Government property by marking, tagging, or segregating in such manner as to clearly indicate its ownership by the Government.

(e) The Government property shall, unless otherwise provided herein or approved by the Contracting Officer, be used only for the performance of this contract.

(f) The Contractor shall maintain and administer, in accordance with sound industrial practice, a program for the utilization, maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this contract. The Contractor shall take all reasonable steps to comply with all appropriate directions or instructions which the Contracting Officer may prescribe as reasonably necessary for the protection of Government property.

(g) (1) The Contractor shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage, except that the Contractor shall be responsible for any such loss or damage (including expenses incidental thereto):

(i) Which results from willful misconduct or lack of good faith on the part of any one of the Contractor's directors or officers, or on the part of any of his managers, superintendents, or other equivalent representatives, who has supervision or direction of:

(A) All or substantially all of the Contractor's business;

or

(B) All or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed;

or

(C) A separate and complete major industrial operation in connection with the performance of this contract.

(ii) Which results from a failure on the part of the Contractor, due to the willful misconduct or lack of good faith on the part of any of his directors, officers, or other representatives mentioned in subparagraph (i), above:

(A) To maintain and administer, in accordance with sound industrial practice, the program for utilization, maintenance, repair, protection, and preservation of Government property as required by paragraph (f) hereof, or to take all reasonable steps to comply with any appropriate written direction of the Contracting Officer under paragraph (f) hereof; or

(B) To establish, maintain, and administer in accordance with paragraph (d) hereof a system for control of Government property.

(iii) For which the Contractor is otherwise responsible under the express terms of the clause or clauses designated in the Schedule;

(iv) Which results from a risk expressly required to be insured under this contract, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement.

Any failure of the Contractor to act, as provided in subparagraph (ii), above, shall be conclusively presumed to be a failure resulting from willful misconduct, or lack of good faith on the part of such directors, officers, or other representatives mentioned in subparagraph (i), above, if the Contractor is notified by the Contracting Officer by registered or certified mail addressed to one of such directors, officers, or other representatives, of the Government's disapproval, withdrawal of approval, or nonacceptance of the Contractor's program or system. In such event it shall be presumed that any loss or damage to Government property resulted from such failure. The Contractor shall be liable for such loss or damage unless he can establish by clear and convincing evidence that such loss or damage did not result from his failure to maintain an approved program or system, or occurred during such time as an approved program or system for control of Government property was maintained.

If more than one of the above exceptions shall be applicable in any case, the Contractor's liability under any one exception shall not be limited by any other exception. If the Contractor transfers Government property to the possession and control of a subcontractor, the transfer shall not affect the liability of the Contractor for loss or destruction of or damage to the property as set forth above. However, the Contractor shall require the subcontractor to assume the risk of, and be responsible for, any loss or destruction of or damage to the property while in the latter's possession or control, except to the extent that the subcontract, with the prior approval of the Contracting Officer, provides for the relief of the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for the utilization of the property in accordance with the provisions of the prime contract.

(2) The Contractor shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provisions for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that the Government may have required the Contractor to carry such insurance under any other provisions of this contract.

(3) Upon the happening of loss or destruction of or damage to the Government property, the Contractor shall notify the Contracting Officer thereof,

and shall communicate with the loss and salvage organization, if any, now or hereafter designated by the Contracting Officer, and with the assistance of the loss and salvage organizations so designated (unless the Contracting Officer has designated that no such organization be employed), shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the Government property in the best possible order, and furnish to the Contracting Officer a statement of:

- (i) The lost, destroyed, and damaged Government property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the Government property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

The Contractor shall make repairs and renovations of the damaged Government property or take such other action as the Contracting Officer directs.

(4) In the event the Contractor is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, he shall use the proceeds to repair, renovate, or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the contract, or shall otherwise reimburse the Government, as directed by the Contracting Officer. The Contractor shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction, or damage and, upon the request of the Contracting Officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favor of the Government) in obtaining recovery. In addition, where the subcontractor has not been relieved from liability for any loss or destruction of or damage to Government property, the Contractor shall enforce the liability of the subcontractor for such loss or destruction of or damage to the Government property for the benefit of the Government.

(h) The Commission, and any persons designated by it, shall at all reasonable times have access to the premises where any of the Government property is located, for the purpose of inspecting the Government property.

(i) Upon the completion of this contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit to the Contracting Officer in a form acceptable to him, inventory schedules covering all items of the Government property not consumed in the performance of this contract, or not theretofore delivered to the Government, and shall deliver or make such other disposal of such Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the

cost of the work covered by the contract or shall be paid in such manner as the Contracting Officer may direct. The foregoing provisions shall apply to scrap from Government property: Provided, however, That the Contracting Officer may authorize or direct the Contractor to omit from such inventory schedules any scrap consisting of faulty castings or forgings, or cutting and processing waste, such as chips, cuttings, borings, turnings, short ends, circles, trimmings, clippings, and remnants, and to dispose of such scrap in accordance with the Contractor's established accounting procedures.

(j) Unless otherwise provided herein, the Government:

(i) May abandon any Government property in place, and thereupon all obligations of the Government regarding such abandoned property shall cease; and

(ii) Has no obligation to the Contractor with regard to restoration or rehabilitation of the Contractor's premises, neither in case of abandonment (paragraph (j) (i), above), disposition on completion of need or of the contract (paragraph (i), above), nor otherwise, except for restoration or rehabilitation costs caused by removal of Government property pursuant to paragraph (b), above.

(k) All communications issued pursuant to this clause shall be in writing.

23. NUCLEAR HAZARDS INDEMNITY - PRODUCT LIABILITY (9-7.5004-25)

(a) This article is incorporated into this contract pursuant to the authority contained in section 170d of the Atomic Energy Act of 1954, as amended (hereinafter called the Act).

(1) The definitions set out in the Act shall apply to this article.

(2) The term "product delivered under the contract" means any material; equipment; device; drawing; specification or technical data made, proposed, or acquired by the contractor in the course of performance of the contract and delivered to the Commission or to any other person as directed or approved by the Commission.

(b) Except as hereafter permitted or required in writing by the Commission, the contractor will not be required to provide or maintain, and will not provide or maintain at Government expense, any form of financial protection to cover public liability. The Commission may at any time require in writing that the contractor provide and maintain financial protection of such a type and in such amount as the Commission shall determine to be appropriate to cover public liability against which the contractor is indemnified hereunder: Provided, That the costs of such financial protection will be reimbursed to the contractor by the Commission.

(c) (1) To the extent that the contractor and other persons indemnified are not compensated by any financial protection permitted or required by the Commission, the Commission will indemnify the contractor, and other persons indemnified, against: (i) claims for public liability as described in subparagraph (2) of this paragraph (c); and (ii) the reasonable costs of investigating and settling claims, and defending suits for damages for such public liability, provided that the Commission's liability, including such reasonable costs, under all indemnity agreements entered into by the Commission under section 170 of the Act, including this contract, shall not exceed \$500 million in the aggregate for each nuclear incident occurring within the United States or \$100 million in the aggregate for each nuclear incident occurring outside the United States, irrespective of the number of persons indemnified in connection with this contract.

(2) The public liability referred to in subparagraph (1) of this section is public liability which (i) arises out of or in connection with the contractual activity; and (ii) arises out of or results from a product delivered under the contract; but does not include liability for a nuclear incident which is covered by any other indemnity agreement entered into by the Commission pursuant to section 170 of the Act.

(d) The Contractor shall give immediate written notice to the Commission of any known action or claim filed or made against the Contractor or other person indemnified for public liability as defined in paragraph (2) of section (c). Except as otherwise directed by the Commission, the Contractor shall furnish promptly to the Commission copies of all pertinent papers received by the Contractor or filed with respect to such actions or claims. When the Commission shall determine that the Government will probably be required to make indemnity payments under the provisions of section (c) above, the Commission shall have the right to, and shall, collaborate with the Contractor and any other person indemnified in the settlement or defense of any action or claim and shall have the right (1) to require the prior approval of the Commission for the payment of any claim that the Commission may be required to indemnify hereunder, and (2) to appear through the Attorney General on behalf of the Contractor or other person indemnified in any action brought upon any claim that the Commission may be required to indemnify hereunder, take charge of such action, and settle or defend any such action. If the settlement or defense of any such action or claim is undertaken by the Commission, the Contractor or other person indemnified shall furnish all reasonable assistance in effecting a settlement or asserting a defense.

(e) The obligations of the Commission under this article shall not be affected by any failure on the part of the contractor to fulfill its obligation under this contract, and shall be unaffected by the death, disability or termination of existence of the contractor or by the completion, termination, or expiration of this contract.

(f) The parties to this contract enter into this article upon the condition that this article may be amended at any time by the mutual written agreement of

the Commission and the contractor and that such amendment may, by its express terms, provide that it will apply to any nuclear incidents which occur thereafter.

(g) The provisions of this article shall not be limited in any way by, and shall be interpreted without reference to, any other article of this contract [, including Article 12, Disputes]: Provided, however, That the following provisions of this contract: Article 18, Covenant Against Contingent Fees; Article 17, Officials Not to Benefit; Article 7, Assignment; and Article 8, Examination of Records by the Comptroller General; and any provisions later added to this contract which, under applicable Federal law, including statutes, executive orders, and regulations, are required to be included in agreements of this type contained in this article, shall apply to this article.

(h) [The following section will be included in those contracts containing indemnity agreements executed under the general contract authority of the NRC.]

To the extent that the contractor is compensated by any financial protection, or is indemnified pursuant to this article, or is effectively relieved of public liability by an order or orders limiting same pursuant to section 170e of the Atomic Energy Act of 1954, as amended, the provisions of Article _____ (General Authority Indemnity) shall not apply.

24. UTILIZATION OF CONCERNS IN LABOR SURPLUS AREAS (1-1.805-3(a))

(The following clause is applicable if this contract exceeds \$10,000.)

(a) It is the policy of the Government to award contracts to labor surplus areas concerns that (1) have been certified by the Secretary of Labor (hereafter referred to as certified-eligible concerns with first or second preferences) regarding the employment of a proportionate number of disadvantaged individuals and have agreed to perform substantially (i) in or near sections of concentrated unemployment or underemployment or in persistent or substantial labor surplus areas or (ii) in other areas of the United States, respectively, or (2) are noncertified concerns which have agreed to perform substantially in persistent or substantial labor surplus areas, where this can be done consistent with the efficient performance of the contract and at prices no higher than are obtainable elsewhere. The contractor agrees to use his best efforts to place his subcontracts in accordance with this policy.

(b) In complying with paragraph (a) of this clause and with paragraph (b) of the clause of this contract entitled "Utilization of Small Business Concerns" the contractor in placing his subcontracts shall observe the following order of preference: (1) certified eligible concerns with a first preference which are also small business concerns; (2) other certified-eligible concerns with a first preference; (3) certified-eligible concerns with a second preference which are also small business concerns; (4) other certified-eligible concerns with a second preference; (5) persistent or substantial labor surplus area concerns which

are also small business concerns; (6) other persistent or substantial labor surplus area concerns; and (7) small business concerns which are not labor surplus area concerns.

25. AUDIT AND RECORDS (1-3.814-2(a)) (9-7.5006.1)

(a) General. The Contracting Officer or his representatives shall have the audit and inspection rights described in the applicable paragraphs (b), (c) and (d) below.

(b) Examination of costs. If this is a negotiated fixed-price type, cost-reimbursement type, incentive, time and materials, labor hour, or price redeterminable contract, or any combination thereof, the Contractor shall maintain, and the Contracting Officer or his representatives shall have the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this contract. Such right of examination shall include inspection at all reasonable times of the Contractor's plants, or such parts thereof, as may be engaged in the performance of this contract.

(c) Cost or pricing data. If the Contractor submitted cost or pricing data in connection with the pricing of this contract or any change or modification thereto, unless such pricing was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation, the Contracting Officer or his representatives who are employees of the United States Government shall have the right to examine all books, records, documents and other data of the Contractor related to the negotiation, pricing or performance of such contract, change or modification, for the purpose of evaluating the accuracy, completeness and currency of the cost or pricing data submitted. Additionally, in the case of pricing any change or modification exceeding \$100,000 to formally advertised contracts, the Comptroller General of the United States or his representatives who are employees of the United States Government shall have such rights. The right of examination shall extend to all documents necessary to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(d) Availability. The materials described in (b) and (c) above, shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction, until the expiration of 3 years from the date of final payment under this contract or such lesser time specified in Part 1-20 of the Federal Procurement Regulations (41 CFR Part 1-20) and for such longer period, if any, as is required by applicable statute, or by other clauses of this contract, or by (1) and (2) below:

(1) If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for a period of 3 years from the date of any resulting final settlement.

(2) Records which relate to appeals under the "Disputes" clause of this contract, or litigation or the settlement of claims arising out of the performance of this contract, shall be made available until such appeals, litigation, or claims have been disposed of.

(e) The Contractor shall insert a clause containing all the provisions of this clause, including this paragraph (e), in all subcontracts hereunder except altered as necessary for proper identification of the contracting parties and the Contracting Officer under the Government prime contract.

(f) Reports. The Contractor shall furnish such progress reports and schedules, financial and cost reports and other reports concerning the work under this contract as the contracting officer may from time to time require.

26. PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (1-3.814-1(a))

If any price, including profit or fee, negotiated in connection with this contract or any cost reimbursable under this contract was increased by any significant sums because:

(a) The Contractor furnished cost or pricing data which was not accurate, complete and current as certified in the Contractor's Certificate of Current Cost or Pricing Data;

(b) A subcontractor, pursuant to the clause of this contract entitled "Subcontractor Cost or Pricing Data" or "Subcontractor Cost or Pricing Data—Price Adjustments" or any subcontract clause therein required, furnished cost or pricing data which was not accurate, complete and current as certified in the subcontractor's Certificate of Current Cost or Pricing Data;

(c) A subcontractor or prospective subcontractor furnished cost or pricing data which was required to be accurate, complete and current and to be submitted to support a subcontract cost estimate furnished by the Contractor but which was not accurate, complete and current as of the data certified in the Contractor's Certificate of Current Cost or Pricing Data; or

(d) The Contractor or a subcontractor or prospective subcontractor furnished any data, not within (a), (b) or (c) above, which was not accurate as submitted; the price or cost shall be reduced accordingly and the contract shall be modified in writing as may be necessary to reflect such reduction. However, any reduction in the contract price due to defective subcontract data of a prospective subcontractor when the subcontract was not subsequently awarded to such subcontractor, will be limited to the amount (plus applicable overhead and profit markup) by which the actual subcontract, or actual cost to the Contractor if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor: Provided, The actual subcontract price was not affected by defective cost or pricing data.

(Note: Since the contract is subject to reduction under this clause by reason of defective cost or pricing data submitted in connection with certain subcontracts, it is expected that the Contractor may wish to include a clause in each such subcontract requiring the subcontractor to appropriately indemnify the Contractor. It is also expected that any subcontractor subject to such indemnification will generally require substantially similar indemnification for defective cost or pricing data required to be submitted by his low tier subcontractors.)

27. PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - PRICE ADJUSTMENTS
(1-3.814-1(b))

(a) This clause shall become operative only with respect to any modification of this contract which involves aggregate increases and/or decreases in costs plus applicable profits in excess of \$100,000 unless the modification is priced on the basis of adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. The right to price reduction under this clause is limited to defects in data relating to such modification.

(b) If any price, including profit, or fee, negotiated in connection with any price adjustment under this contract was increased by any significant sums because:

(1) The Contractor furnished cost or pricing data which was not accurate, complete and current as certified in the Contractor's Certificate of Current Cost or Pricing Data;

(2) A subcontractor, pursuant to the clause of this contract entitled "Subcontractor Cost or Pricing Data" or "Subcontractor Cost or Pricing Data--Price Adjustments" or any subcontract clause therein required, furnished cost or pricing data which was not accurate, complete and current as certified in the subcontractor's Certificate of Current Cost or Pricing Data;

(3) A subcontractor or prospective subcontractor furnished cost or pricing data which was required to be accurate, complete and current and to be submitted to support a subcontract cost estimate furnished by the Contractor but which was not accurate, complete and current as of the date certified in the Contractor's Certificate of Current Cost or Pricing Data; or

(4) The Contractor or a subcontractor or prospective subcontractor furnished any data, not within (1), (2) or (3) above, which was not accurate, as submitted; the price shall be reduced accordingly and the contract shall be modified in writing as may be necessary to reflect such reduction. However, any reduction in the contract price due to defective subcontract data of a prospective subcontractor, when the subcontract was not subsequently awarded to such subcontractor, will be limited to the amount-(plus applicable overhead and profit markup) by

which the actual subcontract, or actual cost to the Contractor if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor: Provided the actual subcontract price was not affected by defective cost or pricing data.

(Note: Since the contract is subject to reduction under this clause by reason of defective cost or pricing data submitted in connection with certain subcontracts, it is expected that the Contractor may wish to include a clause in each such subcontract requiring the subcontractor to appropriately indemnify the Contractor. It is also expected that any subcontractor subject to such indemnification will generally require substantially similar indemnification for defective cost or pricing data required to be submitted by his lower tier subcontractors.)

(c) Failure to agree on a reduction shall be a dispute concerning a question of fact within the meaning of the "Disputes" clause of this contract.

28. SUBCONTRACTOR COST AND PRICING DATA (1-3.814-3(a))

(a) The Contractor shall require subcontractors hereunder to submit, actually or by specific identification in writing, cost or pricing data under the following circumstances:

(1) Prior to the award of any subcontract the amount of which is expected to exceed \$100,000 when entered into;

(2) Prior to the pricing of any subcontract modification which involves aggregate increases and/or decreases in costs plus applicable profits expected to exceed \$100,000; except where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

(b) The Contractor shall require subcontractors to certify, in substantially the same form as that used in the certificate by the Prime Contractor to the Government, that to the best of their knowledge and belief, the cost and pricing data submitted under (a) above is accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract change or modification.

(c) The Contractor shall insert the substance of this clause including this paragraph (c) in each subcontract hereunder which exceeds \$100,000 when entered into except where the price thereof is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. In each such expected subcontract hereunder in excess of \$100,000, the Contractor shall insert the substance of the following clause:

SUBCONTRACTOR COST OR PRICING DATA-
PRICE ADJUSTMENTS

(a) Paragraphs (b) and (c) of this clause shall become operative only with respect to any modification made pursuant to one or more provisions of this contract which involves aggregate increases and/or decreases in costs plus applicable profits expected to exceed \$100,000. The requirements of this clause shall be limited to such contract modifications,

(b) The Contractor shall require subcontractors hereunder to submit, actually or by specific identification in writing, cost or pricing data under the following circumstances:

(1) Prior to award of any subcontract, the amount of which is expected to exceed \$100,000 when entered into;

(2) Prior to the pricing of any subcontract modification which involves aggregate increases and/or decreases in costs plus applicable profits expected to exceed \$100,000; except where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

(c) The Contractor shall require subcontractors to certify, in substantially the same form as that used in the certificate by the Prime Contractor to the Government, that to the best of their knowledge and belief the cost and pricing data submitted under (b) above is accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract change or modification.

(d) The Contractor shall insert the substance of this clause including this paragraph (d) in each subcontract hereunder which exceeds \$100,000 when entered into.

29. UTILIZATION OF MINORITY BUSINESS ENTERPRISES (1-1.1310-2(a))
(Applicable to Contracts exceeding \$10,000)

(a) It is the policy of the Government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of Government contracts.

(b) The contractor agrees to use his best efforts to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, the term "minority business enterprise" means a business, at least 50 percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock of which is owned by minority group members. For the purposes of this definition, minority group members are Negroes, Spanish-speaking American

persons, American Orientals, American Indians, American Eskimos, and American Aleuts. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

(c) The Contractor agrees to submit to the Contracting Officer in response to a Request for Proposal, Invitation for Bid, or Solicitation; the representation contained in FPR 1-1.1303.

(d) The Contractor further agrees to report all Minority Business Enterprise subcontract awards to the Contracting Officer using Optional Form 61 (see FPR 1-16.902-OF61). The Contractor may modify the Optional Form 61 to delete reference to "Small Business" for the purpose of this report. Optional Form 61 may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

30. LISTING OF EMPLOYMENT OPENINGS (FPR Temp. Reg. 39)
(Applicable To Contracts Involving \$10,000 or More)

DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA

(a) The contractor will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam era in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination based upon their disability or veterans status in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The contractor agrees that all suitable employment openings of the contractor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the contractor other than the one wherein the contract is being performed but excluding those of independently operated corporate affiliates, shall be listed at an appropriate local office of the State employment service system wherein the opening occurs. The contractor further agrees to provide such reports to such local office regarding employment openings and hires as may be required.

State and local government agencies holding Federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the State employment service, but are not required to provide those reports set forth in paragraphs (d) and (a).

(c) Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrent with the use of any other recruitment source of effort and shall involve the normal obligations

which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the contractor from any requirements in Executive orders or regulations regarding nondiscrimination in employment.

(d) The reports required by paragraph (b) of this clause shall include, but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where the contractor has more than one hiring location in a State, with the central office of that State employment service. Such reports shall indicate for each hiring location (1) the number of individuals hired during the reporting period, (2) the number of nondisabled veterans of the Vietnam era hired, (3) the number of disabled veterans of the Vietnam era hired, and (4) the total number of disabled veterans hired. The reports should include covered veterans hired for on-the-job training under 38 U.S.C. 1787. The contractor shall submit a report within 30 days after the end of each reporting period wherein any performance is made on this contract identifying data for each hiring location. The contractor shall maintain at each hiring location copies of the reports submitted until the expiration of one year after final payment under the contract, during which time these reports and related documentation shall be made available, upon request, for examination by any authorized representatives of the contracting officer or of the Secretary of Labor. Documentation would include personnel records respecting job openings, recruitment, and placement.

(e) Whenever the contractor becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. As long as the contractor is contractually bound to these provisions and has so advised the State system, there is no need to advise the State system of subsequent contracts. The contractor may advise the State system when it is no longer bound by this contract clause.

(f) This clause does not apply to the listing of employment openings which occur and are filled outside the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

(g) The provisions of paragraphs (b), (c), (d), and (e) of this clause do not apply to openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

(h) As used in this clause: (1) "All suitable employment openings" includes, but is not limited to, openings which occur in the following job categories: production and non-production; plant and office; laborers and mechanics; supervisory and nonsupervisory; technical; and executive, administrative, and professional openings that are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than 3 days' duration, and part-time employment. It does

not include openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement nor openings in an educational institution which are restricted to students of that institution. Under the most compelling circumstances an employment opening may not be suitable for listing, including such situations where the needs of the Government cannot reasonably be otherwise supplied, where listing would be contrary to national security, or where the requirement of listing would otherwise not be for the best interest of the Government.

(2) "Appropriate office of the State employment service system" means the local office of the Federal/State national system of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

(3) "Openings which the contractor proposes to fill from within his own organization" means employment openings for which no consideration will be given to persons outside the contractor's own organization (including any affiliates, subsidiaries, and parent companies), and includes any openings which the contractor proposes to fill from regularly established "recall" lists.

(4) "Openings which the contractor proposes to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings which the contractor proposes to fill from union halls, which is part of the customary and traditional hiring relationship which exists between the contractor and representatives of his employees.

(i) The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(j) In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(k) The contractor agrees to post in conspicuous places available to employees and applicants for employment notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notice shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era for employment, and the rights of applicants and employees.

(l) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by terms of the Vietnam Era Veteran's Readjustment Assistance Act and is committed to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era.

(m) The contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

31. PAYMENT OF INTEREST ON CONTRACTOR'S CLAIMS (1-1.322)

(a) If an appeal is filed by the contractor from a final decision of the Contracting Officer under the Disputes clause of this contract, denying a claim arising under the contract, simple interest on the amount of the claim finally determined owed by the Government shall be payable to the Contractor. Such interest shall be at the rate determined by the Secretary of the Treasury pursuant to Public Law 92-41, 85 Stat. 97, from the date the contractor furnishes to the Contracting Officer his written appeal under the Disputes clause of this contract, to the date of (1) a final judgment by a court of competent jurisdiction, or (2) mailing to the contractor of a supplemental agreement for execution either confirming completed negotiations between the parties or carrying out a decision of a board of contract appeals.

(b) Notwithstanding (a), above, (1) interest shall be applied only from the date payment was due, if such date is later than the filing of appeal, and (2) interest shall not be paid for any period of time that the Contracting Officer determines the contractor has unduly delayed in pursuing his remedies before a board of contract appeals or a court of competent jurisdiction.

32. EMPLOYMENT OF THE HANDICAPPED (FPR Temp. Reg. 38)

(a) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, as amended.

(c) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor, provided by or through the Contracting Officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by the terms of section

503 of the Act, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The Contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

33. CLEAN AIR AND WATER (1-1.2302)

(Applicable only if the contract exceeds \$100,000, or the Contracting Officer has determined that orders under an indefinite quantity contract in any one year will exceed \$100,000, or a facility to be used has been the subject of a conviction under the Clean Air Act (42 U.S.C. 1957c-8(c) (1)) or the Federal Water Pollution Control Act (33 U.S.C. 1319(c)) and is listed by EPA, or the contract is not otherwise exempt.)

(a) The Contractor agrees as follows:

(1) To comply with all the requirements of section 114 of the Clean Air Act, as amended (42 U.S.C. 1857, et seq., as amended by Pub. L. 91-604) and section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq., as amended by Pub. L. 95-500), respectively, relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in section 114 and section 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder before the award of the contract.

(2) That no portion of the work required by this prime contract will be performed in a facility listed on the Environmental Protection Agency List of Violating Facilities on the date when this contract was awarded unless and until the EPA eliminates the name of such facility or facilities from such listing.

(3) To use his best efforts to comply with clean air standards and clean water standards at the facility in which the contract is being performed.

(4) To insert the substance of the provisions of this clause into any nonexempt subcontract, including this paragraph (a)(4).

(b) The terms used in this clause have the following meanings:

(1) The term "Air-Act" means the Clean Air Act, as amended (42 U.S.C. 1857 et. seq., as amended by Pub. L. 91-604).

(2) The term "Water Act" means Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et. seq., as amended by Pub. L. 92-500).

(3) The term "clean air standards" means any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, or other requirements which are contained in, issued under, or otherwise adopted pursuant to the Air Act or Executive Order 11738, an applicable implementation plan as described in section 110(d) of the Clean Air Act (42 U.S.C. 1857c-5(d)), an approved implementation procedure or plan under section 111(c) or section 111(d), respectively, of the Air Act (42 U.S.C. 1857(c) or (d)), or an approved implementation procedure under section 112(d) of the Air Act (42 U.S.C. 1857c-7(d)).

(4) The term "clean water standards" means any enforceable limitation, control, condition, prohibition, standard, or other requirement which is promulgated pursuant to the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency or by a State under an approved program, as authorized by section 402 of the Water Act (33 U.S.C. 1342), or by local government to ensure compliance with pretreatment regulations as required by section 307 of the Water Act (33 U.S.C. 1317).

(5) The term "compliance" means compliance with clean air or water standards. Compliance shall also mean compliance with a schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency or an air or water pollution control agency in accordance with the requirements of the Air Act or Water Act and regulations issued pursuant thereto.

(6) The term "facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a contractor or subcontractor, to be utilized in the performance of a contract or subcontract. Where a location or site of operations contains or includes more than one building, plant, installation, or structure, the entire location or site shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are collocated in one geographical area.

34. NEGOTIATED OVERHEAD RATES (1-3.704-1)

(a) Notwithstanding the provisions of the clause of this contract entitled "Allowable Cost, Fixed Fee, and Payment," the allowable indirect costs under this contract shall be obtained by applying negotiated overhead rates to bases agreed upon by the parties, as specified below.

(b) The Contractor, as soon as possible but not later than ninety (90) days after the expiration of his fiscal year, or such other period as may be specified in the contract, shall submit to the Contracting Officer, with a copy to the cognizant audit activity, a proposed final overhead rate or rates for that period based on the Contractor's actual cost experience during that period, together with supporting cost data. Negotiation of overhead rates by the Contractor and the Contracting Officer shall be undertaken as promptly as practicable after receipt of the Contractor's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with contract Appendix A Cost Principles and Procedures as in effect on the date of this contract.

(d) The results of each negotiation shall be set forth in a modification to this contract, which shall specify (1) the agreed final rates, (2) the bases to which the rates apply, and (3) the periods for which the rates apply.

(e) Pending establishment of final overhead rates for any period, the Contractor shall be reimbursed either at negotiated provisional rates as provided in the contract, or at billing rates acceptable to the Contracting Officer, subject to appropriate adjustment when the final rates for that period are established. To prevent substantial over or under payment, and to apply either retroactively or prospectively: (1) Provisional rates may, at the request of either party, be revised by mutual agreement, and (2) billing rates may be adjusted at any time by the Contracting Officer. Any such revision of negotiated provisional rates provided in the contract shall be set forth in a modification to this contract.

(f) Any failure by the parties to agree on any final rates under this clause shall be considered a dispute concerning a question of fact for decision by the Contracting Officer within the meaning of the "Disputes" clause of this contract.

35. NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (1-7.203-3)

(a) Whenever the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately give notice thereof, including all relevant information with respect thereto, to the Contracting Officer.

(b) The Contractor agrees to insert the substance of this clause, including this paragraph (b), in any subcontract hereunder as to which a labor dispute may delay the timely performance of this contract; except that each such subcontract shall provide that in the event its timely

performance is delayed or threatened by delay by an actual or potential labor dispute, the subcontractor shall immediately notify his next higher tier subcontractor, or the Prime Contractor, as the case may be, of all relevant information with respect to such disputes.

36. REQUIRED SOURCE OF JEWEL BEARING (1-2.319)

(a) For the purpose of this clause:

(1) "Jewel bearing" means a piece of synthetic sapphire or ruby of any shape, except a phonograph needle, which has one or more polished surfaces and which is suitable for use in an instrument, mechanism, subassembly, or part without any additional processing. A jewel bearing may be either unmounted or mounted into a ring or bushing. Examples of jewel bearings are: Watch holes—olive, watch holes—straight, pallet stones, roller jewels (jewel pins), end stones (caps), vee (cone) jewels, instrument rings, cups, double cups, and orifice jewels. As used herein, the term "jewel bearings" includes "related items."

(2) "Related items" means other synthetic sapphire or ruby components. Examples of related items are pivots, knife edges, insulators, spacers, windows, and striking surfaces other than pallet stones.

(3) "Price list" means the official U.S. Government Jewel Bearing Price List for jewel bearings produced by the William Langer Jewel Bearing Plant. This list is issued periodically by the General Services Administration.

(4) "Plant" means the Government-owned William Langer Jewel Bearing Plant, Rolla, N. Dak.

(5) "Military Standard Jewel Bearing" means a jewel bearing conforming to Military Specification No. MIL-B-27497 (latest revision) entitled "Bearings, Jewel, Sapphire or Ruby, Synthetic."

(b) Jewel bearings required in the performance of this contract shall be procured from the Plant at prices established in the price list dated (date to be filled in by Contracting Officer). Each purchase order issued to the Plant under this contract shall include the prime contract number and date of the price list cited above. The Contractor agrees that the quantities, types, and sizes (including tolerances) of jewel bearings so ordered will be those required for the performance of this contract. Within 90 calendar days after the effective date of this contract the Contractor shall furnish to the Contracting Officer a certification that the required jewel bearings were ordered pursuant to this clause. The Contractor agrees to notify the Contracting Officer promptly of the rejection of his (or any subcontractor's) purchase order in whole

or in part by the Plant. The requirement for purchase and use of jewel bearings from the Plant will be waived to the extent of orders rejected because of the Plant's inability to deliver. If such a waiver is granted, an equitable adjustment shall be made in the contract price or delivery schedule, or both, in accordance with the "Changes" clause of this contract. Further, the requirement for use (but not the requirement for purchase from the Plant) of jewel bearings may be waived by the Contracting Officer when such waiver is determined by him to be consistent with established policy.

(c) The Contractor agrees to use to Langer-made jewel bearings in the production of subassemblies or end items under this contract or in his commercial production.

(d) Whenever it is necessary for the Contractor or any subcontractor to redesign or reengineer jeweled items in order to satisfy specific performance requirements, the Contractor or subcontractor shall provide in such redesign for the use of military standard jewel bearings. This requirement does not apply when the dimensional tolerances or configurations of military standard jewel bearings are such that their use in the product would prevent attainment of the required level of performance specified for the item. However, when one or more nonstandard bearings must be used to satisfy performance requirements of the jeweled item but military standard jewel bearings will function satisfactorily for other applications within the same item, the item will be required to be redesigned to provide for the use of military standard jewel bearings in such "other" applications. The Contractor or subcontractor is not required to redesign a jeweled item solely for the purpose of converting from the use of nonstandard to military standard jewel bearings. Nothing in this contract shall prevent any Contractor or subcontractor from voluntarily redesigning a jeweled item solely to accommodate the use of military standard jewel bearings.

(e) If at the end of this contract period, the total quantity of end items actually ordered under this contract is less than the total estimated quantity, and the Contractor, pursuant to paragraph (b) of this clause, has purchased a larger quantity of Langer-made jewel bearings than used in deliveries made under this contract, an equitable adjustment shall be made (if requested by the Contractor within 90 days after the end of the contract period) to reimburse the Contractor for any additional costs resulting from such excess purchase but in no event shall such additional costs cover more jewel bearings than necessary to deliver the total estimated quantity of end items. Such excess jewel bearings shall be disposed of as directed by the Contracting Officer. However, such excess jewel bearings may be used in partial satisfaction of the requirements to purchase Langer-made jewel bearings pursuant to paragraph (b) of this clause where a subsequent contract to furnish similar end items to the

Government is entered into with the same Contractor. In this situation the requirement to purchase and use jewel bearings from the Plant will be waived up to the amount of such excess jewel bearings in Contractor's possession upon submission of a written request by the Contractor. Such request shall contain documented evidence in support of the waiver of purchase and nonuse of such excess jewel bearings. If such waiver is granted, an equitable adjustment to the extent of differences in price lists shall be made in the contract price in accordance with the "Changes" clause of this contract.

(f) The Contractor agrees to retain for 3 years from the date of final payment under this contract and upon request of the Contracting Officer to make available during that period records showing compliance with this clause.

(g) The Contractor agrees to insert this clause, including this paragraph (g), in every subcontract and purchase order issued in performance of this contract unless he knows that the subassembly, component, or part being purchased does not contain jewel bearings.

37. COST ACCOUNTING STANDARDS (1-3.1204)
(CONTRACTS EXCEEDING \$100,000)

(a) Unless the Cost Accounting Standards Board, or the General Services Administration in the case of nondefense contracts, has prescribed rules or regulations exempting the Contractor or this contract from standards, rules, and regulations promulgated pursuant to 50 U.S.C. App. 2168 (P.L. 91-379, August 15, 1970), or other statutory authority, the Contractor, in connection with this contract shall:

(1) By submission of a Disclosure Statement, disclose in writing his cost accounting practices as required by regulations of the Cost Accounting Standards Board. The required disclosures must be made prior to contract award unless the Contracting Officer provides a written notice to the Contractor authorizing postaward submission in accordance with regulations of the Cost Accounting Standards Board. The practices disclosed for this contract shall be the same as the practices currently disclosed and applied on all other contracts and subcontracts being performed by the Contractor and which contain this Cost Accounting Standards clause. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets and commercial or financial information which is privileged and confidential, the Disclosure Statement will not be released outside of the Government.

(2) Follow consistently the cost accounting practices disclosed pursuant to (1), above, in accumulating and reporting contract performance cost data concerning this contract. If any change in disclosed practices is made for purposes of any contract or subcontract

subject to Cost Accounting Standards Board requirements, the change must be applied prospectively to this contract, and the Disclosure Statement must be amended accordingly. If the contract price or cost allowance of this contract is affected by such changes, adjustment shall be made in accordance with subparagraph (a)(4) or (a)(5), below, as appropriate.

(3) Comply with all Cost Accounting Standards in effect on the date of award of this contract or if the Contractor has submitted cost or pricing data, on the date of final agreement on price as shown on the Contractor's signed certificate of current cost or pricing data. The Contractor shall also comply with any Cost Accounting Standard which hereafter becomes applicable to a contract or subcontract of the Contractor. Such compliance shall be required prospectively from the date of applicability to such contract or subcontract.

(4) (A) Agree to an equitable adjustment (as provided in the Changes clause of this contract, if any) if the contract cost is affected by a change which, pursuant to (3) above, the Contractor is required to make to his established cost accounting practices whether such practices are covered by a Disclosure Statement or not.

(B) Negotiate with the Contracting Officer to determine the terms and conditions under which a change to either a disclosed cost accounting practice, other than a change under (4)(A), above, may be made. A change to a practice may be proposed by either the Government or the Contractor, provided, however, that no agreement may be made under this provision that will increase costs paid by the United States.

(5) Agree to an adjustment of the contract price or cost allowance, as appropriate, if he or a subcontractor fails to comply with an applicable Cost Accounting Standard or to follow any practice disclosed pursuant to subparagraphs (a)(1) and (a)(2), above, and such failure results in any increased costs paid by the United States. Such adjustment shall provide for recovery of the increased costs to the United States together with interest thereon computed at the rate determined by the Secretary of the Treasury pursuant to P.L. 92-41, 85 Stat. 97, or 7 percent per annum, whichever is less, from the time the payment by the United States was made to the time the adjustment is effected.

(b) If the parties fail to agree whether the Contractor or a subcontractor has complied with an applicable Cost Accounting Standard, rule, or regulation of the Cost Accounting Standards Board and as to any cost adjustment demanded by the United States, such failure to agree shall be a dispute concerning a question of fact within the meaning of the Disputes clause of this contract.

(c) The Contractor shall permit any authorized representatives of the head of the Commission, of the Cost Accounting Standards Board, or of the Comptroller General of the United States to examine and make copies of any documents, papers, or records relating to compliance with the requirements of this clause.

(d) The Contractor shall include in all negotiated subcontracts which he enters into the substance of this clause except paragraph (b), and shall require such inclusion in all other subcontracts of any tier, except that this requirement shall apply only to negotiated subcontracts in excess of \$100,000 where the price negotiated is not based on:

(1) Established catalog or market prices of commercial items sold in substantial quantities to the general public; or

(2) Prices set by law or regulation, and except that the requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to accept the Cost Accounting Standards clause by reason of § 331.30(b) of Title 4, Code of Federal Regulations (4 CFR 331.30(b)) or § 1-3.1203(a)(2) of Title 41, Code of Federal Regulations (41 CFR 1-3.1203(a)(2)).

However, if this is a contract with an agency which permits subcontracts to appeal final decisions of the Contracting Officer directly to the head of the agency or his duly authorized representative, then the Contractor shall include the substance of paragraph (b) as well.

NOTE: (1) Subcontractors shall be required to submit their Disclosure Statements to the Contractor. However, if a subcontractor has previously submitted his Disclosure Statement to a Government Contracting Officer he may satisfy that requirement by certifying to the Contractor the date of such Statement and the address of the Contracting Officer.

(2) In any case where a subcontractor determines that the Disclosure Statement information is privileged and confidential and declines to provide it to his Contractor or higher tier subcontractor, the Contractor may authorize direct submission of that subcontractor's Disclosure Statement to the same Government offices to which the Contractor was required to make submission of his Disclosure Statement. Such authorization shall in no way relieve the Contractor of liability as provided in paragraph (a)(5) of this clause. In view of the foregoing and since the contract may be subject to adjustment under this clause by reason of any failure to comply with rules, regulations, and standards of the Cost Accounting Standards Board in connection with covered subcontracts, it is expected that the Contractor may wish to include a clause in each such subcontract requiring the subcontractor to appropriately indemnify the Contractor. However, the inclusion of such a clause and the terms thereof

are matters for negotiation and agreement between the Contractor and the subcontractor, provided that they do not conflict with the duties of the contractor under its contract with the Government. It is also expected that any subcontractor subject to such indemnification will generally require substantially similar indemnification to be submitted by his subcontractors.

(e) The terms defined in Sec. 331.20 of Part 331 of Title 4, Code of Federal Regulations (4 CFR 331.20) shall have the same meanings herein. As there defined, "negotiated subcontract" means "any subcontract except a firm fixed-price subcontract made by a Contractor or subcontractor after receiving offers from at least two firms not associated with each other or such Contractor or subcontractor, providing (1) the solicitation to all competing firms is identical, (2) price is the only consideration in selecting the subcontractor from among the competing firms solicited, and (3) the lowest offer received in compliance with the solicitation from among those solicited is accepted."

38. ADMINISTRATION OF COST ACCOUNTING STANDARDS (1-3.1204-2) (When applicable)

For the purpose of administering Cost Accounting Standards requirements under this contract the Contractor shall:

(a) Submit to the cognizant contracting officer a description of the accounting change and the general dollar magnitude of the change to reflect the sum of all increases and the sum of all decreases for all contracts containing the Cost Accounting Standards clause:

(1) For any change in cost accounting practices required to comply with a new Cost Accounting Standard in accordance with paragraphs (a)(3) and (a)(4)(A) of the clause of this contract entitled "Cost Accounting Standards" within 60 days (or such other date as may be mutually agreed to) after award of a contract requiring such change;

(2) For any change to cost accounting practices proposed in accordance with paragraph (a)(4)(B) of the clause of this contract entitled "Cost Accounting Standards" not less than 60 days (or such other date as may be mutually agreed to) prior to the effective date of the proposed change; or

(3) For any failure to comply with an applicable Cost Accounting Standard or to follow a disclosed practice as contemplated by paragraph (a)(5) of the clause of this contract entitled "Cost Accounting Standards" within 60 days (or such other date as may be mutually agreed to) after the date of agreement of such noncompliance by the Contractor.

(b) Submit a cost impact proposal in the form and manner specified by the cognizant contracting officer within 60 days (or such other date as may be mutually agreed to) after the date of determination of the adequacy and compliance of a change submitted pursuant to (a)(1), (2) or (3) above.

(c) Agree to appropriate contract and subcontract amendments to reflect adjustments established in accordance with paragraphs (a)(4) and (a)(5) of the clause of this contract entitled "Cost Accounting Standards."

(d) Include the substance of this clause in all negotiated subcontracts containing the clause entitled "Cost Accounting Standards." In addition, include a provision in these subcontracts which will require such subcontractors, within thirty (30) days after receipt of award, to submit the following information to the contracting officer cognizant of the subcontractor's facility:

- (1) Subcontractor's name and subcontract number;
- (2) Dollar amount and date of award;
- (3) Name of Contractor making the award; and
- (4) A statement as to whether the subcontractor has made or proposes to make any changes to accounting practices that affect prime contracts or subcontracts containing the Cost Accounting Standards clause, unless such changes have already been reported. If award of the subcontract results in making a Cost Accounting Standard(s) effective for the first time this shall also be reported.

(e) In the event an adjustment is required to be made to any subcontract hereunder, notify the cognizant contracting officer in writing of such adjustment and agree to an adjustment in the price or estimated cost and fee of this contract, as appropriate, based upon the adjustment established under subcontract. Such notice shall be given within 30 days after receipt of the proposed subcontract adjustment, and shall include a proposal for adjustment to such higher tier subcontract or prime contract, as appropriate.

(f) When the Cost Accounting Standards clause and this clause are included in subcontracts, the term "contracting officer" shall be suitably altered to identify the purchaser.

39. NOTICE REGARDING LATE DELIVERY (1-7.204-4)

In the event the Contractor encounters difficulty in meeting the performance requirements, or anticipates difficulty in complying with the contract delivery schedule or date, the Contractor shall immediately notify the Contracting Officer thereof in writing, giving pertinent details, including the date by which it expects to complete performance or make delivery: Provided, however, that this data shall be informational only in character and that receipt thereof shall not be construed as a waiver by the Government of any contract delivery schedule or date, or any rights or remedies provided by law or under this contract.

40. KEY PERSONNEL (1-7.304-6)

The personnel specified in this contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified

individuals to other programs, the Contractor shall notify the Contracting Officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the Contractor without the written consent of the Contracting Officer: Provided, That the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by this clause. The attachment to this contract may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

41/ EXCUSABLE DELAYS (1-8.708)

Except with respect to defaults of subcontractors, the contractor shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the contractor to make progress in the prosecution of the work hereunder which endangers such performance) if such failure arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not restricted to acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by the failure of the subcontractor to perform or make progress, and if such failure arises out of causes beyond the control of both the contractor and subcontractor, and without the fault or negligence of either of them, the contractor shall not be deemed to be in default, unless (a) the supplies or services to be furnished by the subcontractor were obtainable from other sources, (b) the Contracting Officer shall have ordered the contractor in writing to procure such supplies or services from such other sources, and (c) the contractor shall have failed to comply reasonably with such order. Upon request of the contractor, the Contracting Officer shall ascertain the facts and extent of such failure and, if he shall determine that any failure to perform was occasioned by any one or more of the said causes, the delivery schedule shall be revised accordingly, subject to the rights of the Government under the clause hereof entitled "Termination for Default or for Convenience of the Government." (As used in this clause, the terms "subcontractor" and "subcontractors" means subcontractor(s) at any tier.)

42. STATE AND LOCAL TAXES (9-11.452)

(a) The contractor agrees to notify the Commission of any state or local tax, fee, or charge levied or purported to be levied on or collected from the contractor with respect to the contract work, any transaction thereunder, or property in the custody or control of the contractor and constituting an allowable item of cost if due and payable, but which the contractor has reason to believe, or the Commission has advised the contractor, is or may be inapplicable or invalid; and the contractor further agrees to refrain from

paying any such tax, fee, or charge unless authorized in writing by the Commission. Any state or local tax, fee, or charge paid with the approval of the Commission or on the basis of advice from the Commission that such tax, fee, or charge is applicable and valid, and which would otherwise be an allowable item of cost, shall not be disallowed as an item of cost by reason of any subsequent ruling or determination that such tax, fee, or charge was in fact inapplicable or invalid.

(b) The contractor agrees to take such action as may be required or approved by the Commission to cause any state or local tax, fee, or charge which would be an allowable cost to be paid under protest; and to take such action as may be required or approved by the Commission to seek recovery of any payments made, including assignment to the Government or its designee of all rights to an abatement or refund thereof, and granting permission for the Government to join with the contractor in any proceedings for the recovery thereof or to sue for recovery in the name of the contractor. If the Commission directs the contractor to institute litigation to enjoin the collection of or to recover payment of any such tax, fee, or charge referred to above, or if a claim or suit is filed against the contractor for a tax, fee, or charge it has refrained from paying in accordance with this article, the procedures and requirements of the article entitled "Litigation and Claims" shall apply and the costs and expenses incurred by the contractor shall be allowable items of cost, as provided in this contract, together with the amount of any judgment rendered against the contractor.

(c) The Government shall save the contractor harmless from penalties and interest incurred through compliance with this article. All recoveries or credits in respect of the foregoing taxes, fees, and charges (including interest) shall inure to be for the sole benefit of the Government.

43. COPYRIGHT (9-9.5103(d))

(a) The contractor (i) agrees that the Commission shall determine the disposition of the title to and the rights under any copyright secured by the contractor or its employees on copyrightable material first produced or composed under this contract and (ii) hereby grants to the Government a royalty-free, nonexclusive, irrevocable license to reproduce, translate, publish, use and dispose of, and to authorize others so to do, all copyrighted or copyrightable work not first produced or composed by the contractor in the performance of this contract but which is incorporated in the material furnished under the contract, provided that such license shall be only to the extent the contractor now has, or prior to the completion or final settlement of the contract may acquire the right to grant such license without becoming liable to pay compensation to others solely because of such grant.

(b) The contractor agrees that it will not include any copyrighted material in any written or copyrightable material furnished or delivered under this contract 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 Contracting Officer for the inclusion of such copyrighted material is secured.

(c) The contractor agrees to report in writing to the Commission, promptly and in reasonable detail, any notice or claim or copyright infringement received by the contractor with respect to any material delivered under this contract.

44. PATENT INDEMNITY (9-9.5009(c))

The contractor agrees to indemnify the Government, its 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 or any Letters Patent (not including liability, arising pursuant to Section 183, Title 35, (1952) U.S. Code, prior to the issuance of Letters Patent) occurring in the performance of this contract or arising by reason of the use of disposal by or for the account of the Government of items manufactured or supplied under this contract.

45. COPYRIGHT INDEMNIFICATION OF GOVERNMENT (9-9.5104)

Except as otherwise provided, the contractor agrees to indemnify the Government, its officers, agents, servants, and employees against liability, including costs and expenses, for the infringement of any copyright in any work protected under the copyright laws of the United States arising out of the performance of this contract, including the reproduction, translation, publication or use of any such copyright material.

46. LITIGATION AND CLAIMS (9-7.5000-50)

(a) Initiation of litigation. The contractor may, with the prior written authorization of the Contracting Officer, and shall, upon the request of the Commission initiate litigation against third parties, including proceedings before administrative agencies, in connection with this contract. The contractor shall proceed with such litigation in good faith and as directed from time to time by the Contracting Officer.

(b) Defense and settlement of claims. The contractor shall give the Contracting Officer immediate notice in writing (1) of any action, including any proceeding before an administrative agency, filed against the contractor arising out of the performance of this contract, and (2) of any claim against the contractor, the cost and expense of which is allowable under the clause entitled "Allowable Costs." Except as otherwise directed by the Contracting Officer, in writing, the contractor shall furnish immediately to the Contracting

Officer copies of all pertinent papers received by the contractor with respect to such action or claim. To the extent not in conflict with any applicable policy of insurance, the contractor may with the Contracting Officer's approval settle any such action or claim, shall effect at the Contracting Officer's request an assignment and subrogation in favor of the Government of all the contractor's rights and claims (except those against the Government) arising out of any such action or claim against the contractor, and, if required by the Contracting Officer, shall authorize representatives of the Government to settle or defend any such action or claim and to represent the contractor in, or to take charge of, any action. If the settlement or defense of an action or claim against the contractor is undertaken by the Government, the contractor shall furnish all reasonable assistance in effecting a settlement or asserting a defense. Where an action against the contractor is not covered by a policy of insurance, the contractor shall, with the approval of the Contracting Officer, proceed with the defense of the action in good faith; and in such event the defense of the action shall be at the expense of the Government: Provided, however, That the Government shall not be liable for such expense to the extent that it would have been compensated for by insurance which was required by law or by the written direction of the Contracting Officer, but which the contractor failed to secure through its own fault or negligence.

47. RENEGOTIATION (9-7.5004-20)

If this contract 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 U.S.C. 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 contract or any subcontract hereunder which is not imposed by an act of Congress heretofore or hereafter enacted. Subject to the foregoing, this contract shall be deemed to contain all the provisions required by section 104 of the Renegotiation Act of 1951, and by any such other act, without subsequent contract amendment specifically incorporating such provisions.

(b) The contractor agrees to insert the provisions of this clause, including this paragraph (b), in all subcontracts, as that term is defined in section 103 g. of the Renegotiation Act of 1951, as amended.

48. PERMITS (9-7.5006-48)

Except as otherwise directed by the Contracting Officer, the contractor 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 contract is performed.

49. CONSULTANT OR COMPARABLE EMPLOYMENT SERVICES OF CONTRACTOR EMPLOYEES
(9-7.5006-45(a))

The contractor shall require all employees who are employed full-time (an individual who performs work under the cost-type contract on a full-time annual basis) or part-time (50 percent or more of regular annual compensation received under terms of a contract with the Commission) on the contract work to disclose to the contractor all consultant or other comparable employment services which the employees proposed to undertake for others. The contractor shall transmit to the Contracting Officer all information obtained from such disclosures. The contractor will require any employee who will be employed full-time on the contract to agree, as a condition of his participation in such work, that he will not perform consultant or other comparable employment services for another Commission cost-type contractor under its contract with the Commission except with the prior approval of the contractor.

50. SAFETY, HEALTH, AND FIRE PROTECTION (9-7.5006-47)

The contractor shall take all reasonable precautions in the performance of the work under this contract to protect the health and safety of employees and of members of the public and to minimize danger from all hazards to life and property and shall comply with all health, safety, and fire protection regulations and requirements (including reporting requirements) of the Commission. In the event that the contractor fails to comply with said regulations or requirements of the Commission, the Contracting Officer may, without prejudice to any other legal or contractual rights of the Commission, issue an order stopping all or any part of the work; thereafter a start order for resumption of work may be issued at the discretion of the Contracting Officer. The contractor shall make no claim for an extension of time or for compensation or damages by reason of or in connection with such work stoppage.

51. SECURITY (9-7.5004-11 Modified)

(Applicable if Restricted Data or Classified information is involved)

(a) Contractor's duty to safeguard Restricted Data, Formerly Restricted Data, and other classified information. The Contractor shall, in accordance with the Nuclear Regulatory Commission'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 material in the contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the contractor shall, upon completion or termination of this contract, transmit to the Commission any classified matter in the possession of the contractor or any person under the contractor's control in connection with the performance of this contract.

If retention by the Contractor of any classified matter is required after the completion or termination of the contract and such retention is approved by the Contracting Officer the Contractor will complete a certificate of possession to be furnished to the Nuclear Regulatory Commission 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 Contracting Officer, the security provisions of the contract will continue to be applicable to the matter retained.

(b) Regulations. The Contractor agrees to conform to all security regulations and requirements of the Commission.

(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, as amended.

(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 Contractor 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 Commission's regulations or requirements applicable in 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 other classified information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data, Formerly Restricted Data, or other classified matter that may come to the Contractor or any person under the contractor's control in connection with work under this contract, may subject the contractor, its agents, employees, or subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954; as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and Executive Order 11652.)

(g) Subcontracts and purchase orders. Except as otherwise authorized in writing by the Contracting Officer, the contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

(h) In the performance of the work under this contract, the contractor shall assign classifications to all documents, material, and equipment originated or generated by the Contractor in accordance with classification guidance furnished to the contractor by the Commission. Every 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 subcontracts or purchase orders the subcontractor or supplier shall assign classifications to all such documents, material and equipment in accordance with classification guidance furnished to such subcontractor or supplier by the contractor.

52. CONTRACTOR'S ORGANIZATION (9-7.5006-6)

(a) Organization Chart. As promptly as possible after the execution of this contract, the contractor shall furnish to the Contracting Officer a chart showing the names, duties, and organization of key personnel to be employed in connection with the work, and shall furnish from time to time supplementary information reflecting changes therein.

(b) Supervising representative of contractor. Unless otherwise directed by the Contracting Officer, a competent full-time resident supervising representative of the contractor satisfactory to the Contracting Officer shall be in charge of the work at the site at all times.

(c) The contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, and integrity and shall be responsible for taking such disciplinary action with respect to his employees as may be necessary. The contractor shall establish such standards and procedures as are necessary to implement affectively the provisions set forth in AECPR 9-12.54, and such standards and procedures shall be subject to the approval of the Contracting Officer.

53. PRIVATE USE OF CONTRACT INFORMATION AND DATA (9-7.5006-59)

Except as specifically authorized by this contract, or as otherwise approved by the Contracting Officer, information and other data developed or acquired by or furnished the contractor in the performance of this contract, shall be used only in connection with the work under this contract.

54. DRAWINGS, DESIGNS, SPECIFICATIONS (9-7.5006-13)

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 Commission at all reasonable times (for which inspection the proper facilities shall be afforded the Commission by the contractor and its subcontractors), shall be the property of the Government and may be used by the Government for any purpose whatsoever without any claim on the part of the contractor and its subcontractors and vendors for additional compensation and shall, subject to the right of the contractor to retain a copy of said material for its own use, be delivered to the Government, or otherwise disposed of by the contractor either as the Contracting Officer may from time to time direct during the progress of the work or in any event as the Contracting Officer shall direct upon completion or termination of this contract. The contractor's right of retention and use shall be subject to the security, patent, and use of information provisions, if any, of this contract.

55. CONTRACTOR PROCUREMENT (9-7.5006-29)

(a) The Commission reserves the right at any time to require that the contractor submit for approval any or all procurements under this contract. The contractor shall not procure any item whose purchase is expressly prohibited by the written direction of the Commission and shall use such special and directed procurement sources as may be expressly required by the Commission. The contractor shall, if requested by the Contracting Officer, provide information concerning procurement methods, practices, and procedures used or proposed to be used and shall use methods, practices, and procedures which are acceptable to the Commission. Procurement arrangements under this contract shall not relieve the contractor of any obligation under this contract (including, among other things, the obligation to properly supervise, administer, and coordinate the work of subcontractors) and shall be in such form and contain such provisions as are required by this contract or as the Commission may prescribe.

(b) Procurement or transfer of equipment, materials, supplies, or services from a contractor-controlled source (any division or other organizational component of the prime contractor (exclusive of the contracting component) and any subsidiary or affiliate of the contractor under a common control) shall be considered a procurement for the purposes of this article.

56. PREFERENCE FOR U.S. FLAG AIR CARRIERS (1-1.323-2)

(a) Pub. L. 93-623 requires that all Federal agencies and Government contractors and subcontractors will use U.S. flag air carriers for international air transportation of personnel (and their personal effects) or property to the extent service by such carriers is available. It further provides that the Comptroller General of the United States shall disallow any expenditure from appropriated funds for international air transportation on other than a U.S. flag air carrier in the absence of satisfactory proof of the necessity therefor.

(b) The contractor agrees to utilize U.S. flag air carriers for international air transportation of personnel (and their personal effects) or property to the extent service by such carriers is available.

(c) In the event that the contractor selects a carrier other than a U.S. flag air carrier for international air transportation; he will include a certification on vouchers involving such transportation which is essentially as follows:

CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG
AIR CARRIERS

I hereby certify that transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reasons:¹ (state reasons)

¹ See Federal Procurement Regulations (41 CFR 1-1.323-3) or section 1-336.2 of the Armed Services Procurement Regulations, as applicable.

(d) The terms used in this clause have the following meanings:

(1) "International air transportation" means transportation of persons (and their personal effects) or property by air between a place in the United States and a place outside thereof or between two places both of which are outside the United States.

(2) "U.S. flag air carrier" means one of a class of air carriers holding a certificate of public convenience and necessity issued by the Civil Aeronautics Board, approved by the President, authorizing operations between the United States and/or its territories and one or more foreign countries.

(3) The term "United States" includes the fifty states, Commonwealth of Puerto Rico, possessions of the United States, and the District of Columbia.

(e) The contractor shall include the substance of this clause, including this paragraph (e), in each subcontract or purchase hereunder which may involve international air transportation.

57. AUTHORIZED REPRESENTATIVE

The Contracting Officer may designate an authorized representative under this contract for the purpose of assuring that services required under the contract are ordered and delivered in accordance therewith. Such representative as may be appointed will be specifically designated in writing to the Contractor from the Contracting Officer, including the extent of such designee's authority.

58. STOP WORK ORDER

(a) The Contracting Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of ninety (90) days after the order is delivered to the Contractor, and for any further period at which the parties may agree. Any such order shall be specifically identified as a Stop Work Order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of ninety (90) days after a stop work order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Contractor shall either:

- (i) cancel the stop work order, or
- (ii) terminate the work covered by such order as provided in the "Default" or the "Termination for Convenience" clause of this contract.

(b) If a stop work order issued under this clause is canceled or the period of the order or any extension thereof expires, the Contractor shall resume work. An equitable adjustment shall be made in the delivery schedule, the estimated cost, the fee, or a combination thereof, and the contract shall be modified in writing accordingly, if:

- (i) the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract, and
- (ii) the Contractor asserts a claim for such adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if the Contracting Officer decides the facts justify such action, he may receive and act upon any such claim asserted at any time prior to final payment under this contract.

(c) If a stop work order is not canceled and the work covered by such order is terminated for the convenience of the Government, the reasonable costs resulting from the stop work order shall be allowed in arriving at the termination settlement.

(d) If a stop work order is not cancelled and the work covered by such order is terminated for default, the reasonable costs resulting from the stop work order shall be allowed by equitable adjustment or otherwise.

59. PUBLICATION AND PUBLICITY

Unless otherwise specified in this contract, the Contractor is encouraged to publish and make available through accepted channels the results of its work under this contract. The Contractor shall submit a copy of each article or other information to the Project Officer prior to publication or dissemination for public use. If the article or other information is subsequently modified or altered in any manner, the Contractor shall promptly notify the Project Officer and furnish him/her a copy of the article or other information as finally submitted for publication or dissemination.

The Contractor shall acknowledge the support of the U. S. Nuclear Regulatory Commission whenever publicizing the work under this contract in any media. To effectuate the foregoing, the Contractor shall include in any publication resulting from work performed under this contract an acknowledgement substantially as follows:

"The work upon which this publication is based was performed pursuant to Contract (insert number) with the (insert name of constituent agency), U. S. Nuclear Regulatory Commission."

Either Clause No. 60. entitled "Dissemination of Contract Information" or Clause No. 59. is for application but not both. In the absence of a clear delineation, Clause No. 59. applies.

60. DISSEMINATION OF CONTRACT INFORMATION

The Contractor shall not publish, permit to be published, or distribute for public consumption, any information, oral or written, concerning the results of conclusions made pursuant to the performance of this contract, without the prior written consent of the Contracting Officer. (Two copies of any material proposed to be published or distributed shall be submitted to the Contracting Officer.) Failure to comply with this clause shall be grounds for termination of this contract.

61. WORK FOR OTHERS

Notwithstanding any other provision of this contract, during the term of this contract, the contractor agrees to forego entering into consulting or other contractual arrangements with any firm or organization, the result of which may give rise to an actual or apparent conflict of interest with respect to the work being performed under this contract. The contractor shall insure that all employees designated as key personnel if any, under this contract abide by the provisions of this clause. If the contractor believes with respect to itself or any such employee that any proposed consultant or other contractual arrangement with any firm or organization may involve a possible conflict of interest, the contractor shall obtain the written approval of the Contracting Officer prior to execution of such contractual arrangement.

SERVICE CONTRACT ACT OF 1965, AS AMENDED (FPR 1-12.904-1)
(Contracts in Excess of \$2,500)

This contract, to the extent that it is of the character to which the Service Contract Act of 1965, as amended (41 U.S.C. 351-357) applies, is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor thereunder.

(a) Compensation. Each service employee employed in the performance of this contract by the Contractor or any subcontractor shall be paid not less than the minimum monetary wage and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor or his authorized representative, as specified in any attachment to this contract. If there is such an attachment, any class of service employees which is not listed therein, but which is to be employed under this contract, shall be classified by the Contractor so as to provide a reasonable relationship between such classifications and those listed in the attachment, and shall be paid such monetary wages and furnished such fringe benefits as are determined by agreement of the interested parties, who shall be deemed to be the contracting agency, the Contractor, and the employees who will perform on the contract or their representatives. If the interested parties do not agree on a classification or reclassification which is, in fact, conformable, the Contracting Officer shall submit the question, together with his recommendation, to the Office of Special Wage Standards, Employment Standards Administration (ESA), Department of Labor for final determination. Failure to pay such employees the compensation agreed upon by the interested parties or finally determined by the Administrator or his authorized representative shall be a violation of this contract. No employee engaged in performing work on this contract shall in any event be paid less than the minimum wage specified under Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(b) Adjustment. If, as authorized pursuant to Section 4(d) of the Service Contract Act of 1965, as amended, the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees shall be subject to adjustment after 1 year and not less often than once every 2 years, pursuant to wage determinations to be issued by the Employment Standards Administration, Department of Labor as provided in the Act.

(c) Obligation to furnish fringe benefits. The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined conformably thereto by furnishing any equivalent combinations of fringe benefits, or by making equivalent or differential payments in cash in accordance with the applicable rules set forth in 29 CFR Part 4, Subparts B and C, and not otherwise.

(d) Minimum wage. In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any of his employees performing work under the contract (regardless of whether they are service employees) less than the minimum wage specified by Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended. Nothing in this provision shall relieve the Contractor or any subcontractor of any other obligation under law or contract for the payment of a higher wage to any employee.

(e) Obligations attributable to predecessor contracts. If this contract succeeds a contract, subject to the Service Contract Act of 1965, as amended, under which substantially the same services were furnished and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, then in the absence of a minimum wage attachment for this contract neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work less than the wages and fringe benefits, provided for in such collective bargaining agreements, to which such employee would be entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the Secretary of Labor or his authorized representative determines that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's-length negotiations, or finds, after a hearing as provided in Department of Labor regulations, 29 CFR 4.10, that the wages and fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a similar character in the locality.

(f) Notification to employees. The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum wage and any fringe benefits required to be paid pursuant to this contract, or shall post a notice of such wages and benefits in a prominent and accessible place at the worksite, using such poster as may be provided by the Department of Labor.

(g) Safe and sanitary working conditions. The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish these services, and the Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

(h) Records. The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work records containing the information specified in subparagraphs (1) through (5) of this paragraph for each employee subject to the Act and shall make them available for inspection and transcription by authorized representatives of the Employment Standards Administration (ESA), Department of Labor.

(1) His name and address.

(2) His work classification or classifications, rate or rates of monetary wages and fringe benefits provided, rate or rates of fringe benefit payments in lieu thereof, and total daily and weekly compensation.

(3) His daily and weekly hours so worked.

(4) Any deductions, rebates, or refunds from his total daily or weekly compensation.

(5) A list of monetary wages and fringe benefits for those classes of service employees not included in the minimum wage attachment to this contract, but for which such wage rates or fringe benefits have been determined by the interested parties or by the Administrator as defined in 41 CFR 1-12.902-2(c) or his authorized representative pursuant to the Labor Standards Clause in paragraph (a) of this clause. A copy of the report required in paragraph (m)(1) of this clause shall be deemed to be such a list.

(i) Withholding of payment and termination of contract. The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the prime Contractor such sums as he, or an appropriate officer of the Department of Labor, decides may be necessary to pay underpaid employees. Additionally, any failure to comply with the requirements of this clause relating to the Service Contract Act of 1965 may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(j) Subcontractors. The Contractor agrees to insert this clause relating to the Service Contract Act of 1965 in all subcontracts. The term "Contractor" as used in this clause in any subcontract, shall be deemed to refer to the subcontractor, except in the term "Government Prime Contractor."

(k) Service employee. As used in this clause relating to the Service Contract Act of 1965, as amended, the term "service employee" means any person engaged in the performance of a contract entered into by the United States and not exempted under Section 7, whether negotiated or advertised, the principal purpose of which is to furnish services in the United States (other than any person employed in a bona fide executive, administrative, or professional capacity, as those terms are defined in Part 541 of Title 29, Code of Federal Regulations, as of July 30, 1976, and any subsequent revision of those regulations); and shall include all such persons regardless of any contractual relationship that may be alleged to exist between a contractor or subcontractor and such persons.

(l) Comparable rates. The following classes of service employees expected to be employed under the contract with the Government would be subject, if employed by the contracting agency, to the provisions of 5 U.S.C. 5341 and would, if so employed, be paid not less than the following rates of wages and fringe benefits:

Employee class: _____

Monetary wage--fringe benefits: _____

(m) Contractor's report. (1) If there is a wage determination attachment to this contract and one or more classes of service employees which are not listed thereon are to be employed under the contract, the Contractor shall report to the Contracting Officer the monetary wages to be paid and the fringe benefits to be provided each such class of service employee. Such report shall be made promptly as soon as such compensation has been determined, as provided in paragraph (a) of this clause.

(2) If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance, such agreements shall be reported promptly after negotiation thereof.

(n) Regulations incorporated by reference. All interpretations of the Service Contract Act of 1965 expressed in 29 CFR Part 4, Subpart C, are hereby incorporated by reference in this contract.

(o) Exemptions. This clause relating to the Service Contract Act of 1965 shall not apply to the following:

(1) Any contract of the United States or District of Columbia for construction, alteration, and/or repair, including painting and decorating of public buildings or public works;

(2) Any work required to be done in accordance with the provisions of the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45);

(3) Any contract for the carriage of freight or personnel by vessel, airplane, bus, truck, express, railway line, or oil or gas pipeline where published tariff rates are in effect, or where such carriage is subject to rates covered by Section 22 of the Interstate Commerce Act;

(4) Any contract for the furnishing of services by radio, telephone, telegraph, or cable companies, subject to the Communications Act of 1934;

(5) Any contract for public utility services, including electric light and power, water, steam, or gas;

(6) Any employment contract providing for direct services to a Federal agency by an individual or individuals;

(7) Any contract with the Post Office Department (U.S. Postal Service), the principal purpose of which is the operation of postal contract stations;

(8) Any services to be furnished outside the United States. For geographic purposes, the "United States" is defined in Section 8(d) of the Service Contract Act of 1965 to include any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Outer Continental Shelf lands, as defined in the Outer Continental Shelf Lands Act, American Samoa, Guam, Wake Island, Eniwetok Atoll, Kwajalein Atoll, Johnston Island, and Canton Island. It does not include any other territory under the jurisdiction of the United States or any United States base or possession within a foreign country;

(9) Any of the following contracts exempted from all provisions of the Service Contract Act of 1965, pursuant to Section 4(b) of the Act, which exemptions the Secretary of Labor, prior to amendment of such section by Pub. L. 92-473, found to be necessary and proper in the public

interest or to avoid serious impairment of the conduct of Government business;

(i) Contracts entered into by the United States with common carriers for the carriage of mail by rail, air (except air star routes), bus, and ocean vessel, where such carriage is performed on regularly scheduled runs of the trains, airplanes, buses, and vessels over regularly established routes and accounts for an insubstantial portion of the revenue therefrom;

(ii) Any contract entered into by the U.S. Postal Service with an individual owner-operator for mail service where it is not contemplated at the time the contract is made that such owner-operator will hire any service employee to perform the services under the contract except for short periods of vacation time or for unexpected contingencies or emergency situations such as illness or accident.

(p) Special employees. Notwithstanding any of the provisions in paragraphs (a) through (n) of this clause relating to the Service Contract Act of 1965, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to Section 4(b) of the Act prior to its amendment by Pub. L. 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:

(1)(i) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical, or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by Section 2(a)(1) or 2(b)(1) of the Service Contract Act of 1965, without diminishing any fringe benefits or cash payments in lieu thereof required under Section 2(a)(2) of that Act, in accordance with the procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under Section 14 of the Fair Labor Standards Act of 1938, (29 U.S.C. 201 et seq.) in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(ii) The Administrator will issue certificates under the Service Contract Act of 1965 for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two Acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525);

(iii) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in Parts 525 and 528 of Title 29 of the Code of Federal Regulations.

(2) Any employee engaged in an occupation in which he customarily and regularly receives more than \$30 a month in tips may have the amount of his tips credited by his employer against the minimum wage required by Section 2(a)(1) or Section 2(b)(1) of the Act, in accordance with the regulations in 29 CFR Part 531; Provided, however, That the amount of such credit may not exceed \$1.325 per hour beginning January 1, 1978, \$1.305 per hour beginning January 1, 1979, \$1.24 per hour beginning January 1, 1980 and \$1.34 per hour after December 31, 1980. If the employer pays in full cents the \$1.325 figure must be rounded down to \$1.32 and the \$1.305 figure to \$1.30, in order that the employer will not be crediting more than the permissible percentage. [End of clause.]

Clause #64

Privacy Act

(a) The Contractor agrees:

(1) To comply with the Privacy Act of 1974 and the rules and regulations issued pursuant to the Act in the design, development, or operation of any system of records on individuals in order to accomplish an agency function when the contract specifically identifies (i) the system or systems of records and (ii) the work to be performed by the contractor in terms of any one or combination of the following: (A) design, (B) development, or (C) operation;

(2) to include the solicitation notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation when the statement of work in the proposed subcontract requires the design, development, or operation of a system of records on individuals to accomplish an agency function; and

(3) to include this clause, including this paragraph (3), in all subcontracts awarded pursuant to this contract which require the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved where the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency where the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act when the contract is for the operation of a system of records on individuals to accomplish an agency function, the contractor is considered to be an employee of the agency.

(c) The terms used in this clause have the following meanings:

(1) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records including the collection, use, and dissemination of records.

(2) "Record" means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.

(3) "System of records" on individuals means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or identifying particular assigned to the individual.

PART 20-1 -- GENERAL

Subpart 20-1.54--Contractor Organizational Conflicts of Interest

Sec.	
20-1.5401	Scope and policy.
20-1.5402	Definitions.
20-1.5403	Criteria for recognizing contractor organizational conflicts of interest.
20-1.5404	Representation.
20-1.5405	Contract clauses.
20-1.5405-1	General contract clause.
20-1.5405-2	Special contract provisions.
20-1.5406	Evaluation, findings, and contract award.
20-1.5407	Conflicts identified after award.
20-1.5408	(Reserved)
20-1.5409	(Reserved)
20-1.5410	Subcontractors.
20-1.5411	Waiver.
20-1.5412	Remedies.

AUTHORITY: Sec. 8, Pub. L. 95-601, adding Sec. 170A to Pub. L. 83-703, 68 Stat. 919, as amended (42 U.S.C. ch. 14)

§20-1.5401 Scope and Policy

(a) It is the policy of the U.S. Nuclear Regulatory Commission (NRC) to avoid, eliminate or neutralize contractor organizational conflicts of interest. The NRC achieves this objective by requiring all prospective contractors to submit information describing relationships, if any, with organizations or persons (including those regulated by NRC) which may give rise to actual or potential conflicts of interest in the event of contract award.

(b) Contractor conflict of interest determinations cannot be made automatically or routinely; the application of sound judgment on virtually a case-by-case basis is necessary if the policy is to be applied so as to satisfy the overall public interest. It is not possible to prescribe in advance a specific method or set of criteria which would serve to identify and resolve all of the contractor conflict of interest situations which might arise; however, examples are provided in these regulations to guide application of the policy. NRC contracting and program officials must be alert to other situations which may warrant application of this policy guidance. The ultimate test is: Might the contractor, if awarded the contract, be placed in a position where its judgment may be biased, or where it may have an unfair competitive advantage?

(c) The conflict of interest rule contained in this subpart applies to contractors and offerors only. Individuals or firms who have other relationships with NRC (e.g., parties to a licensing proceeding) are not covered by this regulation. This rule does not apply to the acquisition of consulting services through the personnel appointment process, NRC

(j) "Potential conflict of interest" means that a factual situation exists that suggests (indicates) that an actual conflict of interest may arise from award of a proposed contract. The term "potential conflict of interest" is used to signify those situations which merit investigation prior to contract award in order to ascertain whether award would give rise to an actual conflict or which must be reported to the contracting officer for investigation if they arise during contract performance.

§ 20-1.5403 Criteria for recognizing contractor organizational conflicts of interest

(a) General. Two questions will be asked in determining whether actual or potential organizational conflicts of interest exist: (1) Are there conflicting roles which might bias a contractor's judgment in relation to its work for the NRC? (2) May the contractor be given an unfair competitive advantage based on the performance of the contract? The ultimate determination by NRC as to whether organizational conflicts of interest exist will be made in light of common sense and good business judgment based upon the relevant facts disclosed and the work to be performed. While it is difficult to identify and to prescribe in advance a specific method for avoiding all of the various situations or relationships which might involve potential organizational conflicts of interest, NRC personnel will pay particular attention to proposed contractual requirements which call for the rendering of advice, consultation or evaluation activities, or similar activities that lay direct groundwork for the NRC's decisions on regulatory activities, future procurements, and research programs.

(b) Situations or relationships which may give rise to organizational conflicts of interest. (1) The offeror or contractor shall disclose information concerning relationships which may give rise to organizational conflicts of interest under the following circumstances:

(i) Where the offeror or contractor provides advice and recommendations to the NRC in a technical area in which it is also providing consulting assistance in the same area to any organization regulated by the NRC.

(ii) Where the offeror or contractor provides advice to the NRC on the same or similar matter in which it is also providing assistance to any organization regulated by the NRC.

(iii) Where the offeror or contractor evaluates its own products or services, or the products or services of another entity where the offeror or contractor has been substantially involved in their development or marketing.

(iv) Where the award of a contract would otherwise result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC or may otherwise result in an unfair competitive advantage for the offeror or contractor.

agreements with other government agencies, international organizations, or state, local or foreign governments; separate procedures for avoiding conflicts of interest will be employed in such agreements, as appropriate.

§20-1.5402 Definitions

(a) "Organizational conflicts of interest" means that a relationship exists whereby a contractor or prospective contractor has present or planned interests related to the work to be performed under an NRC contract which: (1) May diminish its capacity to give impartial, technically sound, objective assistance and advice or may otherwise result in a biased work product, or (2) may result in its being given an unfair competitive advantage.

(b) "Research" means any scientific or technical work involving theoretical analysis, exploration, or experimentation.

(c) "Evaluation activities" means any effort involving the appraisal of a technology, process, product, or policy.

(d) "Technical consulting and management support services" means internal assistance to a component of the NRC in the formulation or administration of its programs, projects, or policies which normally require the contractor to be given access to information which has not been made available to the public or proprietary information. Such services typically include assistance in the preparation of program plans; and preparation of preliminary designs, specifications, or statements of work.

(e) "Contract" means any contract, agreement, or other arrangement with the NRC except as provided in Section 20-1.5401(c).

(f) "Contractor" means any person, firm, unincorporated association, joint venture, co-sponsor, partnership, corporation, affiliates thereof, or their successors in interest, including their chief executives, directors, key personnel (identified in the contract), proposed consultants or subcontractors, which is a party to a contract with the NRC.

(g) "Affiliates" means business concerns which are affiliates of each other when either directly or indirectly one concern or individual controls or has the power to control another, or when a third party controls or has the power to control both (41 CFR §1-1.606-1(e)).

(h) "Subcontractor" means any subcontractor of any tier which performs work under a contract with the NRC except subcontracts for supplies and subcontracts in amounts of \$10,000 or less.

(i) "Prospective contractor" or "offeror" means any person, firm, unincorporated association, joint venture, partnership, corporation, or affiliates thereof, including its chief executive, directors, key personnel (identified in the proposal), proposed consultants, or subcontractors, submitting a bid or proposal, solicited or unsolicited, to the NRC to obtain a contract.

(2) The contracting officer may request specific information from an offeror or contractor or may require special contract provisions such as provided in §20-1.5405-2 in the following circumstances:

(i) Where the offeror or contractor prepares specifications which are to be used in competitive procurements of products or services covered by such specifications.

(ii) Where the offeror or contractor prepares plans for specific approaches or methodologies that are to be incorporated into competitive procurements using such approaches or methodologies.

(iii) Where the offeror or contractor is granted access to information not available to the public concerning NRC plans, policies, or programs which could form the basis for a later procurement action.

(iv) Where the offeror or contractor is granted access to proprietary information of its competitors.

(v) Where the award of a contract might otherwise result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC or may otherwise result in an unfair competitive advantage for the offeror or contractor.

(c) Policy application guidance. The following examples are illustrative only and are not intended to identify and resolve all contractor organizational conflict of interest situations. (1) Example. The XYZ Corp., in response to a request for proposal (RFP), proposes to undertake certain analyses of a reactor component as called for in the RFP. The XYZ Corp. is one of several companies considered to be technically well qualified. In response to the inquiry in the RFP, the XYZ Corp. advises that it is currently performing similar analyses for the reactor manufacturer.

Guidance. An NRC contract for that particular work normally would not be awarded to the XYZ Corp. because it would be placed in a position in which its judgment could be biased in relationship to its work for NRC. Since there are other well-qualified companies available, there would be no reason for considering a waiver of the policy.

(2) Example. The ABC Corp., in response to a RFP, proposes to perform certain analyses of a reactor component which are unique to one type of advanced reactor. As is the case with other technically qualified companies responding to the RFP, the ABC Corp. is performing various projects for several different utility clients. None of the ABC Corp. projects have any relationship to the work called for in the RFP. Based on the NRC evaluation, the ABC Corp. is considered to be the best qualified company to perform the work outlined in the RFP.

Guidance. An NRC contract normally could be awarded to the ABC Corp. because no conflict of interest exists which would motivate bias with respect to the work. An appropriate clause would be included in the contract to preclude the ABC Corp. from subsequently contracting for work during the performance of the NRC contract with the private sector which could create a conflict. For example, ABC Corp. would be precluded from the performance of similar work for the company developing the advanced reactor mentioned in the example.

(3) Example. As a result of operating problems in a certain type of commercial nuclear facility, it is imperative that NRC secure specific data on various operational aspects of that type of plant so as to assure adequate safety protection of the public. Only one manufacturer has extensive experience with that type of plant. Consequently, that company is the only one with whom NRC can contract which can develop and conduct the testing programs required to obtain the data in reasonable time. That company has a definite interest in any NRC decisions that might result from the data produced because those decisions affect the reactor's design and thus the company's costs.

Guidance. This situation would place the manufacturer in a role in which its judgment could be biased in relationship to its work for NRC. Since the nature of the work required is vitally important in terms of NRC's responsibilities and no reasonable alternative exists, a waiver of the policy may be warranted. Any such waiver shall be fully documented and coordinated in accordance with the waiver provisions of this policy with particular attention to the establishment of protective mechanisms to guard against bias.

(4) Example. The ABC Co. submits a proposal for a new system for evaluating a specific reactor component's performance for the purpose of developing standards that are important to the NRC program. The ABC Co. has advised NRC that it intends to sell the new system to industry once its practicability has been demonstrated. Other companies in this business are using older systems for evaluation of the specific reactor component.

Guidance. A contract could be awarded to the ABC Co. provided that the contract stipulates that no information produced under the contract will be used in the contractor's private activities unless such information has been reported to NRC. Information which is reported to NRC by contractors will normally be disseminated by NRC to others so as to preclude an unfair competitive advantage that might otherwise accrue. When NRC furnishes information to the contractor for the performance of contract work, it shall not be used in the contractor's private activities unless such information is generally available to others. Further, the contract will stipulate that the contractor will inform the NRC contracting officer of all situations in which the information developed under the contract is proposed to be used.

ORGANIZATIONAL CONFLICTS OF INTEREST REPRESENTATION

I represent to the best of my knowledge and belief that:

The award to _____ of a contract or the modification of an existing contract does () or does not () involve situations or relationships of the type set forth in 41 CFR § 20-1.5403(b)(1).

(c) Instructions to offerors. The following shall be included in all NRC solicitations: (1) If the representation as completed indicates that situations or relationships of the type set forth in 41 CFR § 20-1.5403(b)(1) are involved, or the contracting officer otherwise determines that potential organizational conflicts exist, the offeror shall provide a statement in writing which describes in a concise manner all relevant facts bearing on his representation to the contracting officer. If the contracting officer determines that organizational conflicts exist, the following actions may be taken: (i) Impose appropriate conditions which avoid such conflicts, (ii) disqualify the offeror, or (iii) determine that it is otherwise in the best interest of the United States to seek award of the contract under the waiver provisions of § 20-1.5411.

(2) The refusal to provide the representation required by § 20-1.5404(b) or upon request of the contracting officer the facts required by § 20-1.5404(c), shall result in disqualification of the offeror for award. The nondisclosure or misrepresentation of any relevant interest may also result in the disqualification of the offeror for award; or if such nondisclosure or misrepresentation is discovered after award, the resulting contract may be terminated. The offeror may also be disqualified from subsequent related NRC contracts and be subject to such other remedial actions provided by law or the resulting contract.

(d) The offeror may, because of actual or potential organizational conflicts of interest, propose to exclude specific kinds of work from the statements of work contained in a RFP unless the RFP specifically prohibits such exclusion. Any such proposed exclusion by an offeror will be considered by the NRC in the evaluation of proposals. If the NRC considers the proposed excluded work to be an essential or integral part of the required work and its exclusion would work to the detriment of the competitive posture of the other offerors, the proposal must be rejected as unacceptable.

(e) The offeror's failure to execute the representation required by subsection (b) above with respect to invitation for bids will be considered to be a minor informality, and the offeror will be permitted to correct the omission.

§ 20-1.5405 Contract clauses

§ 20-1.5405-1 General contract clause

(5) Example. The ABC Corp., in response to a RFP proposes to assemble a map showing certain seismological features of the Appalachian fold belt. In accordance with the representation in the RFP and §20-1.5403(b)(1)(i), ABC Corp. informs the NRC that it is presently doing seismological studies for several utilities in the Eastern United States but none of the sites are within the geographic area contemplated by the NRC study.

Guidance. The contracting officer would normally conclude that award of a contract would not place ABC Corp. in a conflicting role where its judgment might be biased. The work for others clause of §20-1.5405-1(c) would preclude ABC Corp. from accepting work during the term of the NRC contract which could create a conflict of interest.

(d) Other considerations. (1) The fact that the NRC can identify and later avoid, eliminate, or neutralize any potential organizational conflicts arising from the performance of a contract is not relevant to a determination of the existence of such conflicts prior to the award of a contract.

(2) It is not relevant that the contractor has the professional reputation of being able to resist temptations which arise from organizational conflicts of interest, or that a follow-on procurement is not involved, or that a contract is awarded on a competitive or a sole source basis.

§20-1.5404 Representation

(a) The following procedures are designed to assist the NRC contracting officer in determining whether situations or relationships exist which may constitute organizational conflicts of interest with respect to a particular offeror or contractor.

(b) Representation procedure. The following organizational conflicts of interest representation provision shall be included in all solicitations and unsolicited proposals for: (1) Evaluation services or activities; (2) technical consulting and management support services; (3) research; and (4) other contractual situations where special organizational conflicts of interest provisions are noted in the solicitation and would be included in the resulting contract. This representation requirement shall also apply to all modifications for additional effort under the contract except those issued under the "changes" clause. Where, however, a statement of the type required by the organizational conflicts of interest representation provision has previously been submitted with regard to the contract being modified, only an updating of such statement shall be required.

All contracts of the types set forth in § 20-1.5404(b) shall include the following clauses:

(a) Purpose. The primary purpose of this clause is to aid in ensuring that the contractor: (1) Is not placed in a conflicting role because of current or planned interest (financial, contractual, organizational, or otherwise) which relate to the work under this contract, and (2) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract.

(b) Scope. The restrictions described herein shall apply to performance or participation by the contractor as defined in 41 CFR § 20-1.5402(f) in the activities covered by this clause.

(c) Work for others. Notwithstanding any other provision of this contract, during the term of this contract, the contractor agrees to forego entering into consulting or other contractual arrangements with any firm or organization, the result of which may give rise to a conflict of interest with respect to the work being performed under this contract. The contractor shall ensure that all employees who are employed full time under this contract and employees designated as key personnel, if any, under this contract abide by the provision of this clause. If the contractor believes with respect to itself or any such employee that any proposed consultant or other contractual arrangement with any firm or organization may involve a potential conflict of interest, the contractor shall obtain the written approval of the contracting officer prior to execution of such contractual arrangement.

(d) Disclosure after award. (1) The contractor warrants that to the best of its knowledge and belief and except as otherwise set forth in this contract, it does not have any organizational conflicts of interest, as defined in 41 CFR § 20-1.5402(a).

(2) The contractor agrees that if after award it discovers organizational conflicts of interest with respect to this contract, it shall make an immediate and full disclosure in writing to the contracting officer. This statement shall include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. The NRC may, however, terminate the contract for convenience if it deems such termination to be in the best interests of the government.

(e) Access to and use of information. (1) If the contractor in the performance of this contract obtains access to information, such as NRC plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (Pub. L. 93-579), or data which has not been released to the public, the contractor agrees not to: (i) Use such information for any private purpose until the information has been released to the public; (ii) compete for work for the Commission based

on such information for a period of six (6) months after either the completion of this contract or the release of such information to the public, whichever is first, (iii) submit an unsolicited proposal to the government based on such information until one year after the release of such information to the public, or (iv) release the information without prior written approval by the contracting officer unless such information has previously been released to the public by the NRC.

(2) In addition, the contractor agrees that to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (Pub. L. 93-579), or other confidential or privileged technical, business, or financial information under this contract, the contractor shall treat such information in accordance with restrictions placed on use of the information.

(3) The contractor shall have, subject to patent and security provisions of this contract, the right to use technical data it produces under this contract for private purposes provided that all requirements of this contract have been met.

(f) Subcontracts. Except as provided in 41 CFR §20-1.5402(h), the contractor shall include this clause, including this paragraph, in subcontracts of any tier. The terms "contract," "contractor," and "contracting officer," shall be appropriately modified to preserve the government's rights.

(g) Remedies. For breach of any of the above proscriptions or for intentional nondisclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract or for such erroneous representations as necessarily imply bad faith, the government may terminate the contract for default, disqualify the contractor from subsequent contractual efforts, and pursue other remedies as may be permitted by law or this contract.

(h) Waiver. A request for waiver under this clause shall be directed in writing through the contracting officer to the Executive Director for Operations (EDO) in accordance with the procedures outlined in §20-1.5411.

§20-1.5405-2 Special contract provisions.

(a) If it is determined from the nature of the proposed contract that organizational conflicts of interest exist, the contracting officer may determine that such conflict can be avoided or after obtaining a waiver in accordance with §20-1.5411, neutralized through the use of an appropriate special contract provision. If appropriate, the offeror may negotiate the terms and conditions of these clauses, including the extent and time period of any such restriction. These provisions include but are not limited to:

(1) Hardware exclusion clauses which prohibit the acceptance of production contracts following a related nonproduction contract previously performed by the contractor;

(2) Software exclusion clauses;

(3) Clauses which require the contractor (and certain of his key personnel) to avoid certain organizational conflicts of interest; and

(4) Clauses which provide for protection of confidential data and guard against its unauthorized use.

(b) The following additional contract clause may be included as section (i) in the clause set forth in § 20-1.5405-1 when it is determined that award of a follow-on contract would constitute an organizational conflict of interest.

(i) Follow-on effort. (1) The contractor shall be ineligible to participate in NRC contracts, subcontracts, or proposals therefor (solicited or unsolicited) which stem directly from the contractor's performance of work under this contract. Furthermore, unless so directed in writing by the contracting officer, the contractor shall not perform any technical consulting or management support services work or evaluation activities under this contract on any of its products or services or the products or services of another firm if the contractor has been substantially involved in the development or marketing of such products or services.

(2) If the contractor under this contract prepares a complete or essentially complete statement of work or specifications, the contractor shall be ineligible to perform or participate in the initial contractual effort which is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the contracting officer, in which case the restriction in this subparagraph shall not apply.

(3) Nothing in this paragraph shall preclude the contractor from offering or selling its standard commercial items to the government.

§ 20-1.5406 Evaluation, findings, and contract award

The contracting officer will evaluate all relevant facts submitted by an offeror pursuant to the representation requirements of § 20-1.5404(b) and other relevant information. After evaluating this information against the criteria of § 20-1.5403, a finding will be made by the contracting officer whether organizational conflicts of interest exist with respect to a particular offeror. If it has been determined that conflicts of interest exist, then the contracting officer shall either:

(a) Disqualify the offeror from award,

(b) Avoid or eliminate such conflicts by appropriate measures; or

(c) Award the contract under the waiver provision of § 20-1.5411.

§ 20-1.5407 Conflicts identified after award.

If potential organizational conflicts of interest are identified after award with respect to a particular contractor, the contracting officer determines that such conflicts do, in fact, exist and that it would not be in the best interests of the government to terminate the contract as provided in the clauses required by § 20-1.5405, the contracting officer will take every reasonable action to avoid, eliminate, or, after obtaining a waiver in accordance with § 20-1.5411, neutralize the effects of the identified conflict.

§ 20-1.5408 (Reserved)

§ 20-1.5409 (Reserved)

§ 20-1.5410 Subcontracts

The contracting officer shall require offerors and contractors to submit a representation statement in accordance with § 20-1.5404(b) from subcontractors and consultants. The contracting officer shall require the contractor to include contract clauses in accordance with § 20-1.5405 in consultant agreements or subcontracts involving performance of work under a prime contract covered by this subsection.

§ 20-1.5411 Waiver

In the first instance, determination with respect to the need to seek a waiver for specific contract awards shall be made by the contracting officer with the advice and concurrence of the program office director and the Office of Executive Legal Director. Upon the recommendation of the contracting officer, and after consultation with the Office of the General Counsel, the EDO may waive the policy in specific cases if he determines that it is in the best interest of the United States to do so.

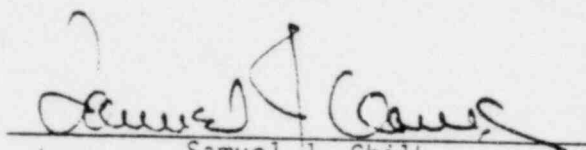
Such action shall be strictly limited to those situations in which: (1) The work to be performed under contract is vital to the NRC program; (2) the work cannot be satisfactorily performed except by a contractor whose interests give rise to a question of conflict of interest; and (3) contractual and/or technical review and supervision methods can be employed by NRC to neutralize the conflict. For any such waivers, the justification and approval documents shall be placed in the Public Document Room.

§20-1.5412 Remedies

In addition to such other remedies as may be permitted by law or contract for a breach of the restrictions in this subpart or for any intentional misrepresentation or intentional nondisclosure of any relevant interest required to be provided for this section, the NRC may debar the contractor from subsequent NRC contracts.

Dated at Washington, D.C. this 27th day of March 1979.

For the Nuclear Regulatory Commission



Samuel J. Chilk
Secretary of the Commission