



DOC 5
COMMERCIAL SUBCONTRACTS/PURCHASE ORDERS/AGREEMENTS FOR
CONTRACT LABOR SERVICES

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DEFINITIONS

As used herein, the following terms shall have the meanings set forth below:

- (a) “9/80 Work Schedule” means a two-week work cycle, consisting of nine working days totaling 80 hours in which the work week lasts from mid-shift on Friday to mid-shift on Friday. Contract Labor Personnel work four nine-hour days Monday through Thursday and one eight-hour day on the first Friday of the work cycle. The first four regularly scheduled hours on Friday complete the first 40-hour workweek, and the next four hours on the same day begin the second 40-hour workweek. The second Friday of the work cycle is an “off” day.
- (b) “Background Intellectual Property” means all Intellectual Property Made by or for a party apart from the performance of Work under this Contract.
- (c) “Contract” means the instrument of contracting, such as “Purchase Order”, “PO”, “Subcontract”, or other such type designation, that includes these General Provisions, all referenced documents, exhibits, and attachments. If these terms and conditions are incorporated into a “master” agreement that provides for Releases (such as Release Purchase Orders [RPO]), the term “Contract” shall also mean the Release Purchase Order for the Work to be performed.
- (d) “Contract Laborer” or “Contract Labor Personnel” refers to employees of CONTRACTOR providing Work to ULA under this Contract.
- (e) “CONTRACTOR” means the party identified on the face of this Contract with whom ULA is contracting.
- (f) “Foreground Intellectual Property” means all Intellectual Property Made by or for a party in the performance of Work under this Contract.
- (g) “Hourly Rates” means the direct labor rates and hourly billing rates ULA will pay to CONTRACTOR for the Work performed by Contract Labor Personnel. Whether the Work provided by Contract Labor Personnel will be paid to the CONTRACTOR as Straight Time or Premium Time shall be specified in the Contract.
- (h) “Intellectual Property” means all (i) inventions, discoveries and improvements, (ii) all documented information in whatever form such as information embodied in drawings, specifications, process documents, technical reports, and computer software (e.g., object code and source code) and related computer software documentation, and (iii) all domestic and foreign legal and statutory rights to the foregoing, including but not limited to, patents, trade secrets, copyrights, mask work registrations, and the like.
- (i) “Made” means conceived, developed, first produced, or created.

(j) "Personal Information" means any non-public personal information provided by an individual to ULA, including any Personally Identifiable Information or Protected Health Information.

(k) "Personally Identifiable Information" (PII) means any information which can potentially be used to uniquely identify, contact, or locate a single person. Items which might be considered PII include, but are not limited to:

- Social security number
- Unlisted and/or unpublished personal telephone number
- Unlisted and/or unpublished home address
- Personal email address
- IP address (in some cases)
- Vehicle registration plate number
- Driver's license number
- Credit card numbers
- Digital identity

(l) "Premium Time" refers to the hours worked by an individual Contract Laborer for which ULA will pay a premium rate to CONTRACTOR for such hours worked. Any hours to be worked as Premium Time must be approved by ULA in advance.

(m) "Protected Health Information" (PHI) means medical records and information of an individual as defined by HIPAA (Health Insurance Portability and Accountability Act of 1996).

(n) "Procurement Representative" means the person authorized by ULA's cognizant procurement organization to administer and/or execute this Contract.

(o) "Straight Time" refers to the hours worked by an individual Contract Laborer for which ULA will pay a straight time rate to CONTRACTOR for such hours worked.

(p) "ULA" means UNITED LAUNCH ALLIANCE, LLC., as identified on the face of this Contract.

(q) "ULA Work Coordinator" means the ULA employee responsible for overseeing Work performed under the Contract by a Contract Laborer.

(r) "Work" means all required labor, articles, services and deliverable information and materials constituting the subject matter of this Contract.

1. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS

(a) CONTRACTOR's acknowledgment, acceptance of payment, or commencement of performance, shall constitute CONTRACTOR's unqualified acceptance of this Contract.

(b) Unless expressly accepted in writing by ULA, additional or differing terms or conditions proposed by CONTRACTOR or included in CONTRACTOR's acknowledgment are objected to by ULA and have no effect.

2. AFFIRMATIVE COST AND EQUAL EMPLOYMENT OPPORTUNITY

(a) CONTRACTOR shall provide ULA with a diverse pool of Contract Labor Personnel without regard to race, color, religion, national origin, gender, sexual orientation, age, disability, veteran status, or any other protected characteristic as defined by Federal or State law.

(b) CONTRACTOR shall track the total number of potential candidates offered to ULA by the following categories: age, race and gender. On a semi-annual basis or as otherwise stated in this Contract, CONTRACTOR shall submit a report to ULA detailing the total number of candidates in each category that were offered to ULA as well as the number of candidates for each category that were accepted by ULA.

3. APPROVALS

ULA's approval of documents shall not relieve CONTRACTOR or its Contract Labor Personnel of its obligations to comply with the requirements of this Contract.

4. ASSIGNMENT

CONTRACTOR shall not assign any of its rights or interest in this Contract or subcontract all or substantially all of its performance of this Contract, without ULA's prior written consent. CONTRACTOR may assign rights to be paid amounts due,

or to become due, to a financing institution if ULA is promptly furnished a signed copy of such assignment reasonably in advance of the due date for payment of any such amounts. Amounts assigned shall be subject to setoff or recoupment for any present or future claims of ULA against CONTRACTOR. ULA shall have the right to make settlements and/or adjustments in price without notice to any assignee financing institution.

5. BACKGROUND CHECK AND DRUG SCREEN

(a) CONTRACTOR shall perform Background Checks on all proposed Contract Labor Personnel. Such Background Checks shall comply with all applicable laws and shall verify that the individual meets the following criteria before an individual Contract Laborer will be considered qualified to work on ULA matters:

- The individual is a U.S. Person as defined in 22 C.F.R. Part 120
- The individual has the Academic credentials claimed – highest degree only
- No State Criminal felony convictions – 7 year search using Residence/Academic/Employment for past 5 years
- No Federal Criminal convictions – 7 year search using Residence/Academic/Employment for past 5 years
- The individual has the Employment credentials claimed – 7 years
- The individual is not on the Global Terrorist Watch Alert
- The individual passes a Social Security Number Trace
- The individual has the Military Record claimed (e.g. DD214)

(b) CONTRACTOR shall perform a Drug Screen on all proposed Contract Labor Personnel and the individual Contract Laborer must come back negative on the screen before he/she will be considered qualified to work on ULA matters. Such Drug Screens shall comply with all applicable laws and shall screen for the following drugs:

- Amphetamines
- Cocaine
- Marijuana
- Opiates
- Phencyclidine (PCP)

(c) CONTRACTOR shall not provide any individual to ULA who does not successfully satisfy the background check and drug screen. CONTRACTOR shall maintain all Background Check and drug screen records and make them available for audit by ULA as requested for a period of three (3) years from final payment of the authorizing Contract.

6. BANKRUPTCY

In the event the CONTRACTOR enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the CONTRACTOR agrees to furnish written notification of the bankruptcy to the Procurement Representative. This notification shall be furnished within five (5) days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, the case number, and a listing of all Contracts with ULA. This obligation remains in effect until final payment under this Contract.

7. CHANGES

(a) Only the Procurement Representative has authority to make changes to this Contract. All changes must be in writing and signed by the parties.

(b) The Procurement Representative may at any time, by written notice, and without notice to sureties or assignees, make changes within the general scope of this Contract in any one or more of the following: (i) description of services; (ii) drawings, designs, or specifications; (iii) method of shipping or packing; (iv) place of inspection, acceptance, or point of delivery; (v) time of performance; and (vi) place of performance.

(c) ULA personnel other than the Procurement Representative may from time to time render assistance or give technical advice or discuss or effect an exchange of information with CONTRACTOR's personnel concerning the Work hereunder. No such action shall be deemed to be a change and shall not be the basis for equitable adjustment.

(d) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of this Contract, ULA shall make an equitable adjustment in this Contract price and/or delivery schedule, and modify this Contract accordingly. Changes to the time of performance will be subject to a price adjustment only.

(e) CONTRACTOR must request any equitable adjustment under this clause within thirty (30) days from the date of receipt of the written change order from ULA. If the CONTRACTOR's proposed equitable adjustment includes the cost of property made obsolete or excess by the change, ULA shall have the right to prescribe the manner of disposition of the property.

(f) Failure to agree to any adjustment shall be resolved in accordance with the "Disputes" clause of this Contract. However, nothing contained in this "Changes" clause shall excuse CONTRACTOR from proceeding without delay in the performance of this Contract as changed.

8. COMPLIANCE AND ETHICS

(a) CONTRACTOR shall ensure that Contract Labor Personnel are aware of ULA's Code of Ethics and Business Conduct and other applicable ULA Corporate policies, procedures and directives posted in the Command Media Library located on the ULA Intranet. CONTRACTOR shall require its Contract Laborers to take compliance or other training as designated by ULA and shall require them to sign the ULA Code of Conduct prior to beginning performance. For training other than compliance training required by ULA, CONTRACTOR may delegate in writing to ULA the ability to inform directly CONTRACTOR's employees of the requirement to take the training.

(b) Additionally, CONTRACTOR shall ensure all Contract Labor Personnel complete programs provided by ULA. CONTRACTOR shall also ensure that all Contract Labor Personnel are aware of and comply with any applicable ULA corporate command media posted on ULA internal website in the Command Media Library.

9. COMPLIANCE WITH EXPORT AND IMPORT LAWS

(a) In performing the obligations of this Contract, the CONTRACTOR shall comply with export, import and sanctions laws, regulations, orders, and authorizations to include without limitation, Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control. Such performance shall apply to the export, re-export and import of controlled technology, data, software, services, and/or hardware. The CONTRACTOR shall ensure that its Contract Labor Personnel understand the requirements of applicable export and import laws and regulations and do not export or import controlled technology, data, software, services and/or hardware without first obtaining approval from ULA.

(b) The CONTRACTOR represents and warrants that it will not furnish to ULA any Contract Labor Personnel that are non-US Persons, as defined in 22 CFR Part 120.

10. COMPLIANCE WITH LAWS

(a) In performing this Contract, CONTRACTOR agrees to comply with all applicable local, state, and federal laws, orders, rules, regulations, codes and ordinances ("Laws") that may affect performance of this Contract, to include the Fair Labor Standards Act ("FLSA"), 29 U.S.C. Chapter 8, and any related state laws. CONTRACTOR shall indemnify, defend and hold harmless ULA against any liability, fine or penalty that may be imposed upon ULA as a result of CONTRACTOR's failure to comply with such Laws.

(b) CONTRACTOR represents and warrants that it and its Contract Labor Personnel are not included on the Excluded Parties List System (EPLS) and agrees to notify ULA immediately upon learning that it, its Contract Labor Personnel, or any of its affiliates has been proposed for inclusion in the Excluded Parties List System (EPLS).

11. CONFLICTS OF INTEREST (COI)

(a) Individual COIs: CONTRACTOR shall ensure that any employees who are current or former government employees comply with the conflict of interest requirements in Chapter 11 of Title 18 of the U.S. Code and 41 U.S.C. §423.

(b) Organizational:

(1) Definitions - In this clause:

(a) "Affiliates" means employees or officers of the CONTRACTOR involved in the performance of this Contract, or in the decision making process concerning this Contract.

(b) "Interest" means financial interest.

(c) "Organizational" means that the financial, contractual, organizational and other interests of CONTRACTOR personnel performing Work under this Contract shall be deemed to be the interests of the CONTRACTOR.

(2) Warranty Against Existing Conflicts of Interest

(a) The CONTRACTOR warrants that it and its affiliates do not have any contracts with or any substantial interest in a ULA competitor or customer, other than those disclosed to ULA.

(b) The CONTRACTOR recognizes that during the term of this Contract ULA may have new suppliers or customers. Once aware of any new ULA supplier or customer, the CONTRACTOR agrees to immediately disclose to ULA information concerning any contract or interest if the contract or interest arises during the term of this Contract.

(3) ULA shall have the sole discretion to determine whether a potential organizational conflict of interest exists concerning any interest or contract which arises or is identified during the term of this contract. ULA may take such steps as are necessary in the best interest of ULA to eliminate potential conflict of interest.

(4) Waiver. Any request for waiver of this clause shall be submitted in writing and shall set forth all relevant facts in support of the request for a waiver including proposed contractual safeguards or job procedures to mitigate conflicting roles which might produce an Organizational Conflict of Interest.

12. CONTRACT LABOR PERSONNEL

(a) The CONTRACTOR represents and warrants that it will only furnish to ULA Contract Labor Personnel who are employees of CONTRACTOR.

(b) The CONTRACTOR represents and warrants that the information in all credentials relating to Contract Labor Personnel furnished to ULA, whether or not that person has already been hired by the CONTRACTOR, is verified as complete and accurate, and that the Contract Labor Personnel is qualified for the labor classification for which he or she is furnished. Misrepresentation, omissions, or falsehoods in such credentials shall be the cause for the immediate termination of this Contract.

(c) When solicited for Work, the CONTRACTOR shall propose to ULA Contract Laborers who are capable of performing the Work requested. After a Contract Laborer is selected and prior to award of a Contract, the CONTRACTOR shall provide the Required Certifications completed by each Contract Laborer. CONTRACTOR shall ensure that all Contract Labor Personnel complete all entrance and exit paperwork and training.

13. DEFAULT

(a) ULA, by written notice, may terminate this Contract for default, in whole or in part, if CONTRACTOR (i) fails to comply with any of the terms of this Contract; (ii) fails to make progress so as to endanger performance of this Contract; (iii) fails to provide adequate assurance of future performance; (iv) files or has filed against it a petition in bankruptcy; or (v) becomes insolvent or suffers a material adverse change in financial condition. CONTRACTOR shall have ten (10) days (or such longer period as ULA may authorize in writing) to cure any such failure after receipt of notice from ULA. Default involving delivery schedule delays, bankruptcy or adverse change in financial condition shall not be subject to the cure provision.

(b) ULA may require CONTRACTOR to deliver to ULA any reports or other Contract deliverables that CONTRACTOR has specifically produced or acquired for the terminated portion of this Contract. Upon direction from ULA, CONTRACTOR shall also protect and preserve property in its possession in which ULA or its Customer has an interest.

(c) Following a termination for default of this Contract, CONTRACTOR shall be compensated only for Work actually delivered and accepted. ULA may withhold from any amount due under this Contract any sum ULA determines to be necessary to protect ULA or ULA's customer against loss because of outstanding liens or claims of former lien holders. CONTRACTOR shall be liable for ULA's excess re-procurement costs. ULA shall pay the Contract price for Work accepted.

(d) Upon the occurrence and during the continuation of a default, ULA may exercise any and all rights and remedies available to it under applicable law and equity, including without limitation, cancellation of this Contract. If after termination for default under this Contract, it is determined that CONTRACTOR was not in default, such termination shall be deemed a termination for convenience and CONTRACTOR'S remedies shall be limited to those contained in the "Termination for Convenience" clause.

(e) CONTRACTOR shall continue all Work not terminated or cancelled.

14. DISPUTES

All disputes under this Contract that are not disposed of by mutual agreement may be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, CONTRACTOR shall diligently proceed with the performance of this Contract as directed by ULA. CONTRACTOR agrees to provide ULA with prompt written notification of any legal action, subpoena, claim, notice, demand or other legal proceeding brought against CONTRACTOR relating to or arising out of the Work performed under this Contract.

15. DOCUMENTATION AND TRAINING

(a) CONTRACTOR shall ensure each Contract Laborer completes the required documentation listed before starting Work under this Contract

- Non-employee Government Conflict of Interest (COI) Questionnaire for Contract Laborers who are:
 - current or former employees of the United States government or any state or local government (including any service in the military and including appointments to commissions or service as a temporary government employee);
 - current or former Advisors, Consultants or Special Government Employees to any U.S. Government agency,
 - an immediate family member (spouse, child, parent, brother or sister) of an employee of the U.S. Government with responsibility for matters involving ULA,
 - current or former employee of a foreign government, or
 - an immediate family member (spouse, child, parent, brother or sister) of an employee of a foreign government with responsibility for matters involving ULA
- Contract Labor Intellectual Property and Confidentiality Agreement (IPCA)
- ULA Non-Employee Code of Conduct
- Contract Labor Orientation

(b) CONTRACTOR shall ensure that all Contract Laborers complete any required entrance and exit paperwork and training.

16. EMPLOYMENT OFFERS

(a) CONTRACTOR shall not itself, nor through its agents or representatives, make any offers of employment to employees of ULA during the period of performance of the Contract. CONTRACTOR shall, if approached by an employee of ULA regarding possible employment of the CONTRACTOR, report any such incident to the Procurement Representative designated herein.

(b) CONTRACTOR may not impose any restrictions on a Contract Labor Worker's ability to provide Work to ULA either as an employee of ULA or as an employee of any other company.

17. ENTIRE AGREEMENT

This Contract integrates, merges, and supersedes any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between the parties.

18. FORCE MAJEURE

(a) CONTRACTOR shall be excused from, and shall not be liable for, failure of performance due to one or more of the following qualifying events (such list being exclusive): (i) War; warlike operation; insurrection; riot; fire; explosion; accident; act of God; act of a public enemy; epidemic; and quarantine restriction, and further provided that such event was beyond CONTRACTOR's control and not occasioned by its negligence or default. This Contract will be extended for that period of time attributable to such event upon written confirmation from ULA.

(b) In order to be excused from performance under subparagraph (a) above, CONTRACTOR shall submit, within ten (10) calendar days of the start of the qualifying event, a written notice providing a complete and detailed description of such event, the date of commencement, an estimate of the probable period of delay, and explanation indicating how such event was beyond the control of the CONTRACTOR and not due to its negligence or fault and what efforts CONTRACTOR will make to minimize the length of delay. CONTRACTOR shall submit within ten (10) calendar days of the end of the event a written notice stating the impact to the schedule and evidence justifying the length of the delay. If the delay extends for thirty (30) days or more this Contract may be terminated by ULA without additional cost, except for payment for Work completed prior to the commencement of the delay.

19. FURNISHED PROPERTY

ULA shall provide reasonable accommodation for office space, computers and supplies for Contract Labor Personnel providing Work within ULA's facilities. CONTRACTOR shall ensure that Contract Labor Personnel are accountable for any property that ULA has explicitly authorized them to remove from ULA facilities; e.g., laptops, and immediately return any Furnished Property to their cognizant ULA Reporting Manager upon expiration or termination of their Work. Final payment to the CONTRACTOR may be withheld pending return of ULA Furnished Property.

20. GOVERNING LAW AND VENUE

This Contract shall be governed in accordance with the laws of the State of Colorado. Any lawsuit filed regarding this Contract shall be filed in either the Colorado District Court located in Arapahoe County, Colorado or the United States District Court located in Denver, Colorado. CONTRACTOR further agrees that the substantive law of Colorado shall apply in such lawsuit without regard to the conflict of law rules of Colorado. CONTRACTOR hereby consents to the jurisdiction and venue of both

the Colorado District Court located in Arapahoe County, Colorado and the United States District Court located in Denver, Colorado. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Contract.

21. GRATUITIES/KICKBACKS

(a) No gratuities (in the form of entertainment, gifts, or otherwise) for the purpose of obtaining or rewarding favorable treatment as a supplier, and no kickbacks, shall be offered or given by CONTRACTOR to any employee of ULA.

(b) CONTRACTOR shall contact ULA's Office of Internal Governance, at 1-800-511-4173, if any employee of ULA requests a gratuity and/or kickback.

22. INDEPENDENT CONTRACTOR RELATIONSHIP AND CONTRACT LABOR PERSONNEL

(a) CONTRACTOR and its Contract Labor Personnel are independent contractors for all purposes. CONTRACTOR shall have complete control over the performance of, and the details for accomplishing, the terms of the Contract. In no event shall CONTRACTOR, or its Contract Labor Personnel, or its agents, representatives or employees be deemed to be agents, representatives or employees of ULA for any purpose, including, but not limited to, wages, benefits, rights and privileges afforded to employees under any federal or state statutes, regulations, or administrative rulings in any jurisdiction. In addition, Contractor expressly acknowledges and agrees that the services rendered by its Contract Labor Personnel to ULA under the Contract will not form the basis for any rights of eligibility, vesting or participation in any fringe benefits afforded to any employees of ULA, including, but not limited to, vacation and holiday pay, leaves of absence, health and welfare benefits, including coverage for medical, dental, vision, accidental death and disability, long-term disability, or life insurance, severance benefits, retirement benefits, including pension plan contributions, and/or any other benefits of any kind or nature provided by ULA to its employees, whether or not maintained under a qualified ERISA plan, even if this Contract period or other periods of service as an independent contractor are subsequently reclassified by a third party as a period of employment with ULA for any other purpose.

(b) CONTRACTOR shall ensure that its Contract Labor Personnel understand that CONTRACTOR and not ULA is their employer. As such, CONTRACTOR, and not ULA, is solely responsible for all employment issues to include but not limited to: hiring, firing, discipline, promotions, payment of wages and overtime, benefits, workers compensation benefits, letters of reference, vacation time, and sick days. CONTRACTOR shall comply with all federal, state and local law, regulations, and obligations relating to its Contract Labor Personnel, to include the Federal Standard Labor Act. Contract Labor Personnel shall be paid exclusively by CONTRACTOR, for all Work performed. The CONTRACTOR and its Contract Labor Personnel are not entitled to any ULA employee benefits or privileges nor any wages or other payment from ULA, except such payments as are set forth in the Schedule of this Contract.

(c) CONTRACTOR shall ensure that it does not provide individuals to perform Work at ULA in violation of the following requirements:

- (1) For any Contract Labor Persons who exclusively provide Work to ULA:
 - (a) Contract Labor Person shall provide Work to ULA for one year only; and
 - (b) After the one-year period ends, that Contract Labor Person shall not provide any Work to ULA for a period of 90 consecutive calendar days.
- (2) For any Contract Labor Persons who provide Work to ULA on a non-exclusive basis:
 - (a) Contract Labor Person shall not provide Work to ULA for more than 30 hours per week;
 - (b) Contract Labor Person shall also provide Work to other business entities unrelated to ULA on a basis of at least 10 hours per week;
 - (c) CONTRACTOR hereby warrants and shall ensure that the Contract Labor Person also warrants on each timecard that the Contract Labor Person provides Work for other business entities in addition to ULA.
- (3) If any ULA person attempts to exceed these limitations, CONTRACTOR shall immediately notify the Procurement Representative and/or the ULA Office of Internal Governance.

(d) CONTRACTOR will defend, indemnify and hold harmless ULA from and against all claims, damages, losses and expenses, including reasonable attorney fees and expenses that Contract Labor Personnel are employees of ULA or entitled to wages, overtime, or benefits from ULA, that ULA improperly or illegally stopped or prevented the Contract Labor Personnel from performing services for ULA, that ULA is responsible for CONTRACTOR's discrimination or retaliation against Contract Labor Personnel that ULA is liable for any injury or illness suffered by the Contract Labor Employee while providing services to ULA, or located on ULA's premises, or that ULA is obligated to pay any withholding taxes, social security, unemployment insurance, or similar items or to provide coverage or benefits under any of its benefit plans to Contract Labor Personnel.

(e) Contract Labor Personnel shall not identify themselves, implicitly or explicitly, as ULA employees. CONTRACTOR shall ensure that Contract Labor Personnel properly identify themselves as employees of CONTRACTOR at all times in

performance of this Contract; e.g., business cards, email signature blocks, attendance in meetings, interactions with third parties.

23. INFORMATION OF ULA

Information provided by ULA to CONTRACTOR remains the property of ULA and such information, including tangible items conveying or embodying such information, is deemed the proprietary, confidential and/or trade secret information of ULA. Such information may be used by CONTRACTOR solely for the purposes of this Contract. CONTRACTOR may not disclose to any third party such information without the prior written consent of ULA.

CONTRACTOR shall ensure each Contract Laborer providing Work to ULA under or in connection with this Contract signs and complies with the Intellectual Property and Confidentiality Agreement (IPCA) provided by ULA to CONTRACTOR. CONTRACTOR shall provide ULA with the original IPCA signed by each such Contract Laborer retaining for itself one archival copy.

24. INFORMATION OF CONTRACTOR

ULA personnel are not authorized to receive any information in confidence from CONTRACTOR. All communications of any kind from CONTRACTOR to ULA, accordingly, shall be deemed to be on a non-confidential basis. CONTRACTOR shall ensure that its Contract Labor Personnel do not use information proprietary or otherwise sensitive to any company other than ULA in the performance of Work under or in connection with this Contract.

25. INFORMATION TECHNOLOGY

(a) If CONTRACTOR provides Work that includes development, modification or access to software, CONTRACTOR shall ensure that its Contract Labor Personnel do not embed any software enabling unauthorized party access to any information of ULA, information entrusted to ULA by others, or ULA's system, such as backdoors, spyware, etc. malicious software, or code within the ULA's system.

(b) CONTRACTOR shall also ensure that its Contract Labor Personnel protect the ULA information technology systems and Websites from viruses and other similar harmful programs or data which have a malicious and destructive intent. Any reports, documents or files downloaded to a ULA system may not contain any executable files without ULA's written permission.

26. INSPECTION AND ACCEPTANCE

(a) ULA and its customer may inspect all Work at reasonable times and places. No such inspection shall relieve CONTRACTOR of its obligations to furnish and warrant all Work in accordance with the requirements of this Contract.

(b) If CONTRACTOR delivers non-conforming Work, ULA may, in addition to any other remedies available at law or at equity: (i) accept all or part of such Work at an equitable price reduction; or (ii) reject such Work. CONTRACTOR shall not re-tender rejected Work without disclosing the corrective action taken.

27. INSURANCE AND ENTRY ON ULA PROPERTY

(a) The provisions of this subparagraph (a) shall apply only in the event that CONTRACTOR, its employees, agents, or Subcontractors enter the site(s) of ULA or its customers for any reason in connection with this Contract.

(i) CONTRACTOR shall procure and maintain for the performance of this Contract the following types of insurance:

(a) Worker's Compensation in amounts as required by law, including U.S. Longshoreman and Harbor Worker's Act, if applicable, and Employer's Liability at a limit no less than \$1 Million. Contractor shall name ULA as an additional insured under its workers compensation coverage.

(b) Commercial General Liability covering Premises Liability, Contractual Liability, Products and Completed Operations and Personal Injury Liability at a limit no less than \$3 Million each occurrence and annual aggregate. This policy shall name ULA as an additional insured and include a Waiver of Subrogation in favor of ULA; and

(c) Commercial Automobile Liability covering all owned, non-owned and hired vehicles, including loading and unloading thereof at a limit of no less than \$1 Million.

(ii) CONTRACTOR and its Contract Labor Personnel shall comply with all site requirements. CONTRACTOR shall ensure that all Contract Labor Personnel immediately return their ULA badge to their cognizant ULA Reporting Manager upon expiration or termination of their Work. Final payment to the CONTRACTOR may be withheld pending reconciliation of the issued badges.

(b) CONTRACTOR shall maintain professional liability insurance coverage to insure it against any claim for damages arising out of any acts or omissions in connection with CONTRACTOR establishment or operation of the CONTRACTOR Work specified herein. Such coverage shall not be less than five million dollars (\$5,000,000) per occurrence and twenty million dollars (\$20,000,000) in the aggregate. This policy shall name ULA as an additional insured and include a Waiver of Subrogation in favor of ULA.

(c) CONTRACTOR shall provide ULA thirty (30) days advance written notice prior to the effective date of any cancellation or change in the term or coverage of any of CONTRACTOR's required insurance, provided however such notice shall not relieve CONTRACTOR of its obligations to carry the required insurance. At Contract inception and annually thereafter, CONTRACTOR shall send a "Certificate of Insurance" showing CONTRACTOR's compliance with these requirements. Insurance maintained pursuant to this clause shall be considered primary as respects to the interest of ULA and is not contributory with any insurance which ULA may carry.

(d) "Subcontractor" as used in this clause shall include CONTRACTOR's subcontractors at any tier. CONTRACTOR's obligations to carry insurance coverages are freestanding and are not affected by any other language in this Contract.

28. MAINTENANCE OF RECORDS

(a) CONTRACTOR shall maintain complete and accurate records relating to its performance of the Work in accordance with generally accepted accounting principles to substantiate that CONTRACTOR performed all tasks required by the Contract. CONTRACTOR shall retain such records for three (3) years from final payment of this Contract.

(b) ULA shall have access to such records, and any other records CONTRACTOR is required to maintain under this Contract, for the purpose of audit during normal business hours, upon reasonable notice for so long as such records are required to be retained. Any payments may be (i) reduced by amounts found not to have been properly payable or; (ii) adjusted for prior overpayments or underpayments.

29. MANDATORY DISCLOSURE REQUIREMENTS

(a) CONTRACTOR shall report, and shall have its Contract Labor Personnel report, any Potentially Disclosable Matter that they become aware of that is related to performance of a ULA government contract to the ULA Law Department or ULA Ethics. CONTRACTOR shall cooperate with ULA in investigating any Potentially Disclosable Matter.

(b) Potentially Disclosable Matter is any of the following:

(i) Fraud, False Statements and False Claims

- (a) Any statement, orally or in writing, that a Person has made to any employee or representative of the government that the Person knew to be false.
- (b) Creation or use of any document by a Person in connection with any government contract that the Person knew to be false or misleading.
- (c) Knowing failure by a Person to deliver products or services that conform to requirements of a government contract. Examples include failure to comply with a requirement such as a Buy American Act contract provision, failing to comply with Range safety requirements or using parts that do not meet ULA requirements.
- (d) Knowing creation of a false record by a Person related to performance of a United States government contract.
- (e) Knowing concealment by a Person of a fact from the government that should have been disclosed to the government.
- (f) Any TINA certification that ULA or a subcontractor has submitted that contained any error.
- (g) Any submission by a Person of a request for payment to the government that the Person knew, at the time of submittal, was inaccurate or overstated.
- (h) Any knowing mischarging of time by a Person.
- (i) Knowing failure by a Person to perform a process or test required by a contract.
- (j) Any violation by any Person of CPS-026 (Procurement Integrity).
- (k) Any misuse of government property.

(ii) Bribery

- (a) Any gift or gratuity that has been provided by a Person to any government employee in violation of CPS-004 (Gifts, Gratuities and Other Business Courtesies).
- (b) Any gift or payment of anything of value to a United States government employee by a Person, where such payment is intended to influence that government employee to take or refrain from taking any action in his or her official capacity.
- (c) Any gift or gratuity that has been provided to a Person in violation of CPS-004 (Gifts, Gratuities and Other Business Courtesies) or CPS-013 (Anti-Kickback Compliance).

(iii) Conflict of Interest

- (a) Any violation of CPS-011 (Employing Current or Former United States Government Employees) in connection with hiring and use of a former government employee by a Person.
- (b) Any violation by a Person of CPS-012 (Marketing to the U.S. Government).

(c) Definitions

“Know”, “knowing” or “knew,” when used to qualify a matter described in section 4.1, means that the Person either had actual knowledge of the matter, that the Person should have known of the matter or that the Person proceeded with reckless disregard for the matter.

“Person” means any employee of ULA or any subcontractor, as well as any contract labor, consultant, agent or other representative of ULA or any subcontractor. Person also means ULA or any subcontractor as a whole.

30. PAYMENTS, TAXES, AND DUTIES

(a) Unless otherwise provided, terms of payment shall be net thirty (30) days from the actual completion of performance of the Work.

(b) Each payment made shall be subject to reduction to the extent of amounts which are found by ULA or CONTRACTOR not to have been properly payable, and shall also be subject to reduction for overpayments. CONTRACTOR shall promptly notify ULA of any such overpayments found by CONTRACTOR.

(c) ULA shall have a right of setoff or recoupment against payments due or at issue under this Contract or any other Contract between the parties.

(d) Payment shall be deemed to have been made as of the date of mailing ULA’s payment or electronic funds transfer.

(e) Unless otherwise specified, prices include all applicable federal, state, local, and foreign taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice. When taxable and non-taxable items are invoiced under this Contract, taxable versus non-taxable items shall be separately stated. If Work purchased qualify for tax exemption, then an exemption certificate will be presented from ULA to vendor.

(f) CONTRACTOR agrees to submit upon the request of Procurement Representative a release of claims upon final payment under this Contract.

31. PERSONAL INFORMATION

(a) CONTRACTOR shall ensure that Contract Labor Personnel with access to Personal Information shall handle such information in a commercially reasonable manner but at no less a standard than what ULA requires of its employees.

(b) If a Contract Labor worker has access to Personal Information, then CONTRACTOR shall indemnify ULA as follows:

(i) In the event CONTRACTOR discovers or is notified of a breach or the likelihood of a potential breach of security relating to the Protected Health Information (PHI), CONTRACTOR will immediately (a) notify the ULA of such breach or potential breach and (b) if the applicable PHI was in the possession of CONTRACTOR or CONTRACTOR’ agents at the time of such breach or potential breach, CONTRACTOR will (1) investigate and remediate with ULA’s reasonable assistance the effects of the breach or potential breach (such remediation to include restoring data to the last data back-up) and (2) provide ULA with assurance that the likelihood of a recurrence of such breach or potential breach has been appropriately reduced.

(ii) In the event of CONTRACTOR’s breach of this paragraph, and in addition to any other remedies available to ULA, ULA shall have the right to require CONTRACTOR to reimburse ULA for actual out-of-pocket expenses of printing and mailing notification letters required by Law incurred by ULA due to such breach and any credit monitoring services offered by ULA in relation to the breach, provided ULA uses cost effective means to mitigate the costs associated with such notification.

32. PRECEDENCE

Any inconsistencies in this Contract shall be resolved in accordance with the following descending order of precedence: (i) Face of the Purchase Order and/or Task Order, release document, the schedule of this Contract, (including any continuation sheets), and/or any special terms and conditions; (ii) Terms and Conditions, including this Document; and (iii) any other exhibits of this Contract.

33. PRICE WARRANTY

The CONTRACTOR warrants that the prices and rates stated herein represent currently established prices and rates and are no higher than would be charged to any other customer, whether commercial or an agency of the United States Government for similar Work in like quantities.

34. RECORDING HOURS

(a) Work Schedule: CONTRACTOR shall ensure that all Contract Labor Personnel understand that they will be required to work a 9/80 Work Schedule unless otherwise indicated on Contract. Any hours worked before mid-shift on Friday shall be recorded to the current week. Any hours worked after mid-shift on Friday shall be recorded to the next week. With CONTRACTOR's approval, Contract Labor Personnel may flex their work hours within the same week as long as hours worked are properly recorded.

(b) Recording Time: ULA shall make available timecards to each Contract Laborer during the term of the Contract Laborer's work. The purpose of this timecard is to record hours worked by Contract Labor Personnel for purposes of ULA paying CONTRACTOR. This timecard shall not be used by CONTRACTOR to pay wages or salary to its Contract Labor Personnel. Contract Labor Personnel shall record all hours worked, whether authorized or unauthorized, on the timecard at the end of each workday and should record whether ULA is to pay the hours worked as Straight Time or Premium Time. Time shall be recorded in hours and tenths of hours. Contract Laborer shall record all hours worked for each day and all hours recorded must be worked that day. Contract Laborer may not record hours worked in one day if worked in a different day. For example, Contract Laborer receives authorization to flex the work schedule. Contract Laborer works two (2) hours on Sunday and seven (7) hours on Monday. The Contract Laborer must record the time as two (2) hours on Sunday and seven (7) hours on Monday and not as nine (9) hours for Monday.

(c) Certification: CONTRACTOR shall ensure that each Contract Laborer signs a timecard and certification at the end of each work week and then submits the signed timecard to the ULA Work Coordinator, thereby representing and certifying all time claimed was actually worked on the date indicated by that Contract Laborer and that all hours worked are properly recorded. The ULA Work Coordinator shall then review and sign the timecard, thereby evidencing his or her approval.

(d) Straight Time and Premium Time: ULA shall reimburse CONTRACTOR for all hours worked by Contract Labor Personnel as either Straight Time or Premium Time in accordance with rates established in this Contract. Any Premium Time not approved in advance by ULA shall be paid to CONTRACTOR at Straight Time regardless of what amount CONTRACTOR may owe to its employee for the Work provided. ULA shall not pay CONTRACTOR for any hours not worked due to a holiday, the closure of ULA's facility for any reason, or vacation taken by Contract Labor Personnel. CONTRACTOR shall be solely responsible for keeping track of the hours worked by its Contract Labor Personnel for wage purposes, determining if Contract Labor Personnel are due any overtime under the FLSA or state law, and shall be solely responsible for paying Contract Labor Personnel any overtime.

(e) ULA employees shall not require Contract Labor Personnel to act in a manner inconsistent with this clause. If a Contract Laborer feels as if a ULA employee is requesting action inconsistent with this clause, then the Contract Laborer should contact CONTRACTOR and/or ULA's Ethics Department immediately. CONTRACTOR shall notify Procurement Representative promptly.

(f) Violations: Failure to comply with this requirement is a material breach of contract.

35. RELEASE OF INFORMATION

Except as required by law, no public release of any information, or confirmation or denial of same, with respect to this Contract or the subject matter hereof, will be made by CONTRACTOR without the prior written approval of ULA.

36. REPORTING REQUIREMENTS

(a) The CONTRACTOR shall submit written activity reports in letter format to ULA each month describing in reasonable detail specific items of work accomplished during the preceding reporting period. Such reports shall include but should not be limited to the hours spent on each task, persons visited and subjects discussed, meeting minutes, trip reports and collateral memoranda. Upon completion of this Contract, the CONTRACTOR shall submit a cumulative final report summarizing all Work accomplished during the Contract performance period.

(b) The CONTRACTOR shall provide ULA a monthly report of the actuals cost expenditures for each Contract Labor Personnel under contract to the CONTRACTOR for the month reported.

(c) The CONTRACTOR shall also notify ULA in writing any engagement terminating for any reason whatsoever on a monthly basis. All terminations of Contract Labor Personnel shall also be reported immediately to the Procurement Representative as referenced on the Contract.

(d) CONTRACTOR shall review the Contract Labor Reconciliation Report (Report) containing the hours worked and recorded by Contract Laborers in providing services to ULA during the period indicated on the Report. CONTRACTOR shall notify ULA in writing of any additions, changes or omissions to the Report within thirty (30) days of payment for the services

identified and the period indicated on the Report. By accepting payment for the hours worked as indicated in the Report, CONTRACTOR (i) waives any claim for additional payment not raised in writing within thirty (30) days after receiving payment, and (ii) certifies that hours worked and recorded by Contract Laborers as contained in the Report are accurate and correct. Any request for additions, changes or omissions made to ULA thirty (30) days after payment will be denied.

37. RIGHTS AND REMEDIES

Except as otherwise limited in this Contract, the rights and remedies set forth herein are cumulative and in addition to any other rights or remedies that the parties may have at law or in equity.

38. SEVERABILITY

Each clause, paragraph and sub-paragraph of this Contract is severable, and if one or more of them are declared invalid, the remaining provisions of this Contract will remain in full force and effect.

39. STOP WORK

(a) CONTRACTOR shall stop Work for up to one hundred (100) days in accordance with any written notice received from ULA, or for such longer period of time as the parties may agree and shall take all reasonable steps to minimize the incurrence of costs allocable to the Work during the period of Work stoppage.

(b) Within such period, ULA shall either terminate in accordance with the provisions of this Contract or continue the Work by written notice to CONTRACTOR. In the event of a continuation, an equitable adjustment in accordance with the principles of the "Changes" clause shall be made to the price, performance schedule, or other provision(s) affected by the Work stoppage, if applicable, provided that the claim for equitable adjustment is made within thirty (30) days after date of notice to continue.

40. SURVIVABILITY

If this Contract expires, is completed, or is terminated, CONTRACTOR shall not be relieved of those obligations contained in this Contract for the following clauses:

- Compliance with Export and Import Laws
- Compliance with Laws
- Disputes
- Governing Law and Venue
- Independent Contractor Relationship and Contract Labor Personnel
- Information of ULA
- Insurance/Entry on ULA Property
- Maintenance of Records
- Mandatory Disclosure Requirements
- Personal Information
- Release of Information
- Warranty

(b) Any Confidentiality Agreement entered into by the parties applicable to this Contract.

41. TERMINATION FOR CONVENIENCE

(a) ULA may terminate part or all of this Contract for its convenience by giving written notice to CONTRACTOR.

(b) Upon termination, in accordance with ULA's written direction, CONTRACTOR will immediately: (i) Cease work; (ii) Prepare and submit to ULA an itemization of all completed and partially completed deliverables and services; (iii) Deliver to ULA any and all Work completed up to the date of termination at the agreed upon prices; and (iv) Deliver upon request any Work in process. In the event ULA terminates for its convenience after performance has commenced, ULA will compensate CONTRACTOR for the actual, allowable, and reasonable expenses incurred by CONTRACTOR for Work in process up to and including the date of termination provided CONTRACTOR uses reasonable efforts to mitigate ULA's liability under this clause.

(c) In no event shall ULA be liable for lost or anticipated profits, unabsorbed indirect costs or overhead, or for any sum in excess of the total Contract price. CONTRACTOR's termination claim shall be submitted within sixty (60) days from the effective date of the termination.

(d) CONTRACTOR shall continue all Work not terminated.

42. TIMELY PERFORMANCE

(a) CONTRACTOR's timely performance is of the essence and is a material element of this Contract.

(b) If CONTRACTOR becomes aware of difficulty in performing the Work, CONTRACTOR shall timely notify ULA, in writing, giving pertinent details. This notification shall not change any performance schedule.

43. TRAVEL COSTS

CONTRACTOR travel expenses shall be reimbursed by ULA for expenses that are authorized under this Contract and approved by the ULA designated Project Manager in advance of the requested travel. Travel reimbursement shall be in accordance with the GSA per diem guidelines as established on the GSA website at www.gsa.gov. ULA shall not reimburse any of the following travel expenses: alcohol, entertainment, telephone bills, airfare other than coach airfare, rental cars larger than midsize, laundry or per diem expenses that exceed GSA per diem rates unless approved in advance by the ULA designated Project Manager. Any travel expenses that exceed per diem rates must be approved in advance under the 300% per diem rule by the ULA designated Project Manager. To be eligible for reimbursement, copies of travel expense receipts \$50 or greater must be submitted with invoices for payment. Reimbursement shall be for actual and reasonable expenses only without any markup rate.

44. WAIVERS

Any failures, delays or forbearances of either party in insisting upon or enforcing any provisions of this Contract, or in exercising any rights or remedies under this Contract, shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies; rather, the same shall remain in full force and effect.

45. WARRANTY

(a) CONTRACTOR warrants that it is and shall remain free of any obligation or restriction which would interfere or be inconsistent with or present a conflict of interest concerning the Work to be furnished by CONTRACTOR under this Contract.

(b) CONTRACTOR warrants that it will perform the Work under this Contract with the degree of high professional skill and sound practices and judgment which is normally exercised by recognized professional firms with respect to Work of a similar nature.