

ORDER / SOLICITATION / OFFER / AWARD

OFFEROR TO COMPLETE BLOCKS 13, 14, 16, 22, 23 and 27				1. REQUISITION NO.		PAGE 1 OF 76	
2. CONTRACT/ORDER NO.		3. AWARD/EFFECTIVE DATE	4. MASTER/AGENCY CONTRACT NO.		5. SOLICITATION NO. 3A-20-A-0097		6. SOLICITATION ISSUE DATE 08/19/2020
7. For Information Call	a. NAME Tammi L. Robinson-Minor		b. TELEPHONE NO. (703) 280-7885		c. FAX NO. (703) 280-8426		8. OFFER DUE DATE/TIME 09/21/2020 1700 ES
9. ISSUED BY Flat Technology Automation & Material Handling Equipment CMC United States Postal Service Dewey Building - Ground Floor 8403 Lee Highway Merrifield VA 22082-8150 EMAIL: tammi.robinson-minor@usps.gov			CODE 3AAFLT	10. ACO CODE 3AAFLT	11. SOLICITATION METHOD <input type="checkbox"/> RFQ <input checked="" type="checkbox"/> RFP <input type="checkbox"/> ORAL	12. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS CHECKED <input type="checkbox"/> SEE SCHEDULE	13. SOLICITATION PAYMENT TERMS OFFERED BY OFFEROR
14. SUPPLIER TEL: _____ FAX: _____ EMAIL: _____			CODE _____	15. BILLING ADDRESS			
16. REMITTANCE ADDRESS TEL: _____ FAX: _____ EMAIL: _____			CODE _____	17. DELIVERY ADDRESS TELEPHONE NO: _____ DELIVER BY/END DATE: _____			
18. ITEM NO			19. SCHEDULE OF SUPPLIES/SERVICES	20. QUANTITY	21. UNIT	22. UNIT PRICE	23. AMOUNT
			Autonomous Guided Vehicle (AGV) Eye in the Sky (EITS) Production Deployment 1. This solicitation is for the production deployment of the Autonomous Guided Vehicle (AGV) Eye in the Sky (EITS) system which utilizes a sensor/camera system mounted from the ceiling that detects the presence or absence of rolling stock containers and pallets, reads the corresponding mail transport equipment labeler (MTEL) placard barcode, and automatically calls for an AGV for pickup and drop off at the Continued ...				
24a. PAYMENT TERMS NET30				24b. TOTAL AWARD AMOUNT (USPS Use Only)			
25. <input type="checkbox"/> The supplier is required to sign this document and return _____ copies to the issuing office. The supplier agrees, subject to the terms and conditions specified herein, to provide and deliver all items identified above and on any additional sheets.				26. <input type="checkbox"/> Award of Contract: Your offer on Solicitation (block 5) is accepted as to items			
27a. SIGNATURE OF SUPPLIER				28a. UNITED STATES POSTAL SERVICE (SIGNATURE OF CONTRACTING OFFICER)			
27b. PRINTED NAME AND TITLE OF SUPPLIER		27c. DATE SIGNED		28b. PRINTED NAME OF CONTRACTING OFFICER ANDREW J. HOPKINS		28c. DATE SIGNED	

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MASTER/AGENCY CONTRACT NO.

SOLICITATION NO.
3A-20-A-0097

SOLICITATION
ISSUE DATE
08/19/2020

ITEM NO	SCHEDULE OF SUPPLIES / SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>appropriate destination. The US Postal Service (USPS) anticipates that this solicitation will result in the award of one firm-fixed price Indefinite Delivery Indefinite Quantity (IDIQ) contract to one supplier to provide the turn-key acquisition, build, kitting, assembly, and installation of the AGV EITS systems for a minimum of one (1) and a maximum of fifteen (15) Postal facilities nationwide. The sites will be determined by the USPS as Delivery Orders are issued under the IDIQ contract.</p> <p>2. Suppliers are required to provide a technical and cost proposal that will be evaluated by the Purchase Evaluation Team using the evaluation criteria identified in the solicitation. The supplier whose proposal contains the combination of technical factors and pricing that offer the best value to the Postal Service will be selected for contract award. Technical scoring will be considered more important than price in performing and determining best value under the solicitation; however, the closer the technical evaluation scores, the more important price becomes.</p> <p>3. The proposal response should ensure that the SOW requirements are addressed, the SOW Compliance Matrix and Pricing Template are completed, a Subcontracting Plan is provided in accordance with Provision 3-1, the Domestic Source Certificate Supplies (Provision 1-2) is completed, the Representations and Certifications (Provision 4-3) are completed, the Equal Opportunity Affirmative Action Program (Provision 9-1) is completed, and that Supplier Capability and Past Contract Performance are addressed.</p> <p>4. Proposals in response to this solicitation must be submitted via e-mail to both Tammi Robinson-Minor at tammi.robinson-minor@usps.gov and Andrew Hopkins at andrew.j.hopkins@usps.gov. The technical and cost proposals must be submitted as separate files. The technical</p> <p>Continued ...</p>				

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ITEM NO	SCHEDULE OF SUPPLIES / SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>proposal must include responses to the Statement of Work requirements (Enclosure No. 2), including a completed SOW Compliance Matrix (Enclosure No. 7). The cost proposal shall include a completed Pricing Template (Enclosure No. 6) as well as financial information, including Balance Sheets and Statements of Cash Flows, sufficient for the determination of financial capability.</p> <p>Proposals are due to the email addresses noted above no later than 5:00 PM Eastern Time, Monday, September 21, 2020.</p> <p>5. Questions regarding this solicitation must be sent in writing via e-mail to both Tammi Robinson-Minor at tammi.robinson-minor@usps.gov and Andrew Hopkins at andrew.j.hopkins@usps.gov no later than 5:00 PM Eastern Time, Friday, August 28, 2020. All questions will be consolidated with the Postal Service's responses and will be provided in an amendment to this solicitation.</p> <p>6. The USPS will conduct a pre-proposal conference for suppliers interested in responding to this Request for Proposal (RFP) on Wednesday, September 2, 2020. The conference will be held virtually via Zoom. All suppliers interested in responding to this RFP are encouraged to participate in the conference. During the conference, the USPS will provide an overview of the program and address supplier questions. To receive an invitation to participate in the pre-proposal conference, suppliers must email a request for an invitation to both Tammi Robinson-Minor at tammi.robinson-minor@usps.gov and Andrew Hopkins at andrew.j.hopkins@usps.gov no later than 5:00 PM Eastern Time (ET) on Wednesday, August 26, 2020.</p> <p>7. The USPS is under no obligation to award a contract for the subject requirement as a result of this solicitation. The USPS reserves the right to cancel this Solicitation during or after Continued ...</p>				

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1	<p>receipt of proposals and to re-issue the Solicitation.</p> <p>Period of Performance: 11/01/2020 to 11/30/2021</p> <p>AGV Eye in the Sky (AGV) Production Deployment in accordance with the attached Statement of Work - Pricing shall be submitted using the Pricing Template provided as Enclosure No. 6 to the Solicitation</p> <p>Solicitation Attachments:</p> <p>3A-20-A-0097 Terms and Conditions Enclosure 1 - Proposal Instructions to Offerors Enclosure 2 - AGV EITS Production Deployment Statement of Work Enclosure 3 - SOW Section B, Deliverables Table Enclosure 4 - AGV EITS Technical Data Package (TDP) Enclosure 5 - AGV EITS Production Deployment Evaluation Criteria Enclosure 6 - Pricing Template/Cost Proposal Estimate Enclosure 7 - SOW Compliance Matrix</p>				

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2 - PART 2 - PROVISIONS

PROVISION A-1 RESTRICTION ON DISCLOSURE AND USE OF DATA (MARCH 2006)

Offerors that include in their proposals data they do not want used or disclosed by the Postal Service for any purpose other than proposal evaluation may take the following steps:

a. Include on the title page or in the introductory material of their proposal the following:

"This proposal includes data that may not be duplicated, used, or disclosed outside the Postal Service - in whole or in part - for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of - or in connection with - the submission of such data, the Postal Service will have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Postal Service's right to use information contained in the data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (Offeror insert numbers or other identification of sheets)."

b. Mark each sheet of data it wishes to restrict with the following legend: "Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

PROVISION 1-1 SUPPLIER CLEARANCE REQUIREMENTS (MARCH 2006)

The contract resulting from this solicitation will require the contractor or its employees (including subcontractors and their employees) to have access to occupied postal facilities, and/or to postal information and resources, including postal computer systems. Clearance in accordance with Administrative Support Manual 272.4 will be required before that access will be permitted. It is the contractor's obligation to obtain and supply to the Postal Service the forms and information required by that regulation.

Offerors must familiarize themselves with the requirements of that section, taking into account in their offices the time and paperwork associated with the screening.

PROVISION 1-2 DOMESTIC SOURCE CERTIFICATE - SUPPLIES (OCTOBER 2019)

By checking this box , the offeror certifies that each end product, except those listed below, is a domestic-source end product (as defined in Clause 1-9: Preference for Domestic Supplies) or (subject to the eligibility thresholds set out in section 2-36, Evaluate Foreign and Domestic Proposals of the Postal Service's Supplying Principles and Practices) end products mined, produced, or manufactured in (i) countries that have entered into World Trade Organization Government Procurement Agreement (WTO GPA) or (ii) a country that has entered into a Free Trade Agreement (FTA) with the United States and that components of unknown origin are considered to have been mined, produced, or manufactured outside the United States. Excluded end products (Offeror show country of origin for each excluded end product):

PROVISION 1-4 PROHIBITION AGAINST CONTRACTING WITH FORMER POSTAL SERVICE OFFICERS OR PCES EXECUTIVES (MARCH 2006)

The offeror represents that former Postal Service officers or Postal Career Executive Service (PCES) executives will not be employed as key personnel, experts or consultants in the performance of the contract if such individuals, within 1 year of their retirement from the Postal Service, will be performing substantially the same duties as they performed during their career with the Postal Service. In

addition, no contract resulting from this solicitation may be awarded to such individuals or entities in which they have a substantial interest, for 1 year after their retirement from the Postal Service, if the work called for in the solicitation requires such individuals to perform substantially the same duties as they performed during their career with the Postal Service.

**PROVISION 1-5 PROPOSED USE OF FORMER POSTAL SERVICE EMPLOYEES
(MARCH 2006)**

In its proposal, the supplier must identify any former Postal Service employee it proposes to engage in the performance, directly or indirectly, in the performance of the contract. The Postal Service reserves the right to require the supplier to replace the proposed individual with an equally qualified individual.

**PROVISION 3-1 NOTICE OF SMALL-, MINORITY-, AND WOMAN-OWNED BUSINESS
SUBCONTRACTING REQUIREMENTS (FEBRUARY 2018)**

When the contract value is estimated at \$1 million or more, all offerors, except small businesses, must submit with their proposals the contract-specific subcontracting plan required by Clause 3-1: Small-, Minority-, and Woman-Owned Business Subcontracting Requirements. Generally, this plan must be agreed to by both the supplier and the Postal Service before award of the contract. Lack of submittal of a contract-specific subcontracting plan may make the offeror's proposal unacceptable for award.

All offerors must be capable of reporting as required by Clause 3-2: Participation of Small-, Minority-, and Woman-Owned Businesses. Reporting is required when the contract value is estimated at \$500,000 or more.

PROVISION 4-1 STANDARD SOLICITATION PROVISIONS (JUNE 2020)

a. Submission of Offers. Submit signed and dated offers to the office specified in this solicitation at or before the exact time specified on this solicitation. Offers may be submitted on PS Form 8203, Order/Solicitation/Offer/Award, letterhead stationary, or as otherwise specified in the solicitation. As a minimum offers must show:

- (1) Solicitation number;
- (2) The name, address and telephone number of the offeror;
- (3) A technical description of the items being offered in sufficient detail to evaluate compliance with the requirements in the solicitation. This may include product literature, or other documents, if necessary;
- (4) Terms of any expressed warranty;
- (5) Price and any discount terms;
- (6) "Remit to" address, if different than mailing address;
- (7) A completed copy of the representations and certifications;
- (8) Acknowledgment of Solicitation Amendments;
- (9) Past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items, and other references (including contract numbers, point of contact, with telephone numbers, and other relevant information); and
- (10) If the offer is not submitted on PS Form 8203, include a statement specifying the extent of agreement with all terms and conditions and provisions included in the solicitation. Offers that fail to

furnish required representations or information, or reject the terms and conditions of the solicitation, may be excluded from consideration.

b. Business Disagreements. Business disagreements may be lodged with the Supplier Disagreement Resolution (SDR) Official if the supplier and the contracting officer have failed to resolve the disagreement as described in 39 CFR Section 601. The SDR Official will consider the disagreement only if it is lodged in accordance with the time limits and procedures described in 39 CFR Section 601. The SDR Official's decisions are available for review at www.usps.com.

c. Product Samples. When required by the solicitation, product samples must be submitted at or prior to the time specified for receipt of offers. Unless otherwise specified in the solicitation, these samples must be submitted at no expense to the Postal Service and returned at the sender's request and expense, unless they are destroyed during preaward testing.

d. Multiple Offers. Offerors are encouraged to submit multiple offers presenting alternative terms and conditions or commercial items for satisfying the requirements of this solicitation. Each offer submitted will be evaluated separately.

e. Late Offers. Offers or modifications of offers received at the address specified for the receipt of offers after the exact time specified for receipt of offers will not be considered unless determined to be in the best interests of the Postal Service.

f. Type of Contract. The Postal Service plans to award a contract under this solicitation, and all proposals must be submitted on this basis. Alternate proposals based on other contract types will will not be considered.

g. Contract Award. The Postal Service may evaluate offers and award a contract without discussions with offerors. Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. Discussions may be conducted if the Postal Service determines they are necessary. The Postal Service may reject any or all offers if such action is in the best interest of the Postal Service; accept other than the lowest offer, and waive informalities and minor irregularities in offers received.

h. Multiple Awards. The Postal Service may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may not be submitted for quantities less than those specified. The Postal Service reserves the right to make an award on any items for quantity less than the quantities offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.

i. Incorporation by Reference. Wherever in this solicitation or contract a standard provision or clause is incorporated by reference, the incorporated term is identified by its title, the provision or clause number assigned to it, and its date. The text of incorporated terms may be found at <https://about.usps.com/manuals/pm/welcome.htm>.

If checked, the following provision is incorporated in this solicitation by reference: (Contracting officer will check as appropriate.)

Provision 9-5: Compliance with Veterans' Employment Reporting Requirements

PROVISION 4-2 EVALUATION (OCTOBER 2019)

a. General. The Postal Service will award a contract resulting from this solicitation to the offeror whose offer conforming to the solicitation is deemed to offer the Postal Service the best value, price and other factors, as specified, considered. The following evaluation factors will be used in the evaluation of offers: See RFP Enclosure No. 5 – Evaluation Criteria

b. Options. N/A

c. Notice of Award. The Postal Service may accept an offer (or part of an offer), whether or not there are discussions after its receipt, before an offer's specified expiration time, unless a written notice of withdrawal is received before award. A written notice of award or acceptance of an offer, mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer, will result in a binding contract without further action by either party.

PROVISION 4-3 REPRESENTATIONS AND CERTIFICATIONS (OCTOBER 2019)

Type of Business Organization. The offeror, by checking the applicable blocks, represents that it:

(1) Operates as:

a corporation incorporated under the laws of the state of _____; or country of _____ if incorporated in a country other than the United States of America.

an individual;

a partnership;

a joint venture;

a limited liability company;

a nonprofit organization; or

an educational institution; and

(2) Is (check all that apply)

a small business concern;

a minority business (indicate minority below):

Black American

Hispanic American

Native American

Asian American:

a woman-owned business; or

none of the above entities.

(a) A small business concern for the purposes of Postal Service purchasing means a business, including an affiliate, that is independently owned and operated, is not dominant in producing or performing the supplies or services being purchased, and has no more than 500 employees, unless a different size standard has been established by the Small Business Administration (see 13 CFR 121, particularly for different size standards for airline, railroad, and construction companies). For subcontracts of \$50,000 or less, a subcontractor having no more than 500 employees qualifies as a small business without regard to other factors.

(b) Minority Business. A minority business is a concern that is at least 51 percent owned by, and whose management and daily business operations are controlled by, one or more members of a socially and economically disadvantaged minority group, namely U.S. citizens who are Black Americans, Hispanic Americans, Native Americans, or Asian Americans. (Native Americans are

American Indians, Eskimos, Aleuts, and Native Hawaiians. Asian Americans are U.S. citizens whose origins are Japanese, Chinese, Filipino, Vietnamese, Korean, Samoan, Laotian, Kampuchean (Cambodian), Taiwanese, in the U.S. Trust Territories of the Pacific Islands or in the Indian subcontinent.)

(c) Woman-owned Business. A woman-owned business is a concern at least 51 percent of which is owned by a woman (or women) who is a U.S. citizen, controls the firm by exercising the power to make policy decisions, and operates the business by being actively involved in day-to-day management.

(d) Educational or Other Nonprofit Organization. Any corporation, foundation, trust, or other institution operated for scientific or educational purposes, not organized for profit, no part of the net earnings of which inures to the profits of any private shareholder or individual.

(3) Is (check all that apply)

a Postal Service employee or a business organization substantially owned or controlled by such an individual.

a spouse of a Postal Service employee or a business organization substantially owned or controlled by such an individual.

another family member of a Postal Service employee or a business organization substantially owned or controlled by such an individual.

an individual residing in the same household as a Postal Service employee or a business organization substantially owned or controlled by such an individual.

(Note: Offers from any of the sources listed in subparagraph a.3, may not be considered for an award pending review and recommendation by the Postal Service Ethics Office.)

b. Parent Company and Taxpayer Identification Number

(1) A parent company is one that owns or controls the basic business policies of an offeror. To own means to own more than 50 percent of the voting rights in the offeror. To control means to be able to formulate, determine, or veto basic business policy decisions of the offeror. A parent company need not own the offeror to control it; it may exercise control through the use of dominant minority voting rights, proxy voting, contractual arrangements, or otherwise.

(2) Enter the offeror's U.S. Taxpayer Identification Number (TIN) in the space provided. The TIN is the offeror's Social Security number or other Employee Identification Number (EIN) used on the offeror's Quarterly Federal Tax Return, U.S. Treasury Form 941, or as required by Internal Revenue Service (IRS) regulations. Offeror's TIN: _____

(3) IRS Form W-9, Request for Taxpayer Identification Number and Certification. You must complete a copy of IRS Form W-9 and attach it to this certification.

(4) Check this block if the offeror is owned or controlled by a parent company:

(5) If the block above is checked, provide the following information about the parent company:

Parent Company's Name: _____

Parent Company's Main Office: _____

Address: _____

No. and Street: _____

City: _____ State: _____ ZIP Code: _____

Parent Company's TIN: _____

(6) If the offeror is a member of an affiliated group that files its federal income tax return on a consolidated basis (whether or not the offeror is owned or controlled by a parent company, as provided above) provide the name and TIN of the common parent of the affiliated group:

Name of Common Parent: _____

Common Parent's TIN: _____

c. Certificate of Independent Price Determination

(1) By submitting this proposal, the offeror certifies, and in the case of a joint proposal each party to it certifies as to its own organization, that in connection with this solicitation:

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

(b) Unless otherwise required by law, the prices proposed have not been and will not be knowingly disclosed by the offeror before award of a contract, directly or indirectly to any other offeror or to any competitor; and

(c) No attempt has been made or will be made by the offeror to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.

(2) Each person signing this proposal certifies that:

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

(b) He or she is not the person in the offeror's organization responsible for the decision as to the prices being offered but that he or she has been authorized in writing to act as agent for the persons responsible in certifying that they have not participated, and will not participate, in any action contrary to paragraph a above, and as their agent does hereby so certify; and he or she has not participated, and will not participate, in any action contrary to paragraph a above.

(3) Modification or deletion of any provision in this certificate may result in the disregarding of the proposal as unacceptable. Any modification or deletion should be accompanied by a signed statement explaining the reasons and describing in detail any disclosure or communication.

d. Certification of Nonsegregated Facilities

(1) By submitting this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of Clause 9-7: Equal Opportunity in this contract.

(2) As used in this certification, segregated facilities means any waiting rooms, work areas, rest rooms or wash rooms, restaurants or other eating areas, time clocks, locker rooms or other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment area, transportation, or housing facilities provided for employees that 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.

(3) The offeror further agrees that (unless it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors before awarding subcontracts exceeding \$10,000 that are not exempt from the provisions of Clause 9-7: Equal Opportunity; that it will retain these certifications in its files; and that it will forward the following notice to these proposed subcontractors (except when they have submitted identical certifications for specific time periods):

Notice: A certification of nonsegregated facilities must be submitted before the award of a subcontract exceeding \$10,000 that is not exempt from Clause 9-7: Equal Opportunity. The certification may be submitted either for each subcontract or for all subcontracts during a period (quarterly, semiannually, or annually).

e. Certification Regarding Debarment, Proposed Debarment, and Other Matters

(This certification must be completed with respect to any offer with a value of \$100,000 or more.)

(1) The offeror certifies, to the best of its knowledge and belief, that it or any of its principals:

(a) Are ___ are not ___ presently debarred or proposed for debarment, or declared ineligible for the award of contracts by any Federal, state, or local agency;

(b) Have ___ have not ___, within the 3-year period preceding this offer, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(c) Are ___ are not ___ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subparagraph (b) above.

(2) The offeror has ___ has not ___, within a 3-year period preceding this offer, had one or more contracts terminated for default by any Federal, state, or local agency.

(3) "Principals," for the purposes of this certification, means officers, directors, owners, partners, and other persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).

(4) The offeror must provide immediate written notice to the contracting officer if, at any time prior to contract award, the offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(5) A certification that any of the items in e.1 and e.2 of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered as part of the evaluation of the offeror's capability (see section 2-26.4.2, Supplier Capability the Postal Service's Supplying Principles and Practices). The offeror's failure to furnish a certification or provide additional information requested by the contracting officer will affect the capability evaluation.

(6) Nothing contained in the foregoing may be construed to require establishment of a system of records in order to render, in good faith, the certification required by e.1 and e.2 of this provision. The knowledge and information of an offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(7) This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Section 1001, Title 18 U.S.C.

(8) The certification in e.1 and e.2 of this provision is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Postal Service, the contracting officer may terminate the contract resulting from this solicitation for default.

f. Incorporation by Reference. Wherever in this solicitation or contract a standard provision or clause is incorporated by reference, the incorporated term is identified by its title, its provision or clause number assigned to it, and its date. The text of incorporated terms may be found at <http://about.usps.com/manuals/pm/welcome.htm>. If checked, the following provision(s) is incorporated in this solicitation by reference (Contracting officer will check as appropriate):

Provision 9-1: Equal Opportunity Affirmative Action Program.

Provision 9-2: Preaward Equal Opportunity Compliance Review.

Provision 9-3: Notice of Requirements for Equal Opportunity Affirmative Action.

PROVISION 4-6 SYSTEM INTEGRITY (MARCH 2006)

To ensure the integrity of the Postal Service's computer operating systems, third-party software vendors must provide either a statement certifying that their product, when properly installed, will not compromise or otherwise degrade the integrity of the operating system; or provide the software source code.

PROVISION 4-8 PRE-PROPOSAL CONFERENCE (MARCH 2006)

a. The Postal Service is planning a pre-proposal conference during which potential offerors may obtain a better understanding of the work required.

b. Offerors are strongly urged to visit the site prior to the conference to inform themselves fully about the location and conditions under which the work is to be performed.

c. Offerors are encouraged to submit all questions in writing at least 5 days before the conference. Questions will be considered at any time prior to or during the conference. Subsequent to the conference, the Postal Service will distribute to all conference participants and all other prospective offerors a record of the conference containing an abstract of the questions and answers, and a list of attendees. If warranted, an amendment will be issued to reflect changes to the solicitation.

d. Offerors are cautioned that, notwithstanding any remarks or clarifications given at the conference or in the post-conference abstract, all terms and conditions of the solicitation remain unchanged unless changed by amendment.

PROVISION 4-10 INFORMATION SECURITY REQUIREMENTS (FEBRUARY 2013)

The Postal Service is committed to creating and maintaining an environment that protects Postal Service information resources from accidental or intentional unauthorized use, modification, disclosure, or destruction. Handbook AS-805, Information Security, establishes Postal Service information security policies. Handbook AS-805-A, Information Resource Certification and Accreditation Process, provides the process for identifying the sensitivity and criticality of the C&A system, determining information security requirements for protecting the C&A system, and ensuring appropriate cost-effective information security controls, mechanisms, and procedures are implemented to protect the application system. The supplier's proposal must indicate compliance with the policies delineated in Handbook AS-805, Information Security, and processes defined in Handbook AS-805-A, Information Resource Certification and Accreditation Process.

After contract award and before beginning performance on this contract, the supplier must coordinate C&A activities with the Postal Service's Corporate Information Security Office (CISO) and complete

C&A templates and provide applicable documentation and deliverables as directed by the Postal Service.

PROVISION 8-2 REPRESENTATION OF RIGHTS IN DATA (MARCH 2006)

a. By completion of the representation below, the offeror must identify in its proposal the data (including subcontractor-furnished data) it intends to identify as "limited rights data" or "restricted computer software," or that it does not intend to provide as required. Any identification of limited rights data or restricted rights computer software is not determinative of the status of such data, should a contract be awarded to the offeror.

Representation Concerning Data Rights

Offeror has reviewed the requirements for the delivery of technical data or computer software and states (Offeror check appropriate block):

None of the data proposed for fulfilling the requirements qualifies as limited rights data or restricted computer software.

Data proposed for fulfilling the requirements qualify as limited rights data or restricted computer software and are identified as follows:

b. "Limited rights data" and "restricted computer software" are defined in the contract clauses entitled Rights in Technical Data and Rights in Computer Software.

PROVISION 8-3 USE OF LIMITED RIGHTS DATA FOR PURCHASE OF REPAIR PARTS (MARCH 2006)

The Postal Service has determined that it may use competitive procedures to procure repair parts and assemblies for the equipment or supply items being developed or manufactured under this contract. The Rights in Technical Data clause in this solicitation has therefore been modified to provide that limited rights data furnished under any contract resulting from this solicitation may be used for the purpose of competitive purchasing.

PROVISION 9-1 EQUAL OPPORTUNITY AFFIRMATIVE ACTION PROGRAM (MARCH 2006)

The offeror, by checking the applicable block or blocks, represents that it

(1) 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) and has, has not filed the required reports with the Joint Reporting Committee, or

(2) has not previously had contracts subject to the written affirmative action program requirement of the rules and regulations of the Secretary of Labor.

PROVISION 9-5 COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS (JUNE 2020)

By submission of its offer, the offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (i.e., if the offeror has any contracts with the Postal Service containing Clause 9-16, Employer Reports on Employment of Protected Veterans, or any contracts with Federal agencies containing Federal Acquisition Regulation Clause 52.222-37, Employment Reports on Veterans), it has submitted the most recent VETS-4212 Report required by 41 CFR 61-300.10.

3 - PART 3 - CONTRACT CLAUSES

CLAUSE B-1 DEFINITIONS (MARCH 2006)

As used in this contract, the following terms have the following meanings:

- a. Contracting officer. The person executing this contract on behalf of the Postal Service, and any other officer or employee who is a properly designated contracting officer; the term includes, except as otherwise provided in the contract, the authorized representative of a contracting officer acting within the limits of the authority conferred upon that person.
- b. Subcontracts. Except as otherwise provided in the contract, the term includes purchase orders under this contract.

CLAUSE B-3 CONTRACT TYPE (MARCH 2006)

This is an Indefinite Delivery Indefinite Quantity (IDIQ) contract with Firm Fixed Prices contract.

CLAUSE B-7 RESPONSIBILITY FOR SUPPLIES (MARCH 2006)

Except as otherwise provided in this contract:

- a. The supplier is responsible for the supplies covered by the contract until they are delivered at the designated delivery point, regardless of the point of inspection;
- b. After delivery and before Postal Service acceptance or rejection and notification, the Postal Service is responsible for loss or destruction of or damage to the supplies only if it results from the negligence of officers, agents, or employees of the Postal Service acting within the scope of their employment; and
- c. The supplier bears all risks as to rejected supplies after notice of rejection, except that the Postal Service is responsible for loss, destruction, or damage resulting from the negligence of officers, agents, or employees of the Postal Service acting within the scope of their employment.

CLAUSE B-9 CLAIMS AND DISPUTES (MARCH 2006)

- a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 7101-7109) ("the Act" or "CDA").
- b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.
- c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the supplier seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d.2 below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount is not acted upon in a reasonable time.
- d.

(1) A claim by the supplier must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the supplier is subject to a written decision by the contracting officer.

(2) For supplier claims exceeding \$100,000, the supplier must submit with the claim the following certification:

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the supplier believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the supplier."

(3) The certification may be executed by any person duly authorized to bind the supplier with respect to the claim.

e. For supplier claims of \$100,000 or less, the contracting officer must, if requested in writing by the supplier, render a decision within 60 days of the request. For supplier-certified claims over \$100,000, the contracting officer must, within 60 days, decide the claim or notify the supplier of the date by which the decision will be made.

f. The contracting officer's decision is final unless the supplier appeals or files a suit as provided in the Act.

g. When a CDA claim is submitted by or against a supplier, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in d(2) of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.

h. The Postal Service will pay interest in the amount found due and unpaid from:

(1) The date the contracting officer receives the claim (properly certified, if required); or

(2) The date payment otherwise would be due, if that date is later, until the date of payment.

i. Simple interest on claims will be paid at a rate determined in accordance with the Interest clause.

j. The supplier must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the contracting officer.

CLAUSE B-10 PRICING OF ADJUSTMENTS (MARCH 2006)

When costs are a factor in determining any contract price adjustment under the Changes clause or any other provision of this contract, the Conduct Price/Cost Analyst topic of Process Step 2: Evaluate Sources, of the Postal Service Supplying Practices in effect on the date of this contract will serve as a guide in negotiating the adjustment.

CLAUSE B-15 NOTICE OF DELAY (MARCH 2006)

Immediately upon becoming aware of any difficulties that might delay deliveries under this contract, the supplier will notify the contracting officer in writing of them. The notification must identify the difficulties, the reasons for them, and the estimated period of delay anticipated. Failure to give notice may preclude later consideration of any request for an extension of contract time.

CLAUSE B-16 SUSPENSIONS AND DELAYS (MARCH 2006)

a. If the performance of all or any part of the work of this contract is suspended, delayed, or interrupted by:

(1) An order or act of the contracting officer in administering this contract; or

(2) By a failure of the contracting officer to act within the time specified in this contract - or within a reasonable time if not specified - an adjustment will be made for any increase in the cost of performance of this contract caused by the delay or interruption (including the costs incurred during any suspension or interruption). An adjustment will also be made in the delivery or performance dates and any other contractual term or condition affected by the suspension, delay, or interruption. However, no adjustment may be made under this clause for any delay or interruption to the extent that performance would have been delayed or interrupted by any other cause, including the fault or negligence of the supplier, or for which an adjustment is provided or excluded under any other term or condition of this contract.

b. A claim under this clause will not be allowed:

(1) For any costs incurred more than 20 days before the supplier has notified the contracting officer in writing of the act or failure to act involved; and

(2) Unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the delay or interruption, but not later than the day of final payment under the contract.

CLAUSE B-18 SUBCONTRACTS (MARCH 2006)

a. Subcontract, as used in this clause, includes, but is not limited to, purchase orders and changes and modifications to purchase orders. The supplier must notify the contracting officer reasonably in advance of entering into any subcontract if the supplier does not have a purchasing system approved by a federal government agency and if the subcontract:

(1) Is to be a cost-reimbursement, time-and-materials, or labor-hour contract estimated to exceed \$25,000 including any fee;

(2) Is proposed to exceed \$100,000; or

(3) Is one of a number of subcontracts with a single subcontractor, under this contract, for the same or related supplies or services that in the aggregate is expected to exceed \$100,000.

b. The advance notification required by paragraph a above must include:

(1) A description of the supplies or services to be subcontracted;

(2) Identification of the type of subcontract to be used;

(3) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the competition obtained;

(4) The proposed subcontract price and the supplier's cost or price analysis;

(5) The subcontractor's current, complete, and accurate cost or pricing data if required by other contract provisions; and

(6) A negotiation memorandum reflecting:

(a) The principal elements of the subcontract price negotiations;

(b) The most significant consideration controlling establishment of initial or revised prices;

(c) The reason cost of pricing data were or were not required;

(d) The extent, if any, to which the supplier did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;

(e) The extent, if any, to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the supplier and subcontractor; and the effect of any such defective data on the total price negotiated;

(f) The reasons for any significant differences between the supplier's price objective and the price negotiated; and

(g) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation must identify each critical performance element, management decisions used to quantify each incentive element, reasons for incentives, and a summary of all trade-off possibilities considered.

c. The supplier agrees to select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the contract.

d. The contracting officer may disapprove any subcontract in writing for which advance notification is required under paragraph a above.

e. Even if the supplier's purchasing system has been approved, the supplier must obtain the contracting officer's written consent before placing subcontracts that have been selected for special surveillance and so identified in the Schedule of the contract.

f. The lack of disapproval does not constitute a determination:

(1) Of the acceptability of any subcontract terms or conditions;

(2) Of the acceptability of any subcontract price or of any amount paid under any subcontract; or

(3) To relieve the supplier of any responsibility for performing this contract.

g. No subcontract under this contract may provide for payment on a cost-plus-a-percentage-of-cost basis.

CLAUSE B-19 EXCUSABLE DELAYS (MARCH 2006)

a. Except with respect to defaults of subcontractors, the supplier will not be in default by reason of any failure in performing this contract in accordance with its terms (including any failure by the supplier to make progress in the prosecution of the work that endangers performance) if the failure arises out of causes beyond the control and without the fault or negligence of the supplier. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the government in its sovereign capacity or of the Postal Service in its 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 supplier.

b. If failure to perform is caused by the failure of a subcontractor to perform or make progress and arises out of causes beyond the control of both the supplier and subcontractor, and without the fault or negligence of either of them, the supplier will not be deemed to be in default, unless:

(1) The supplies or services to be furnished by the subcontractor are obtainable from other sources;

(2) The contracting officer orders the supplier in writing to procure the supplies or services from other sources; and

(3) The supplier fails to comply reasonably with the order.

c. Upon request of the supplier, the contracting officer shall ascertain the facts and extent of failure, and if the contracting officer determines that any failure to perform was occasioned by any of the said

causes, the delivery schedule shall be revised accordingly, subject to the rights of the Postal Service under any termination clause included in this contract.

d. As used in this clause, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

CLAUSE B-21 CHANGE-ORDER ACCOUNTING (MARCH 2006)

The contracting officer may require change-order accounting whenever the estimated cost of a change or series of related changes exceeds \$100,000. The supplier, for each change or series of related changes, must maintain separate accounts, by job order or other suitable accounting procedure, of all incurred segregable, direct costs (less allocable credits) or work, both changed and not changed, allocable to the change. The supplier will maintain such accounts until the parties agree to an equitable adjustment for the changes ordered by the contracting officer or the matter is finally disposed of in accordance with the Claims and Disputes clause.

CLAUSE B-22 INTEREST (MARCH 2006)

The Postal Service will pay interest on late payments and unearned prompt payment discounts in accordance with the Prompt Payment Act, 31 U.S.C. 3901 et seq., as amended by the Prompt Payment Act Amendments of 1988, P.L. 100-496.

CLAUSE B-25 ADVERTISING OF CONTRACT AWARDS (FEBRUARY 2013)

Except with the contracting officer's prior approval, the supplier agrees not to refer in its public statements or commercial advertising to the fact that it was awarded a Postal Service contract or to imply in any manner that the Postal Service endorses its products.

CLAUSE B-26 PROTECTION OF POSTAL SERVICE BUILDINGS, EQUIPMENT, AND VEGETATION (MARCH 2006)

The supplier must use reasonable care to avoid damaging buildings, equipment, and vegetation (such as trees, shrubs, and grass) on the Postal Service installation. If the supplier fails to do so and damages any buildings, equipment, or vegetation, the supplier must replace or repair the damage at no expense to the Postal Service, as directed by the contracting officer. If the supplier fails or refuses to make repair or replacement, the supplier will be liable for the cost of repair or replacement, which may be deducted from the contract price.

CLAUSE B-27 PERFORMANCE AT OCCUPIED POSTAL PREMISES (MARCH 2006)

a. In performing this contract, the supplier must:

(1) Comply with applicable Occupational Safety and Health Standards (29 CFR 1910) promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970;

(2) Comply with any other applicable federal, state, or local regulations governing work-place safety to the extent they do not conflict with a.1 above; and

(3) Take all other proper precautions to protect the safety and health of the supplier's employees, Postal Service employees, and the public.

b. The supplier must coordinate its use of the premises with the installation head or other representative designated by the contracting officer. Subjects of this coordination include the designation of work and storage areas; the extent, if any, of use by the supplier of Postal Service tools and equipment; the furnishing by the supplier of appropriate signs and barricades to exclude unauthorized personnel from the work areas and to call attention to hazards and dangers; and other matters relating to the protection of Postal Service employees and property.

CLAUSE B-28 SAFETY AND HEALTH STANDARDS (MARCH 2006)

- a. Materials, supplies, articles, or equipment manufactured or furnished under this contract or order must conform to the Occupational Safety and Health Standards (29 CFR 1910) pursuant to authority in the Occupational Safety and Health Act of 1970 (OSHA), and to other safety and health requirements specified in this contract or order.
- b. If no OSHA standard exists, federal or other nationally recognized standards apply. Copies of current Occupational Safety and Health Standards are available from regional and/or area offices of the U.S. Department of Labor, Occupational Safety and Health Administration.
- c. If this contract or order contains a Postal Service standard and an OSHA standard covering the same general area of applicability, the Postal Service standard governs and takes precedence, unless the OSHA standard contains more rigorous or stringent safety requirements, in which case the OSHA standard governs and takes precedence.
- d. Upon delivery of the first article under the contract or order, or if none, upon delivery of the first production quantity, the supplier must execute a certification in a form acceptable to the contracting officer, attesting to the conformance of the delivered items to the requirements of this clause.

CLAUSE B-32 DIFFERING SITE CONDITIONS (MARCH 2006)

- a. The supplier must promptly, and before such conditions are disturbed, notify the contracting officer in writing of:
 - (1) Subsurface or latent physical conditions at the site differing materially from those indicated in this contract; or
 - (2) Unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this contract.
- b. The contracting officer shall promptly investigate the conditions, and if such conditions do materially so differ and will cause an increase or decrease in the supplier's cost of, or the time required for, performance of any part of the work under this contract whether or not changed as a result of such conditions, an equitable adjustment shall be made and the contract modified in writing accordingly.
- c. No claim of the supplier under this clause shall be allowed unless the supplier has given the notice required in (a) above; provided however, the time prescribed thereof may be extended by the Postal Service.
- d. No claim by the supplier for an equitable adjustment under this clause will be allowed if asserted after final payment under this contract.

CLAUSE B-35 SPECIFICATIONS AND DRAWINGS (MARCH 2006)

- a. The supplier must keep at the site, copies of the drawings and specifications and must at all times give the contracting officer access to them. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, is of like effect as if shown or mentioned in both. In case of discrepancy or conflicts between drawings and specifications, the specifications will govern.
- b. In case of difference between small and large-scale drawings, the large-scale drawings will govern. Schedules on any contract drawing will take precedence over conflicting information on that or any other contract drawing. On any of the drawings in which a portion of the work is detailed or drawn out

and the remainder is shown in outline, the parts detailed or drawn out will apply also to all other like portions of the work.

c. When the word "similar" appears on the drawings, it has a general meaning and must not be interpreted as meaning identical, and all details must be worked out in relation to their location and connection with other parts of the work.

d. In case of discrepancy either in figures, drawings, or specifications, the matter must be promptly submitted to the contracting officer, who will promptly make determination in writing. Any adjustment by the supplier without such a determination will be at the supplier's own risk and expense. The contracting officer must furnish from time to time such detailed drawings and other information as may be necessary.

e. The supplier must verify all dimensions shown of existing work, and all dimensions required for work that is to connect with work now in place, by actual measurement of the existing work. Any discrepancies between the contract requirements and the existing conditions must be referred to the contracting officer before the supplier performs any work affected by these discrepancies.

CLAUSE B-38 ACCIDENT PREVENTION (MARCH 2006)

a. All construction work on this project must be performed in compliance with the Occupational Safety and Health Act of 1970 or with local or state occupational safety and health regulations enforced by an agency of the locality or state under a plan approved by the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA).

b. The supplier will maintain an accurate record of exposure data and all accidents incident to work performed under this contract resulting in death, traumatic injury, occupational disease, or damage to property, material, supplies, or equipment. The supplier must report the exposure data and accidents as prescribed by the contracting officer.

c. Job Safety programs are required as follows:

(1) Within 30 days after receiving a notice to proceed, the supplier must submit to the contracting officer, in quintuplicate, a proposed job safety program designed to provide a system by which hazards on the project site will be controlled to minimize or eliminate occupational injuries or illnesses during performance of the contract.

(2) The proposed job safety program must state that subcontractors are required to comply with the general supplier's job safety rules and requirements issued under the authority of that program.

(3) The proposed job safety program must identify, by name, the supplier's representative responsible for the execution of the job safety program.

CLAUSE B-39 INDEMNIFICATION (MARCH 2006)

The supplier must save harmless and indemnify the Postal Service and its officers, agents, representatives, and employees from all claims, losses, damage, actions, causes of action, expenses, and/or liability resulting from, brought for, or on account of any personal injury or property damage received or sustained by any person, persons or property growing out of, occurring, or attributable to any work performed under or related to this contract, resulting in whole or in part from negligent acts or omissions of the supplier, any subcontractor, or any employee, agent, or representative of the supplier or any subcontractor.

CLAUSE B-41 CONDITIONS AFFECTING THE WORK (MARCH 2006)

The supplier is responsible for having taken steps reasonably necessary to ascertain the nature and location of the work, and the general and local conditions that can affect the work or its costs. Any

failure by the supplier to have done so does not relieve the supplier from responsibility for successfully performing the work without additional expense to the Postal Service. The Postal Service assumes no responsibility for any understanding or representations concerning conditions made by any of its officers or agents before execution of this contract, unless such understanding or representations by the Postal Service are expressly stated in the contract.

CLAUSE B-44 USE OF PREMISES (MARCH 2006)

a. If the premises are occupied, the supplier, any subcontractors, and their employees must comply with the regulations governing access to, operation of, and conduct while on the premises and must perform the work required under this contract so as not to unreasonably interfere with the conduct of Postal Service business or use and occupancy by Postal Service tenants.

b. Any requests received by the supplier from occupants to change the sequence of work must be referred to the contracting officer for determination.

c. The supplier, any subcontractors, and their employees will not have access to any building outside the scope of this contract, without permission of the contracting officer.

CLAUSE B-45 OTHER CONTRACTS (MARCH 2006)

The Postal Service may award other contracts for additional work, and the supplier must cooperate fully with the other suppliers and Postal Service employees and carefully fit in its own work as may be directed by the contracting officer. The supplier must not commit or permit any act that will interfere with the performance of work by any other supplier or by Postal Service employees.

CLAUSE B-46 SUBCONTRACTS (CONSTRUCTION) (MARCH 2006)

a. Nothing in this contract may be construed to create any contractual relationship between any subcontractors, and the Postal Service. The divisions or sections of the specifications are not intended to control the supplier in dividing the work among subcontractor or to limit the work performed by any trade.

b. The supplier is responsible to the Postal Service for acts and omissions of its own employees and of subcontractors and their employees. The supplier is also responsible for the coordination of the work of the trades, subcontractors, and suppliers.

c. The Postal Service will not undertake to settle any differences among the supplier, subcontractors, or suppliers.

CLAUSE B-47 PERMITS AND RESPONSIBILITIES (CONSTRUCTION) (MARCH 2006)

The supplier is responsible, without additional expense to the Postal Service, for obtaining any necessary licenses and permits, and for complying with any applicable federal, state, and municipal laws, codes, and regulations in connection with the prosecution of the work. The supplier is responsible for all damage to persons or property that occurs as a result of its negligence. The supplier must take proper safety and health precautions to protect the work, the workers, the public, and the property of others. The supplier is responsible also for all materials delivered and work performed until completion and acceptance of the entire construction work, except for any completed unit of construction that may have been accepted.

CLAUSE B-49 BUILDING CODES, FEES, AND CHARGES (MARCH 2006)

a. State and local building codes and regulations do not apply as a matter of law to work inside the property lines of Postal Service-owned properties but generally do apply to Postal Service-leased properties. In compliance with Postal Service policy, the supplier must comply with all state and local building code requirements unless otherwise specifically provided.

b. The supplier must pay all fees and charges for connections to outside services and for use of property outside the site.

CLAUSE B-52 DEBRIS AND CLEANUP (MARCH 2006)

a. The supplier must, during the progress of the work, remove and dispose of the resultant dirt and debris and keep the premises clean.

b. The supplier will, upon completion of the work, remove all construction equipment and surplus materials (except materials or equipment that are to remain Postal Service property as provided by this contract), and leave the premises in a clean, neat, and orderly condition satisfactory to the contracting officer.

CLAUSE 1-1 PRIVACY PROTECTION (OCTOBER 2014)

In addition to other provisions of this contract, the supplier agrees to the following:

a. Privacy Act - If the supplier operates a system of records on behalf of the Postal Service, the Privacy Act (5 U.S.C. 522a), the Postal Service regulations at 39 CFR Parts 266-267, and Handbook AS-353, Guide to Privacy, the Freedom of Information Act, and Records Management and Appendix, apply to those records. The supplier is considered to operate a system of records if it maintains records (including collecting, using, revising, deleting, or disseminating records) from which information is retrieved by the name of an individual or by some number, symbol, or other identifier assigned to the individual. The supplier must comply with the Act and the Postal Service regulations and Handbook AS-353 in designing, developing, managing, and operating the system of records, including ensuring that records are current and accurate for their intended use, and incorporating adequate safeguards to prevent misuse or improper disclosure of personal information. Violations of the Act may subject the violator to criminal penalties.

b. Information Pertaining to Individuals ("Personal Information") - If the supplier has access to Postal Service information pertaining to individuals (e.g. customer or employee information), including address information, whether collected online or offline by the Postal Service or by a supplier acting on its behalf, the supplier must comply with the following:

(1) General - With regard to the Postal Service customer information to which it has access pursuant to this contract, the supplier has that access as an agent of the Postal Service and must adhere to its official Privacy Policy at <http://usps.com/privacypolicy>.

(2) Use, Ownership, and Nondisclosure - The supplier may use Postal Service Personal Information solely for the purposes of this contract, and may not collect or use such information for non-Postal Service marketing, promotion, or any other purpose without the prior written approval of the contracting officer. The supplier may not maintain, access, or store (including archival back-ups) any Personal Information data outside the United States. The supplier must restrict access to such information to those employees who need the information to perform work under this contract, and must ensure that each such employee (including subcontractors' employees) sign a nondisclosure agreement, in a form suitable to the contracting officer, prior to being granted access to the information. The Postal Service retains sole ownership and rights to its Personal Information. Unless the contract states otherwise, upon completion of the contract the supplier must turn over all Postal Service Personal Information and any copies of the information, in any form the Personal Information or copies may exist, in its possession to the Postal Service. In addition, the supplier must certify that no Postal Service Personal Information and, if applicable, copies, have been retained unless otherwise authorized in writing by the contracting officer. If so required elsewhere in this contract, the information or copies must be destroyed by the supplier and the supplier must certify to the contracting officer that such destruction has taken place.

(3) Security Plan - When applicable, and unless waived in writing by the contracting officer, the supplier must work with the Postal Service to develop and implement a security plan that addresses

the protection of Personal Information. The plan will be incorporated into the contract and followed by the supplier, and must, at a minimum, address notification to the Postal Service of any security breach. If the contract does not include a security plan at the time of contract award, it must be added within 60 days after contract award.

(4) Breach Notification - If there is any actual or suspected breach of any nature in the security of Postal Service data, including Personal Information, the supplier must notify the contracting officer and the Postal Service's Chief Privacy Officer as soon as practicable but no later than 24 hours following the detection of a suspected or confirmed breach. The supplier will be required to follow Postal Service policies regarding breach notification to customers and/or employees.

(5) Legal Demands for Information - If a legal demand is made for Postal Service Personal Information (such as by subpoena), the supplier must immediately notify the contracting officer and follow the applicable requirements in 39 CFR, sections 265.11 and 265.12. After notification, the Postal Service will determine whether and to what extent to comply with the legal demand. Should the Postal Service agree to or unsuccessfully resist a legal demand, the supplier may, with the written permission of the contracting officer, release the information specifically demanded.

c. Online Assistance - If the supplier assists in the design, development, or operation of a Postal Service customer Web site, or if it designs or places an ad banner, button, or link on a Postal Service Web site or any Web site on the Postal Service's behalf, the supplier must comply with the limitations set forth in the Official Postal Service Privacy Policy (see b.1, above). Exceptions to these limitations require the prior written approval of the contracting officer and the Postal Service's Chief Privacy Officer.

d. Marketing E-Mail - If the supplier assists the Postal Service in conducting a marketing e-mail campaign, the supplier does so as an agent of the Postal Service and must adhere to the Postal Service policies set out in Postal Service Management Instruction AS-350- 2004-4, Marketing E-mail. Suppliers wishing to conduct marketing email campaigns to postal employees must first obtain the prior written approval of the contracting officer.

e. Audits - The Postal Service may audit the supplier's compliance with the requirements of this clause, including through the use of online compliance software.

f. Indemnification - The supplier will indemnify the Postal Service against all liability (including costs and fees) for damages arising out of violations of this clause.

g. Flow-down - The supplier will flow this clause down to any and all subcontractors.

CLAUSE 1-5 GRATUITIES OR GIFTS (MARCH 2006)

a. The Postal Service may terminate this contract for default if, after notice and a hearing, the Postal Service Board of Contract Appeals determines that the supplier or the supplier's agent or other representative:

(1) Offered or gave a gratuity or gift (as defined in 5 CFR 2635) to an officer or employee of the Postal Service; and

(2) Intended by the gratuity or gift to obtain a contract or favorable treatment under a contract.

b. The rights and remedies of the Postal Service provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

CLAUSE 1-6 CONTINGENT FEES (MARCH 2006)

a. The supplier warrants that no person or selling agency has been employed or retained to solicit or obtain this contract for a commission, percentage, brokerage, or contingent fee, except bona fide

employees or bona fide, established commercial or selling agencies employed by the supplier for the purpose of obtaining business.

b. For breach or violation of this warranty, the Postal Service has the right to annul this contract without liability or to deduct from the contract price or otherwise recover the full amount of the commission, percentage, brokerage fee, or contingent fee.

CLAUSE 1-7 ORGANIZATIONAL CONFLICTS OF INTEREST (MARCH 2006)

a. Warranty Against Existing Conflicts of Interest. The supplier warrants and represents that, to the best of its knowledge and belief, it does not presently have organizational conflicts of interest that would diminish its capacity to provide impartial, technically sound, objective research assistance or advice, or would result in a biased work product, or might result in an unfair competitive advantage, except for advantages flowing from the normal benefits of performing this agreement.

b. Restrictions on Contracting. The supplier agrees that during the term of this agreement, any extensions thereto, and for a period of 2 years thereafter, neither the supplier nor its affiliates will perform any of the following:

(1) Compete for any Postal Service contract for production of any product for which the supplier prepared any work statement or specifications or conducted any studies or performed any task under this agreement.

(2) Contract (as the provider of a component or the provider of research or consulting services) with any offeror competing for any Postal Service contract for production of any product for which the supplier prepared any work statements or specifications or conducted any studies or performed any task under this agreement.

(3) Contract (as the provider of a component or the provider of research or consulting services) with the offeror which wins award of a Postal Service contract for production of any product for which the supplier prepared any work statement or specifications or conducted any studies or performed any task under this agreement.

c. Possible Future Conflicts of Interest. The supplier agrees that, if after award of this agreement, it discovers any organizational conflict of interest that would diminish its capacity to provide impartial, technically sound, objective research assistance or advice, or would result in a biased work product, or might result in an unfair competitive advantage, except advantages flowing from the normal benefits of performing this agreement, the supplier will make an immediate and full disclosure in writing to the contracting officer, including a description of the action the supplier has taken or proposes to take to avoid, eliminate, or neutralize this conflict of interest.

d. Nondisclosure of Confidential Material

(1) The supplier recognizes that, in performing this agreement, it may receive confidential information. To the extent that and for as long as the information is confidential, the supplier agrees to take the steps necessary to prevent its disclosure to any third party without the prior written consent of the contracting officer.

(2) The supplier agrees to indoctrinate its personnel who will have access to confidential information as to the confidential nature of the information, and the relationship under which the supplier has possession of this information.

(3) The supplier agrees to limit access to the confidential information obtained, generated, or derived, and to limit participation in the performance of orders under this agreement to those employees whose services are necessary for performing them.

e. Postal Service Remedy. If the supplier breaches or violates any of the warranties, covenants, restrictions, disclosures or nondisclosures set forth under this clause, the Postal Service may terminate this agreement, in addition to any other remedy it may have for damages or injunctive relief.

CLAUSE 1-9 PREFERENCE FOR DOMESTIC SUPPLIES (OCTOBER 2019)

a. Proposals offering other than domestic end products will be evaluated in one of two ways against proposals of relatively equal value offering domestic end products or eligible designated country end products. This evaluation will depend on the relative importance of price to the evaluation factors other than price in making a best value determination.

(1) When the relative importance of price is more important than the evaluation factors, six percent is added to the proposed price of the non-qualifying end product and this adjusted price is used for evaluation.

(2) When the relative importance of the evaluation factors is more important than, or equal to, price, domestic end products, and designated country end products, will receive a preference in the case of closely ranked proposals, but no price adjustment will be added.

b. For the purposes of this clause:

(1) End products means articles, materials, and supplies to be acquired under this contract for Postal Service use;

(2) Components means articles, materials, supply incorporated directly into an end product or construction material) of foreign origin of the same class or kind as those that the Postal Service determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic; and

(3) Domestic end product means an un-manufactured end product mined or produced in the United States; or an end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components (i.e., articles, materials, supply incorporated directly into an end product or construction material) of foreign origin of the same class or kind as those that the Postal Service determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. This component test is waived for the purchase of commercial-off-the-shelf (COTS) items. Scrap generated, collected, and prepared for processing in the United States is considered domestic.

(4) Eligible designated country end product means, subject to the eligibility thresholds set out in the Supplying Principles and Practices (SPs and Ps) Figure 2.14 of section 2-36 Evaluate Foreign and Domestic Proposals, articles, materials, and supplies that are wholly the growth, product, or manufacture of producers in (i) countries that have entered into World Trade Organization Government Procurement Agreement (WTO GPA) or (ii) a country that has entered into a Free Trade Agreement (FTA) with the United States; or in the case of articles that consist in whole or in part of materials from another country, have been substantially transformed in a WTO GPA or FTA country into new and different articles of commerce with names, characters, or uses distinct from that of the article or articles from which they were transformed.

(5) Cost of components means for components purchased by the supplier, the purchase cost, including transportation costs to the place of incorporation into the end product or construction material (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or for components manufactured by the supplier, all costs associated with the manufacture of the component, including transportation costs as described above, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product. When an RFP specifies that an award will

be made on a group of line items, a domestic proposal means a proposal where the proposed price of the domestic end products exceeds 50 percent of the total proposed price of the group.

c. This domestic preference does not apply to products set out in the list of non-available products in section 2-36, Evaluate Foreign and Domestic Proposals of the Postal Service's Supplying Principles and Practices or to purchases as to which the Vice President, Supply Management (VP, SM), has determined that the application of a domestic preference would be inconsistent with the interest of the Postal Service.

CLAUSE 1-11 PROHIBITION AGAINST CONTRACTING WITH FORMER OFFICERS OR PCES EXECUTIVES (MARCH 2006)

During the performance of this contract, former Postal officers or Postal Career Executive Service (PCES) executives are prohibited from employment by the contractor as key personnel, experts or consultants, if such individuals, within 1 year after their retirement from the Postal Service, would be performing substantially the same duties as they performed during their career with the Postal Service.

CLAUSE 1-12 USE OF FORMER POSTAL SERVICE EMPLOYEES (MARCH 2006)

During the term of this contract, the supplier must identify any former Postal Service employees it proposes to be engaged, directly or indirectly, in contract performance. Such individuals may not commence performance without the contracting officer's prior approval. If the contracting officer does not provide such approval, the supplier must replace the proposed individual former employee with another individual equally qualified to provide the services called for in the contract.

CLAUSE 2-1 INSPECTION AND ACCEPTANCE (MARCH 2006)

a. The supplier must be able to demonstrate that the supplies and services being provided conform to contract requirements. The Postal Service may require correction of defects and nonconformance at no cost to the Postal Service. If the supplier fails or refuses to correct the defects or nonconformance the Postal Service may, in addition to any other remedies provided by this contract:

- (1) Acquire replacement supplies or services from other sources at the supplier's expense; or
- (2) Accept the supplies or services at a reduced price.

b. The Postal Service may revoke acceptance if nonconforming performance is accepted:

- (1) because it has not been discovered before acceptance, as a result of the difficulty of discovery or because of the supplier' assurances, or
- (2) on the basis of a reasonable assumption that it would be cured.

c. The Postal Service has the same rights and duties upon revocation as upon rejection. Revocation of acceptance must occur within a reasonable time after the contracting officer discovers the deficiency.

d. The Postal Service, at its option, may at any stage in the performance of this contract, monitor the supplier's activities and efforts in performing the contract, to assure itself that contract requirements are being met. Such Postal Service oversight in no way relieves the supplier from its responsibility to perform in accordance with contract requirements.

CLAUSE 2-2 QUALITY MANAGEMENT SYSTEM (MARCH 2006)

a. The supplier must use a documented quality management system to monitor and measure its performance against contract requirements. As a minimum, that quality assurance system must include all of the following:

(1) A process management system that includes documented work processes (including support processes), mechanisms to monitor and measure processes, systematic approaches for addressing nonconformance complaints with an emphasis on root cause analysis and corrective and preventative action, analysis of performance measurement, and regularly scheduled and documented quality management system reviews;

(2) A means of assessing customer satisfaction that includes scheduled customer satisfaction reviews or surveys, customer focus groups, or other means of securing ongoing customer feedback;

(3) Supplier management that includes supplier selection criteria and monitoring and assessing supplier performance; and

(4) A determination of the necessary competencies for personnel performing work during contract performance. Suppliers must:

(a) As necessary, provide training and take other actions to meet this requirement; and

(b) Maintain current records of education, training, skills and experience.

b. The Postal Service has the right to evaluate the acceptability and effectiveness of the supplier's quality management system prior to award, and to verify that it is in use and effective during contract performance.

c. The supplier must maintain records and metrics pertaining to this quality management system in accordance with the record retention requirements of the contract.

d. The supplier must be able to demonstrate that the supplies and services being purchased conform to contract requirements. The Postal Service may require correction of defects and nonconformance at no cost to the Postal Service. If the supplier fails or refuses to correct the defects or nonconformance the Postal Service may, in addition to any other remedies provided by this contract:

(1) Acquire replacement supplies or services from other sources at the supplier's expense; or

(a) Accept the supplies or services at a reduced price.

CLAUSE 2-5 FIRST ARTICLE APPROVAL - POSTAL SERVICE TESTING (MARCH 2006)

a. At the time specified for first article testing, the supplier must deliver the units specified in the Schedule to the Postal Service at the testing facility set forth in the Schedule. The shipping documentation accompanying the first article must contain the number of this contract and the lot/item identification. The performance or other characteristics that the first article must meet, and the tests to which it will be subjected, are contained or referenced in this contract.

b. The contracting officer must, by written notice to the supplier within the time specified in the Schedule, approve, conditionally approve, or disapprove the first article. The notice of approval or conditional approval does not relieve the supplier from complying with all requirements of the specifications and all other terms and conditions of this contract. A notice of conditional approval will state any further action required of the supplier. A notice of disapproval will cite reasons for the disapproval.

c. If the first article is disapproved, the supplier may be required, at the option of the Postal Service, to submit an additional first article for first article approval test. After each notification by the Postal Service to submit an additional first article, the supplier must at no additional cost to the Postal Service make any necessary changes, modifications, or repairs to the first article, or select another

first article for testing. The additional first article must be furnished to the Postal Service under the terms and conditions and within the time specified in the notification. The Postal Service must take action on this additional first article within the same time limit referred to in paragraph b above. The costs of additional first article approval tests and all costs related to such tests must be borne by the supplier. The Postal Service reserves the right to require an equitable adjustment of the contract price for any extension of the delivery schedule necessitated by additional first article approval tests.

d. If the supplier fails to deliver a first article on time, or if the contracting officer disapproves a first article, the contract may be terminated for default. Waiver of the right to terminate this contract for default does not relieve the supplier of responsibility to meet the delivery schedule for production quantities.

e. When the first article is not consumed or destroyed in testing, and unless otherwise provided in this contract, the supplier:

(1) May deliver an approved first article as a part of the contract quantity if it meets all terms and conditions of this contract for acceptance; and

(2) Is responsible for removal and disposition of any first article from the Postal Service test site at the supplier's expense.

f. The supplier is responsible for spare-parts support and repair of the first article during any first article approval test.

g. Before first article approval, acquisition of materials or components for the balance of the contract quantity or commencement of production is at the supplier's sole risk.

h. Costs incurred under paragraph g above are not allocable to this contract for progress payments before first article approval or for a termination settlement in the event of termination for convenience before first article approval.

CLAUSE 2-6 DELAYED ACCEPTANCE (MARCH 2006)

a. Acceptance under this contract will not occur until the supplier has successfully completed the preacceptance tests set forth in the Schedule.

b. The supplier will remove any equipment and material not accepted under this contract and restore the Postal Service facility to its original condition, at no cost to the Postal Service.

c. The supplier will pay the costs of testing for all equipment and materials rejected for failure to meet the preacceptance test requirements.

CLAUSE 2-8 WARRANTY (MARCH 2006)

a. The supplier warrants, for the period specified in the Schedule, that all supplies furnished under this contract, including packaging and markings, will be free from defects in material or workmanship and will conform with the specifications and all other requirements of this contract.

b. Within the time specified in the Schedule, the contracting officer must give written notice to the supplier of any breach of warranty and either:

(1) Require the prompt correction or replacement of any defective or nonconforming supplies; or

(2) Retain them, reducing the contract price by an amount equitable under the circumstances.

c. When return for correction or replacement is required, the supplier is responsible for all costs of transportation and for risk of loss in transit.

d. If the supplier fails or refuses to correct or replace the defective or nonconforming supplies, the contracting officer may correct or replace them with similar supplies and charge to the supplier any cost to the Postal Service. In addition, the contracting officer may dispose of the nonconforming supplies, with reimbursement from the supplier or from the proceeds for excess costs.

e. Any supplies corrected or furnished in replacement are subject to this clause.

f. Supplies, as used in this clause, includes related services.

g. The rights and remedies of the Postal Service provided in this clause are in addition to, and do not limit, any rights afforded to the Postal Service by any other clause of the contract.

**CLAUSE 2-9 DEFINITION OF DELIVERY TERMS AND SUPPLIER'S RESPONSIBILITIES
(MARCH 2006)**

a. If the contract specifies "f.o.b. destination," the following apply:

(1) "F.o.b. destination" means delivery to the specified delivery point. Transportation costs are included in the contract price.

(2) "F.o.b. destination, within the consignee's premises" means delivered free of expense to the Postal Service, within the doors of the specified building, including delivery to specific rooms when specified.

(3) The supplier must:

(a) Pack and mark shipments to comply with contract specifications or, in their absence, prepare shipments in accordance with carrier requirements;

(b) Prepare and distribute commercial bills of lading;

(c) Be responsible for loss or damage occurring before receipt at the specified point of delivery;

(d) Furnish a delivery schedule and designate mode of delivery;

(e) Bear all delivery costs to the specified point of delivery; and

(f) Deliver goods, that meet the prescribed physical limitations of the current U.S. Postal Service Domestic Mail Manual, either by its own personnel/equipment or by use of the United States Postal Service, unless the contracting officer grants a waiver of this requirement.

b. If the contract specifies "delivered Postal Service facility, door, platform, or private siding," the following apply:

(1) "Delivered postal facility, door, platform, or private siding" means delivery free of expense to the Postal Service:

(a) To the door of Postal Service facilities having no platforms or private siding;

(b) On the platform at Postal Service facilities having platforms but no private siding; or

(c) On the private siding at Postal Service facilities having private siding.

(2) In addition to fulfilling the requirements of the Responsibility for Supplies clause, the supplier must:

(a) Pack and mark shipments to protect the goods from normal transportation hazards, promote prompt delivery, and comply with packing and marking specifications of the contract;

(b) Unload material at the door or on the platform in the case of b.1(a) and (b) above, free of expense to the Postal Service;

(c) Properly prepare and distribute commercial bills of lading; and

(d) Be responsible for loss or damage occurring before delivery to the specified delivery point.

c. If the contract specifies "f.o.b. origin," the following apply:

(1) "F.o.b. origin" means delivery on board the indicated type of conveyance of the carrier (or of the Postal Service), at the specified point from which the shipment will be made and from which line haul transportation service (as distinguished from switching, local drayage, or other terminal service) begins. Transportation costs are borne by the Postal Service.

(2) The supplier must:

(a) Pack and mark shipments to comply with contract specifications or, in their absence, prepare the shipment in accordance with carrier requirements and good commercial practices and secure the lowest applicable transportation charge.

(b) Order specified carrier equipment when requested by the Postal Service. Otherwise, order appropriate carrier equipment not in excess of capacity to accommodate the shipment.

(c) When loaded by the supplier, load, stow, trim, block, and/or brace shipments as required by the carrier's rules and regulations.

(d) Be responsible for loss or damage occurring before delivery to the carrier; and for loss or damage due to improper packing/marking and, when loaded by the supplier, from improper loading, stowing, trimming, blocking, and/or bracing of the shipment.

(e) Complete the government bill of lading supplied by the Postal Service or, when none is supplied, prepare a commercial bill of lading or other transportation receipt, to show:

(i) A description of the shipment in terms of the governing freight classification or tariff under which the lowest freight rates are applicable;

(ii) The seals affixed to the conveyance, including the serial number on them, or other identification;

(iii) The length and capacity of cars or trucks ordered and furnished;

(iv) Other pertinent information required to effect prompt delivery to the consignee, including the routing and the name, delivery, and postal address of the consignee;

(v) Special instructions or annotations requested by the Postal Service for commercial bills of lading (for example, "To be converted to a government bill of lading"); and

(vi) The signature of carrier's agent and the date the shipment is received.

(f) Distribute the bill of lading, or other transportation receipt, as directed by the Postal Service.

(g) Supply with each invoice a memorandum copy of the government bill of lading, clearly indicating the signature of the carrier's agent, date of pickup, and the weight accepted by the carrier. If the weight is determined by the carrier after pickup, it must be annotated on the memorandum copy of the government bill of lading along with the following:

"I certify that the weight information is that obtained from the carrier.

Signed: "

(3) Where delivery is to be made to points not included above, either of the following apply:

(a) If the Postal Service has not specified otherwise, the supplier must ship on government bills of lading.

(b) If the Postal Service specifies that shipment is to be made on endorsed commercial bills of lading the supplier will be required to prepay all transportation charges, as follows:

(i) Delivery to the door of the specified destination by freight or express common carriers on articles for which store-to-door delivery is provided free, or subject to a charge pursuant to published tariffs or schedules filed with the federal and/or state regulatory bodies governing such carriers.

(ii) Delivery to siding at destination if not covered under (1) above.

(iii) Delivery to the freight station nearest destination if not covered under (1) or (2) above.

(iv) The supplier must annotate the commercial bill of lading as follows: "Property of the United States Postal Service."

(v) The actual transportation costs will be added to the supplier's invoice as a separate item. The costs must be based on the lowest published rate on file with the Interstate Commerce Commission or any state regulatory body. They must be supported by freight or express receipts marked "prepaid." If the receipts are not obtainable, annotate the invoice as follows:

"I certify that the items identified on this invoice were shipped prepaid, and freight or express receipts in support thereof are not obtainable:

Name:

Destination:

Names of Carriers:

Weight of shipment:

Transportation charges claimed:"

(4) The Postal Service reserves the right to specify the mode of transportation and routing to be employed.

CLAUSE 2-11 POSTAL SERVICE PROPERTY - FIXED-PRICE (MARCH 2006)

a. Postal Service-Furnished Property

(1) The Postal Service will deliver to the supplier, for use in connection with and under the terms of this contract, the property described as Postal Service-furnished property in the Schedule or specifications, together with any related information the supplier may request that may reasonably be required for the intended use of the property (hereinafter referred to as "Postal Service-furnished property").

(2) The contract delivery or performance dates are based on the expectation that Postal Service-furnished property suitable for use (except for property furnished "as is") will be delivered at the times stated in the Schedule or, if not so stated, in sufficient time to enable the supplier to meet these delivery or performance dates. If Postal Service-furnished property is not delivered by these times, the contracting officer will, upon timely written request from the supplier, make a determination of any delay occasioned the supplier and will equitably adjust the delivery or performance dates or the contract price, or both, and any other contractual provision affected by the delay, in accordance with the Changes clause.

(3) Except for Postal Service-furnished property furnished "as is," if the Postal Service-furnished property is received in a condition not suitable for its intended use, the supplier must notify the contracting officer and (as directed by the contracting officer) either (a) return it at the expense of the Postal Service or otherwise dispose of it, or (b) effect repairs or modifications. Upon the completion of (a) or (b), the contracting officer (upon written request from the supplier) will equitably adjust the delivery or performance dates or the contract price, or both, and any other affected contractual provision, in accordance with the Changes clause.

(4) The provisions for adjustment in this paragraph are exclusive, and the Postal Service is not liable to suit for breach of contract by reason of any delay in delivery of Postal Service-furnished property or its delivery in a condition not suitable for its intended use.

b. Changes in Postal Service-Furnished Property

(1) By written notice, the contracting officer may (a) decrease the property provided or to be provided by the Postal Service under this contract, or (b) substitute other Postal Service-owned property for the property to be provided by the Postal Service, or to be acquired by the supplier for the Postal Service under this contract. The supplier must promptly take any action the contracting officer may direct regarding the removal and shipping of the property covered by this notice.

(2) In the event of any decrease in or substitution of property pursuant to subparagraph b.1 above, or any withdrawal of authority to use property provided under any other contract or lease, which property the Postal Service had agreed in the Schedule to make available for the performance of this contract, the contracting officer, upon the supplier's written request (or - if substitution causes a decrease in the cost of performance - on the contracting officer's own initiative), will equitably adjust any contractual provisions affected by the decrease, substitution, or withdrawal, in accordance with the Changes clause.

c. Title. Title to all Postal Service-furnished property remains in the Postal Service. To define the obligations of the parties under this clause, title to each item of facilities, special test equipment, or special tooling (other than that subject to a special-tooling clause) acquired by the supplier for the Postal Service under this contract will pass to and vest in the Postal Service when its use in the performance of this contract begins, or upon payment for it by the Postal Service, whichever is earlier, whether or not title was previously vested. All Postal Service-furnished property, together with all property acquired by the supplier, title to which vests in the Postal Service under this paragraph c, is subject to the provisions of this clause and is hereinafter collectively referred to as "Postal Service property." Title to Postal Service property is not affected by its incorporation into or attachment to any property not owned by the Postal Service, nor does Postal Service property become a fixture or lose its identity as personal property by being attached to any real property.

d. Use of Postal Service Property. The Postal Service property, unless otherwise provided in this contract or approved by the contracting officer, must be used only for performing this contract.

e. Utilization, Maintenance, and Repair of Postal Service Property. The supplier must maintain and administer, in accordance with sound industrial practice, a program or system for the utilization, maintenance, repair, protection, and preservation of Postal Service property until it is disposed of in accordance with this clause. If any damage occurs to Postal Service property, the risk of which has been assumed by the Postal Service under this contract, the Postal Service will replace the items or the supplier must make such repairs as the Postal Service directs; provided, however, that if the supplier cannot effect these repairs within the time required, the supplier will dispose of the property in the manner directed by the contracting officer. The contract price includes no compensation to the supplier for performing any repair or replacement for which the Postal Service is responsible, and an equitable adjustment will be made in any contractual provisions affected by such repair or replacement made at the direction of the Postal Service, in accordance with the Changes clause. Any repair or replacement for which the supplier is responsible under the provisions of this contract must be accomplished by the supplier at the supplier's own expense.

f. Risk of Loss. Unless otherwise provided in this contract, the supplier assumes the risk of, and becomes responsible for, any loss or damage to Postal Service property provided under this contract upon its delivery to the supplier or upon passage of title to the Postal Service as provided in paragraph c above, except for reasonable wear and tear and except to the extent that it is consumed in performing this contract.

g. Access. The Postal Service, and any persons designated by it, must at reasonable times have access to premises where any Postal Service property is located, for the purpose of inspecting it.

h. Final Accounting for and Disposition of Postal Service Property. Upon completion, or at such earlier dates as may be fixed by the contracting officer, the supplier must submit, in a form acceptable to the contracting officer, inventory schedules covering all items of Postal Service property not consumed in performing this contract (including any resulting scrap) or not previously delivered to the Postal Service, and will prepare for shipment, deliver f.o.b. origin, or dispose of this property, as the contracting officer may direct or authorize. The net proceeds of disposal will be credited to the contract price or will be paid in such other manner as the contracting officer may direct.

i. Restoration of Supplier's Premises and Abandonment. Unless otherwise provided in this contract, the Postal Service:

(1) May abandon any Postal Service property in place, whereupon all obligations of the Postal Service regarding it will cease; and

(2) Has no obligation with regard to restoration or rehabilitation of the supplier's premises, either in case of abandonment, disposition on completion of need or of the contract, or otherwise, except for restoration or rehabilitation costs properly included in an equitable adjustment under paragraph b or e above.

CLAUSE 2-26 PAYMENT - FIXED PRICE (MARCH 2006)

The Postal Service will pay the supplier, upon the submission of proper invoices or vouchers, the prices stipulated in this contract for work or supplies delivered and accepted or services rendered and accepted, less any deductions provided for by the contract. Unless the contract otherwise specifies, payment will be made on partial deliveries accepted by the Postal Service if:

a. The amount due on the deliveries warrants it; or

b. The supplier requests it and the amount due on the deliveries is at least \$1,000 or 50 percent of the total contract price, whichever is less.

CLAUSE 2-39 ORDERING (FEBRUARY 2018)

a. Goods or services to be furnished under this contract will be ordered by authorized Postal Service credit card, issuance of delivery or task orders by contracting officers or other designated ordering officials, or alternative methods as defined in the contract, during the period and by the activities specified in the schedule.

b. Orders may be issued in writing, by written telecommunication, electronic data interchange (EDI), via catalog, other methods as defined in the contract, or orally. Oral orders, other than authorized Postal Service credit card orders, must be confirmed in writing. Orders sent by mail are considered issued when placed in the mail.

c. The supplier must report to the contracting officer in the format and intervals specified in the schedule all orders charged to an authorized Postal Service credit card.

d. All orders are subject to the terms and conditions of this contract. If there is any conflict between an order and this contract, the contract is controlling.

e. Where the Postal Service has made more than one award for goods or services, the Postal Service reserves the right to further compete orders for the goods and services required under this contract. The decision to further compete orders and whether orders will be competed among all or a selected group of suppliers holding contracts for the same or similar goods or services is at the Postal Service's discretion.

CLAUSE 2-40 DELIVERY-ORDER LIMITATIONS (FEBRUARY 2018)

a. If this is a requirements contract, when the Postal Service requires goods or services covered by this contract in an amount less than [], the Postal Service is not obligated to purchase, and the supplier is not obligated to furnish, those supplies or services under this contract.

b. The supplier is not obligated to honor:

1. Any order for a single item in excess of [TBD];

2. Any order for a combination of items in excess of [TBD]; or

3. A series of orders from the same ordering office in the course of [TBD] days that together call for quantities exceeding the limitations stated in subparagraph b.1 or b.2 above.

c. If this is a requirements contract, the Postal Service is not required to order a part of any one requirement from the supplier if that requirement exceeds the limitations stated in paragraph b above.

d. If it is the supplier's intent not to honor an order received that exceeds the limitations stated in paragraph b above, the supplier must return the order to the ordering office within 2 calendar days after issuance, with a written notice rejecting the order and giving the reasons; the Postal Service may then obtain the supplies or services from another source. If the supplier does not return the order with a notice of rejection as required, the supplier must honor the order as issued.

CLAUSE 2-42 INDEFINITE QUANTITY (FEBRUARY 2018)

a. This is an indefinite-quantity contract; the quantities of goods or services specified in the schedule are not purchased until ordered

b. Delivery or performance must be as directed in orders issued in accordance with Clause 2-39: Ordering and the contract schedule. The supplier must furnish to the Postal Service, when ordered, the goods or services specified in the schedule up to and including the quantity designated in the schedule as the maximum. The Postal Service must order at least the quantity of goods or services designated in the schedule as the minimum. There is no limit on the number of orders that may be issued, unless specified in Clause 2-40: Delivery-Order Limitations or in the contract schedule. Orders may require delivery to multiple destinations or performance at multiple locations.

c. Any order issued during the effective period of this contract and not completed within that period must be completed by the supplier within the time specified in the order, and the rights and obligations of the supplier and the Postal Service with respect to the order will be the same as if the order were completed during the effective period of the contract.

**CLAUSE 3-1 SMALL-, MINORITY-, AND WOMAN-OWNED BUSINESS
SUBCONTRACTING REQUIREMENTS (FEBRUARY 2018)**

a. All suppliers, except small businesses, must have an approved subcontracting plan for contracts estimated or valued at \$1 million or more at time of award. A subcontracting plan is also required when contracts awarded at less than \$1 million reach or exceed the \$1 million threshold during contract performance. The plan must be specific to this contract, and separately address subcontracting with small-, minority-, and woman-owned businesses. A plan approved by the Postal Service must be included in and made a part of the contract. A subcontract is defined as any

agreement (other than one involving an employer-employee relationship) entered into by a Postal Service supplier or subcontractor calling for goods or services required for performance of the contract or subcontract.

b. The supplier's subcontracting plan must include the following:

(1) Goals, in terms of percentages of the total amount of this contract that the supplier will endeavor to subcontract to small-, minority-, and woman-owned businesses. The supplier must include all subcontracts that contribute to contract performance, and may include a proportionate share of goods and services that are normally allocated as indirect costs.

(2) A statement of the:

(a) Total dollars planned to be subcontracted under this contract. For indefinite-delivery contracts, this amount would be based upon the minimum and maximum and stated as a total dollar range; and

(b) Total of that amount planned to be subcontracted to small-, minority-, and woman-owned businesses. For indefinite-delivery contracts, this amount would be based upon the minimum and maximum and stated as a total dollar range.

(3) A description of the principal types of goods and services to be subcontracted under this contract, identifying the types planned for subcontracting to small-, minority-, and woman-owned businesses.

(4) A description of the method used to develop the subcontracting goals for this contract.

(5) A description of the method used to identify potential sources for solicitation purposes and a description of efforts the supplier will make to ensure that small-, minority-, and woman-owned businesses have an equitable opportunity to compete for subcontracts.

(6) A statement as to whether the offer included indirect costs in establishing subcontracting goals for this contract and a description of the method used to determine the proportionate share of indirect costs to be incurred with small-, minority-, and woman-owned businesses.

(7) The name of the individual employed by the supplier who will administer the subcontracting program and a description of the individual's duties.

(8) Assurances that the supplier will require all subcontractors receiving subcontracts in excess of \$1 million to adopt a plan similar to the plan agreed to by the supplier.

(9) A description of the types of records the supplier will maintain to demonstrate compliance with the requirements and goals in the plan for this contract. The records must include at least the following:

(a) Source lists, guides, and other data identifying small-, minority-, and woman-owned businesses;

(b) Organizations contacted in an attempt to locate sources that are small-, minority-, and woman-owned businesses;

(c) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating whether small-, minority-, or woman-owned businesses were solicited and if not, why not; and

(d) Records to support subcontract award data, including the name, address, and business size of each subcontractor.

c. Reports. The supplier must provide reports on subcontracting activity under this contract on a semi-annual basis. Should a contract be awarded and completed within the semi-annual reporting period, a report of subcontracting activity is still required. The report must be one of the types described in Clause 3-2: Participation of Small-, Minority-, and Woman-Owned Businesses.

CLAUSE 3-2 PARTICIPATION OF SMALL-, MINORITY-, AND WOMAN-OWNED BUSINESSES (FEBRUARY 2018)

a. The policy of the Postal Service is to encourage the participation of small-, minority-, and woman-owned business in its purchases of goods and services to the maximum extent practicable consistent with efficient contract performance. The supplier agrees to follow the same policy in performing this contract, and also agrees that any awarded subcontract will follow the same policy by including this clause within contracts with subcontractors.

b. When a contract is estimated or valued at \$500,000 or more, or when a contract reaches or exceeds the \$500,000 threshold during contract performance, the supplier must submit semi-annual reports on its subcontracting activity under this contract via a reporting method as specified by the Postal Service. Subject to the agreement of the supplier and the Postal Service, the supplier will report subcontracting activity on one of the following bases:

- (1) Showing the amount of payments made to subcontractors during the reporting period;
- (2) Showing subcontracting activity that is allocable to this contract using generally accepted accounting principles; or
- (3) A combination of the methods listed above.

c. The supplier will submit a report in accordance with the Postal Service's reporting method to the contracting officer within 15 calendar days after the end of each semi-annual period, describing all subcontract awards to small-, minority-, or woman-owned businesses. The report will include, but is not limited to, Postal Service contract number, subcontractor information (supplier name, address, contact name, contact email address), business classification, North American Industry Classification System (NAICS) code, and contract specific payments (direct, allocated, and total direct and allocated dollars). The contracting officer may require more frequent reports.

CLAUSE 4-1 GENERAL TERMS AND CONDITIONS (JULY 2007)

a. Inspection and Acceptance. The supplier will only tender for acceptance those items that conform to the requirements of this contract. The Postal Service reserves the right to inspect or test supplies or services that have been tendered for acceptance. The Postal Service may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Postal Service must exercise its post acceptance rights (1) within a reasonable period of time after the defect was discovered or should have been discovered and (2) before any substantial change occurs in the condition of the items, unless the change is due to the defect in the item.

b. Assignment. If this contract provides for payments aggregating \$10,000 or more, claims for monies due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with:

- (1) The contracting officer;
- (2) The surety or sureties upon any bond; and
- (3) The office, if any, designated to make payment, and the contracting officer has acknowledged the assignment in writing.

(4) Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.

c. Changes

(1) The contracting officer may, in writing, without notice to any sureties, order changes within the general scope of this contract in the following:

(a) Drawings, designs, or specifications when supplies to be furnished are to be specially manufactured for the Postal Service in accordance with them;

(b) Statement of work or description of services;

(c) Method of shipment or packing;

(d) Places of delivery of supplies or performance of services;

(e) Delivery or performance schedule;

(f) Postal Service furnished property or facilities.

(2) Any other written or oral order (including direction, instruction, interpretation, or determination) from the contracting officer that causes a change will be treated as a change order under this paragraph, provided that the supplier gives the contracting officer written notice stating (a) the date, circumstances, and source of the order and (b) that the supplier regards the order as a change order.

(3) If any such change affects the cost of performance or the delivery schedule, the contract will be modified to effect an equitable adjustment.

(4) The supplier's claim for equitable adjustment must be asserted within 30 days of receiving a written change order. A later claim may be acted upon - but not after final payment under this contract - if the contracting officer decides that the facts justify such action.

(5) Failure to agree to any adjustment is a dispute under Clause B-9, Claims and Disputes, which is incorporated into this contract by reference (see paragraph s). Nothing in that clause excuses the supplier from proceeding with the contract as changed.

d. Reserved

e. Reserved

f. Reserved

g. Invoices

(1) The supplier's invoices must be submitted before payment can be made. The supplier agrees that submission of an invoice to the Postal Service for payment is a certification that:

(a) Any services being billed for have been performed in accordance with the contract requirements; and

(b) Any supplies for which the Postal Service is being billed have been shipped or delivered in accordance with the instructions issued by the contracting officer and that the supplies are in the quantity and of the quality designated in the contract.

(2) To ensure prompt payment, an original invoice (or electronic invoice, if authorized) must be submitted to the address designated in the contract to receive invoices for each destination and shipment. An invoice must contain:

- (a) The supplier's name, remit to address (including ZIP+4) and phone number;
- (b) Unique invoice number and invoice date;
- (c) Any applicable task or delivery order number;
- (d) A description of the supplies or services and the dates delivered or performed;
- (e) The point of shipment or delivery;
- (f) Quantity, unit of measure, unit price(s) and extension(s) of the items delivered;
- (g) Shipping and payment terms, including GBL number if applicable; and
- (h) Any additional information required by the contract.

h. Patent Indemnity. The supplier will indemnify the Postal Service and its officers, employees and agents against liability, including costs for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, or copyright, arising out of the performance of this contract, provided the supplier is reasonably notified of such claims and proceedings.

i. Payment

(1) Payment will be made for items accepted by the Postal Service that have been delivered to the delivery destinations set forth in this contract. The Postal Service will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and 5 CFR 1315. Payments under this contract may be made by the Postal Service either by electronic funds transfer (EFT), check, or government credit card at the option of the Postal Service. When the EFT payment method is selected, the Postal Service will provide the supplier with Form 3881, Supplier's Electronic Funds Transfer Enrollment Form, at contract award. The supplier must complete the form and submit it to the designated Postal Accounting Service Center to ensure the proper routing of payments.

2) In conjunction with any discount offered for early payment, time will be computed from the date of the invoice. For purposes of computing the discount earned, payment will be considered to have been made on the date which appears on the payment check or the date on which an electronic funds transfer was made.

j. Risk of Loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract will remain with the supplier until, and will pass to the Postal Service upon:

- 1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin, or;
- 2) Delivery of the supplies to the Postal Service at the destination specified in the contract, if transportation is f.o.b. destination.

k. Taxes. The contract price includes all applicable federal, state, and local taxes and duties.

l. Termination for the Postal Service's Convenience. The Postal Service reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the supplier must immediately stop all work and must immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the supplier will be paid a percentage of the work performed prior to the notice of termination, plus reasonable charges the

supplier can demonstrate to the satisfaction of the Postal Service using its standard record keeping system, have resulted from the termination. The supplier will not be paid for any work performed or costs incurred which reasonable could have been avoided.

m. Termination for Default. The Postal Service may terminate this contract, or any part hereof, for default by the supplier, or if the supplier fails to provide the Postal Service, upon request, with adequate assurances of future performance. In the event of termination for default, the Postal Service will not be liable to the supplier for any amount for supplies or services not accepted, and the supplier will be liable to the Postal Service for any and all rights and remedies provided by law. The debarment, suspension, or ineligibility of the supplier, its partners, officers, or principal owners under the Postal Service's procedures (see 39 CFR Part 601) may constitute an act of default under this contract, and such act will not be subject to notice and cure pursuant to any termination of default provision of this contract. If it is determined that the Postal Service improperly terminated this contract for default, such termination will be deemed a termination for convenience.

n. Title. Unless specified elsewhere in this contract, title to items furnished under this contract will pass to the Postal Service upon acceptance, regardless of when or where the Postal Service takes physical possession.

o. Warranty. The supplier warrants and implies that the items delivered under this contract are merchantable and fit for the use for the particular purpose described in this contract.

p. Limitation of Liability. Except as otherwise provided by an express or implied warranty, the supplier will not be liable to the Postal Service for consequential damages resulting from any defect or deficiencies in accepted items.

q. Other Compliance Requirements. The supplier will comply with all applicable Federal, State, and local laws, executive orders, rules and regulations applicable to its performance under this contract.

r. Order of Precedence. Any inconsistencies in this solicitation or contract will be resolved by giving precedence in the following order; (1) the schedule of supplies and services; (2) the Assignment, Disputes, Payments, Invoice, Other Compliances and Compliance with Laws Unique to the Postal Service Contracts paragraphs of this clause; (3) the clause at 4-2 Contract Terms and Conditions Required to Implement Policies, Statutes or Executive Orders; (4) addenda to this solicitation or contract, including any license agreements for computer software; (5) solicitation provisions if this is a solicitation; (6) other paragraphs of this clause; (7) Form 8203; (8) other documents, exhibits, and attachments, and (9) the specifications.

s. Incorporation by Reference. Wherever in this solicitation or contract a standard provision or clause is incorporated by reference, the incorporated term is identified by its title, the provision or clause number assigned to it in the Postal Service Supplying Practices and its date. The text of incorporated terms may be found at <http://about.usps.com/manuals/spp/spp.pdf>.

The following clauses are incorporated in this contract by reference:

- 1) B-1, Definitions
- 2) B-9, Claims and Disputes
- 3) B-15, Notice of Delay
- 4) B-16, Suspensions and Delays
- 5) B-19, Excusable Delays
- 6) B-30, Permits and Responsibilities

t. Shipping. The supplier must deliver goods that meet the prescribed physical limitations of the current U.S. Postal Service Domestic Mail Manual either by its own personnel/equipment or by use of the United States Postal Service, unless the contracting officer grants a waiver of this requirement. The supplier is responsible for ensuring that the packing and packaging are sufficient to protect the goods and ensure usability upon receipt.

CLAUSE 4-2 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT POLICIES, STATUTES OR EXECUTIVE ORDERS (JUNE 2020)

a. Incorporation by Reference

(1) Wherever in this solicitation or contract a standard provision or clause is incorporated by reference, the incorporated term is identified by its title, the provision or clause number assigned to it, in the Postal Service Supplying Practices, and its date. The text of incorporated terms may be found at <http://about.usps.com/manuals/spp/spp.pdf>. The following clauses are incorporated in this contract by reference:

(a) Clause B-9, Claims and Disputes

(b) Clause B-25, Advertising of Contract Awards

(c) Clause 1-5, Gratuities or Gifts

(d) Clause 7-10, Sustainability

(e) Clause 9-1, Convict Labor

(f) Clause 9-5, Contract Work Hours and Safety Standards Act - Safety Standards

(2) If checked, the following additional clauses are also incorporated in this contract by reference: (contracting officer will check as appropriate.)

Clause 1-1: Privacy Protection

Clause 1-6: Contingent Fees

Clause 1-9: Preference for Domestic Supplies

Clause 1-10: Preference for Domestic Construction Materials

Clause 9-2: Contract Work Hours and Safety Standards Act - Overtime Compensation

Clause 9-3: Davis-Bacon Act

Clause 9-6: Walsh-Healey Public Contracts Act

Clause 9-7: Equal Opportunity

Clause 9-10: Service Contract Act

Clause 9-11: Service Contract Act - Short Form

Clause 9-12: Fair Labor Standards Act and Service Contract Act - Price Adjustments

Clause 9-13: Equal Opportunity for Workers with Disabilities

Clause 9-14: Equal Opportunity for VEVRAA Protected Veterans

Clause 9-16: Employer Reports on Employment of Protected Veterans

b. Examination of Records:

(1) Records - "Records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.

(2) Examination of Costs - If this is a cost-type contract, the supplier must maintain, and the Postal Service will have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this contract. This right of examination includes inspection at all reasonable times of the supplier's plants, or parts of them, engaged in the performance of this contract.

(3) Cost or Pricing Data - If the supplier is required to submit cost or pricing data in connection with any pricing action relating to this contract, the Postal Service, in order to evaluate the accuracy, completeness, and currency of the cost or pricing data, will have the right to examine and audit all of the supplier's records, including computations and projections, related to:

- (a) The proposal for the contract, subcontract, or modification;
- (b) The discussions conducted on the proposal(s), including those related to negotiating;
- (c) Pricing of the contract, subcontract, or modification; or
- (d) Performance of the contract, subcontract or modification.

(4) Reports - If the supplier is required to furnish cost, funding or performance reports, the contracting officer or any authorized representative of the Postal Service will have the right to examine and audit the supporting records and materials, for the purposes of evaluating:

- (a) The effectiveness of the supplier's policies and procedures to produce data compatible with the objectives of these reports; and
- (b) The data reported.

(5) Availability - The supplier must maintain and make available at its office at all reasonable times the records, materials, and other evidence described in paragraphs a. through d. of this clause, for examination, audit, or reproduction, until 3 years after final payment under this contract or any longer period required by statute or other clauses in this contract. In addition:

- (a) If this contract is completely or partially terminated, the supplier must make available the records related to the work terminated until 3 years after any resulting final termination settlement; and
- (b) The supplier must make available records relating to appeals under Clause B-9: Claims and Disputes or to litigation or the settlement of claims arising under or related to this contract. Such records must be made available until such appeals, litigation or claims are finally resolved.

Note: (Note to contracting officers: Any contemplated changes to this paragraph b. may not be made before:

- (i) consulting with assigned counsel and the Office of the Inspector General, and
- (ii) a deviation has been reviewed and approved by a higher level than the contracting officer who holds deviation approval authority.

c. Payment Offsets. As required by 31 U.S.C. 3716, the Postal Service participates in the Treasury Offset Program of the Department of Treasury's Financial Management Service. Payments under this contract are subject to offset in whole or in part to for the supplier's delinquent tax and non-tax debts owed to the United States and the states and for delinquent child support payments. Suppliers with

questions concerning a payment offset should contact the Treasury Offset Program call center at 800-304-3107.

CLAUSE 4-4 NONDISCLOSURE (PROFESSIONAL SERVICES) (MARCH 2006)

The supplier acknowledges that confidential information might be generated or made available during the course of performance of this agreement. In addition to the restrictions on disclosure established under the supplier's code of ethics, the supplier specifically agrees not to disclose any information received or generated under this contract, unless its release is approved in writing by the contracting officer. The supplier further agrees to assert any privilege allowed by law and to defend vigorously Postal Service rights to confidentiality.

CLAUSE 4-11 USE OF HARDWARE OR SOFTWARE MONITORS (MARCH 2006)

a. The supplier must permit inclusion or attachment of such devices as the Postal Service may choose to employ for the purpose of examining or measuring the activity within the computer system. These devices include hardware monitors physically connected to the computer system and software monitors that may require portions of the computer system's control software to be displaced.

b. The supplier may not prohibit the installation of these devices unless the particular device will cause significant or permanent damage to the computer system. The supplier must assist the Postal Service in identifying and locating device connections when requested by the Postal Service if the supplier provides the services to other customers. If attachments cause equipment failure, the Postal Service is liable for any damage, and any maintenance credit provisions contained in this contract do not apply.

CLAUSE 4-13 SOFTWARE LICENSE WARRANTY AND INDEMNIFICATION (MARCH 2006)

a. The supplier warrants that it has full power and authority to grant the rights contained in this contract with respect to the software without the consent of any other person. Neither the performance of the services by the supplier nor the license to and use by the Postal Service of the software and documentation (including copying) will in any way constitute an infringement or other violation of any copyright, trade secret, trademark, patent, invention, proprietary information, nondisclosure, or other rights of any third party.

b. The supplier indemnifies and holds harmless (including reasonable attorney's fees) the Postal Service and its employees or agents against all liability to third parties arising from the negligence of the supplier or its agents and the license to or use by the Postal Service of the software, including but not limited to the violation of any third party's trade secrets, proprietary information, trademark, copyright, or patent rights in connection with the licensing of the software. The Postal Service may, at this option, conduct the defense in any third-party action, and the supplier promises fully to cooperate with this defense. This indemnification is limited to the software delivered to the Postal Service or as modified by the supplier, and does not cover third-party claims arising from modifications by the Postal Service not authorized by the supplier.

c. If a third-party claim causes the Postal Service's quiet enjoyment and use of the software to be seriously endangered or disrupted, the supplier must either:

(1) Replace the software, without additional charge, by a compatible, functionally equivalent, and noninfringing product;

(2) Modify the software to avoid the infringement;

(3) Obtain a license for the Postal Service to continue use of the software for the term of this contract, and pay for any additional fee required for the license; or

(4) If none of these alternatives is possible even after the supplier's best efforts, return a pro rata portion of the license, or ten years, whichever is less.

CLAUSE 4-16 SUBSTITUTION OF INFORMATION TECHNOLOGY (MARCH 2006)

This clause acknowledges that some of the contracted for equipment may not be readily available or may permanently go out of production. Based on the authority of this clause, the supplier may request a one-time or permanent substitution of one or more contract line items. Such requests must be made in writing to the contracting officer, with a copy to the COR.

The following conditions must be met:

- a. The replacement item(s) must meet or exceed all contract specifications that were applicable to the items being replaced.
- b. The replacement item(s) must be priced equal to, or less than, the item(s) being replaced.
- c. The replacement item(s) must be reviewed, and be determined to be acceptable by the Postal Service technical representative.
- d. The replacement item(s) must be approved in writing by the contracting officer and incorporated into the contract.

The supplier's request for a replacement may not exceed the required delivery time of any items. Upon formal acceptance of a replacement, the contracting officer may grant a day-to-day extension to the delivery schedule for the time the Postal Service took to approve the replacement. No extension may be granted in the case of unaccepted proposed replacements.

CLAUSE 4-17 TECHNOLOGY ENHANCEMENT (MARCH 2006)

a. Definitions

- (1) Enhancement, replacement and upgrade are used interchangeably throughout this clause.
- (2) Cost to performance ratio is a form of comparative measurement and means the contracts costs of a given item or configuration per a quantifiable unit of performance or capability, such as (but not limited to) storage capacity (in megabytes), speed (in megahertz), energy consumption efficiency, etc.

b. The supplier must propose technology enhancement of information technology equipment, firmware, or software configurations being provided under this contract whenever product lines of newer technology become available that may save money, improve performance, or save energy. All proposed upgrades must meet the following requirements:

- (1) All mandatory requirements of the contract must continue to be met.
- (2) Overall contract life cycle costs may not increase as a result of the upgrade.
- (3) The proposed upgrade or enhancement will: (1) either afford a better cost to performance ration compared to existing contract offerings/configurations; or (2) at minimum, must result in at least equal operability, maintainability, reliability, and overall system performance while providing some additional benefit or advantage to the Postal Service.
- (4) The replacement configuration proposal must be acceptable to the COR.

c. As a minimum, the following information must be submitted by the supplier with each proposal:

- (1) A description of the difference between the existing contract requirement and the proposed change along with the comparative advantages and disadvantages of each.

(2) Suggested contract requirements which should be changed if the proposed technology enhancement is adopted.

(3) A complete pricing proposal that evidences the commerciality of the pricing. (The price for the upgraded product, or configuration, can be no greater than the standard commercial price of the replacement product less a discount factor equal at least to the discount afforded the Postal Service in the supplier's final proposal for the original, taking into account the age of the original product in its life cycle.

(4) An evaluation of the proposed change's effect on collateral costs, costs of related items, and costs of maintenance and operation.

(5) Timing as to when the modification adopting the technology enhancement must be issued to ensure the maximum benefit to the Postal Service.

(6) Identify any effect on the contract completion or delivery schedule.

(7) Any other information that may be required by the contracting officer.

d. Technology enhancements, as contemplated by this clause, will not be added to the contract except by written, bilateral modification to the contract.

e. The decision by the contracting officer to accept or reject any proposal under this contract is final and not subject to the Disputes clause.

CLAUSE 4-18 INFORMATION AND COMMUNICATION TECHNOLOGY ACCESSIBILITY (OCTOBER 2019)

a. Information and communication technology purchased under this contract or order must conform to the applicable provisions of the Architectural and Transportation Barriers Compliance Board's Information and Communication Technology Standards and Guidelines (36 CFR part 1194) at the time of delivery, except when the contracting officer has advised that compliance is not required.

b. Before acceptance, the supplier must provide an Accessibility Conformance Report documenting the accessibility features incorporating the standards of the applicable provisions of 36 CFR part 1194 for the information and communication technology products ordered under this contract.

CLAUSE 4-19 INFORMATION SECURITY REQUIREMENTS RESOURCE (FEBRUARY 2013)

The Postal Service is committed to creating and maintaining an environment that protects Postal Service application systems from accidental or intentional unauthorized use, modification, disclosure, or destruction. Handbook AS-805, Information Security, establishes Postal Service information security policies. Handbook AS-805-A, Information Resource Certification and Accreditation Process, provides the process for identifying the sensitivity and criticality of the application system, determining information security requirements for protecting the application system, and ensuring appropriate, cost-effective information security controls, mechanisms, and procedures are implemented to protect the application system. If the supplier has not already performed the following, it must, following contract award and before beginning contract performance:

* Comply with the policies delineated in Handbook AS-805, Information Security, and processes defined in Handbook AS-805-A, Information Resource Certification and Accreditation Process.

* Cooperate with the Postal Service in completing the application Business Impact Assessment (BIA) to identify the sensitivity and criticality of the application and to determine the information security requirements.

* Include and comply with the information security requirements generated by the BIA and included in the contract or agreement.

* Coordinate ISA activities with the Postal Service's Corporate Information Security Office (CISO).

* Complete ISA templates and provide applicable documentation and deliverables to the CISO.

Supplier(s) are responsible for mitigating all security vulnerabilities identified from site security reviews conducted by the Postal Service Inspection Service and CISO, or audits conducted by the Office of the Inspector General.

Postal Service data may not be stored outside of postal premises or placed onto laptops or other mobile media without the prior consent of the Contracting Officer. Requests to store Postal Service data on laptops or other mobile media are sent to the Contracting Officer. The Contracting Officer will coordinate such requests with the CISO.

CLAUSE 5-1 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (MARCH 2006)

a. If any price, including profit or fee, negotiated in connection with this contract, or modification to this contract, or any cost reimbursable under this contract, was increased by any significant amount because:

(1) The supplier or subcontractor furnished cost or pricing data that were not complete, accurate, and current as of the date of the final agreement on price;

(2) A subcontractor or prospective subcontractor furnished the supplier cost or pricing data that were not complete, accurate, and current as of the date of final agreement on price; or

(3) Any of these parties furnished data of any description that were not accurate - then the price or cost will be reduced accordingly and the contract will be modified to reflect the reduction.

b. Any reduction in the contract price under paragraph a above due to defective data from a prospective subcontractor that was not awarded the subcontract will be limited to the amount, plus applicable overhead and profit markup, by which the actual subcontract, or the actual cost to the supplier if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the supplier (provided that the actual subcontract price was not itself affected by defective cost or pricing data).

CLAUSE 5-2 SUBCONTRACTOR COST OR PRICING DATA (MARCH 2006)

a. Before awarding any subcontract or pricing any subcontract modification, the supplier must require the subcontractor to submit cost or pricing data whenever cost or pricing data are required by the Conduct Price/Cost Analysis topic of the Evaluate Proposals task of Process Sep 2: Evaluate Sources, of the Postal Service Supplying Practices.

b. If the subcontractor is required to submit cost or pricing data under paragraph a above, then the supplier must insert the substance of this clause, including this paragraph b, in the subcontract.

CLAUSE 6-1 CONTRACTING OFFICER'S REPRESENTATIVE (MARCH 2006)

The contracting officer will appoint a contracting officer's representative (COR), responsible for the day-to-day administration of the contract, who will serve as the Postal Service's point of contact with the supplier on all routine matters. A copy of the notice of appointment defining the COR's authority will be furnished to the supplier upon award of the contract.

CLAUSE 7-4 INSURANCE (MARCH 2006)

a. During the term of this contract and any extension, the supplier must maintain at its own expense the insurance required by this clause. Insurance companies must be acceptable to the Postal Service. Policies must include all terms and provisions required by the Postal Service.

b. The supplier must maintain and furnish evidence of workers' compensation, employers' liability insurance, and the following general public liability and automobile liability insurance:

General Liability

Bodily Injury Property Damage

\$100,000 per person* Per occurrence (as set forth in the Schedule)

\$500,000 per accident* Aggregate (as set forth in the Schedule)

Automobile Liability

Bodily Injury Property Damage

\$100,000 per person* \$100,000 per occurrence

\$500,000 per accident* \$100,000 aggregate*

*Unless modified in the Schedule

c. Each policy must include substantially the following provision: "It is a condition of this policy that the company furnish written notice to the U.S. Postal Service 30 days in advance of the effective date of any reduction in or cancellation of this policy."

d. The supplier must furnish a certificate of insurance or, if required by the contracting officer, true copies of liability policies and manually countersigned endorsements of any changes. Insurance must be effective, and evidence of acceptable insurance furnished, before beginning performance under this contract. Evidence of renewal must be furnished not later than 5 days before a policy expires.

e. The maintenance of insurance coverage as required by this clause is a continuing obligation, and the lapse or termination of insurance coverage without replacement coverage being obtained will be ground for termination for default.

CLAUSE 7-5 ERRORS AND OMISSIONS (MARCH 2006)

a. The supplier warrants that it is insured for \$200,000 (unless a greater amount is set forth in the Schedule) for errors and omissions per claim in the performance of this contract.

b. Unless the supplier's policy is prepaid, noncancelable, and issued for a period at least equal to the term of this contract on an occurrence basis, the supplier must have the policy amended to include substantially the following provision:

"It is a condition of this policy that the company furnish written notice to the U.S. Postal Service 30 days in advance of the effective date of any reduction in or cancellation of this policy."

c. The supplier must furnish a certificate of insurance or, if required by the contracting officer, true copies of liability policies and manually countersigned endorsements of any changes. Insurance must be effective, and evidence of acceptable insurance furnished, before beginning performance under this contract. Evidence of renewal must be furnished not later than 5 days before a policy expires.

CLAUSE 7-10 SUSTAINABILITY (JULY 2014)

The Postal Service embraces sustainable practices and environmental responsibility, and encourages suppliers to improve their environmental sustainability practices in the performance of this contract. As appropriate, the Postal Service will collaborate with the supplier to identify opportunities that may improve the environmental and sustainability performance of the goods and services being provided by the supplier. The Postal Service encourages the supplier to develop and propose innovative sustainability business practices and offer goods and services that help the Postal Service operate in a more environmentally sustainable manner. Innovative sustainability business practices can take the form of improved and more sustainable business processes, replacement of materials used in performance with more sustainable materials, combination of sustainable materials with other materials that lead to reductions in the total cost of ownership, or by some other means. If the proposed innovation results in enhanced sustainability or otherwise furthers the Postal Service's goals, then the Postal Service may (1) share any savings resulting from the innovation with the supplier; or (2) increase the quantities called for; (3) or extend the term (including options) of this contract. Additional quantities may not exceed 100% of the amount required by this contract, and term extensions may not exceed two years, including options.

CLAUSE 7-13 ENERGY EFFICIENCY IN ENERGY CONSUMING PRODUCTS (JULY 2014)

For the purposes of Postal Service contracting, "Energy-Efficient Product" means a product that contains energy-efficient attributes and has earned one or more of the following:

(1) U.S. Environmental Protection Agency (EPA) Energy Star Certification;

(2) U.S. Department of Energy Federal Energy Management Program designation (FEMP Designation) for being in the upper 25 percent of their class in energy efficiency; and/or

(3) National Electric Manufacturers Association (NEMA) Premium program certification.

(a) In the performance of contracts containing energy consuming products, the supplier and its subcontractors must prioritize the use of Energy-Efficient Products when such products are commercially available at a cost-competitive price, and make every effort to ensure that Energy-Efficient Products are used at the time of the contract award for products that are -

(1) Delivered; or acquired by the supplier and/or subcontractors for Postal Service use or for performing services at a Postal Service facility; or

(2) Specified in the design of a building or work, or incorporated during construction, renovation, or maintenance at a Postal Service facility.

(b) The requirements of paragraph (a) apply to the supplier and its subcontractors unless the product cannot be acquired -

(1) Competitively within a timeframe providing for compliance with the contract performance schedule;

(2) Meeting other contract performance requirements; or

(3) At a reasonable price for the intended business purpose.

(c) Information about Energy-Efficient Products is available at -

(1) Energy Star: http://www.energystar.gov/index.cfm?c=products.pr_find_es_products ;

(2) FEMP: http://www1.eere.energy.gov/femp/procurement/eep_requirements.html; and

(3) NEMA: http://www.nxtbook.com/ygsreprints/NEMA/espg_nxtbook/

CLAUSE 8-1 PATENT RIGHTS (MARCH 2006)

a. Definitions Used in This Clause

(1) Subject Invention. Any invention or discovery, whether or not patentable, conceived or first actually reduced to practice in the course of or under this contract. The term includes, but is not limited to, any art, method, process, machine, manufacture, design, or composition of matter, or any new and useful improvement thereof, or any variety of plant, that is or may be patentable under the patent laws of the United States of America or any foreign country.

(2) Postal Service Purposes. The right of the Postal Service to practice and have practiced (make or have made, use or have used, sell or have sold) any subject invention throughout the world by or on behalf of the U.S. Postal Service.

(3) Contract. Any contract, agreement, or other agreement or subcontract entered into, with, or for the benefit of the Postal Service.

(4) Subcontract and Subcontractor. Any subcontract or subcontractor of the supplier under this contract and any lower-tier subcontract or subcontractor under the contract.

(5) To Bring the Invention to the Point of Practical Application. To manufacture (in the case of a composition or product), practice (in the case of a process), or operate (in the case of a machine or system) under such conditions as to establish that the invention works and that its benefits are reasonably accessible to the public.

b. Rights Granted to the Postal Service. The supplier agrees to grant the Postal Service title in and to each subject invention. Nothing contained in this Patent Rights clause grants any rights with respect to any invention other than a subject invention.

c. Subject Invention Disclosure and Reports

(1) With respect to subject inventions, the supplier must furnish the contracting officer the items described in (a) through (b) below:

(a) A written disclosure of each invention promptly after conception or first actual reduction to practice, whichever occurs first under this contract, sufficiently complete in technical detail 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, or electrical characteristics of the invention. When unable to submit a complete disclosure, the supplier must, within three months, submit a disclosure that includes all such technical detail then known; and unless the contracting officer authorizes a different period, submit all other technical detail necessary to complete the disclosure within three additional months.

(b) Before final settlement of this contract, a final report listing each invention, including all those previously listed, or certifying that there are no unreported inventions. (This final report and any interim report under (a) above must be in a form acceptable to the contracting officer.)

(c) Information in writing, as soon as practicable, of the date and identity of any (1) public use, sale, or publication of the invention made by or known to the supplier or (2) contemplated publication by the supplier.

(d) Upon request, any duly executed instruments and other papers (prepared by the Postal Service) necessary to (1) vest in the Postal Service the rights granted it under this clause and (2) enable the Postal Service to apply for and prosecute any patent application, in any country covering the invention, where the Postal Service has the right under this clause to file such an application.

(e) Upon request, an irrevocable power of attorney to inspect and make copies of each United States patent application filed by, or on behalf of, the supplier covering the invention.

(2) With respect to each subject invention in which the supplier has been granted rights, under license or otherwise, the supplier agrees to provide written reports at reasonable intervals, when requested by the Postal Service, as to:

(a) The commercial use being or intended to be made of the invention;

(b) Royalties payable to the Postal Service; and

(c) The steps taken by the supplier to bring the invention to the point of practical application, or to make the invention available for licensing.

d. Subcontracts

(1) The supplier must, unless otherwise authorized or directed by the contracting officer, include a patent rights clause containing all the provisions of this Patent Rights clause except paragraph g below in any subcontract where a purpose of the subcontract is the conduct of experimental, developmental, research, or engineering work. If a subcontractor refused to accept this clause, the supplier:

(a) Must promptly submit a written report to the contracting officer setting forth the subcontractor's reasons for the refusal and any other pertinent information that may expedite disposition of the matter; and

(b) May not proceed with the subcontract without the written authorization of the contracting officer. The supplier may not, in any subcontract, or by using subcontract as consideration thereof, acquire any rights to subject inventions for its own use (as distinguished from rights required to fulfill its contract obligations to the Postal Service in the performance of this contract). Reports, instruments, and other information required to be furnished by a subcontractor to the contracting officer under a patent rights clause in a subcontract may, upon mutual consent of the supplier and the subcontractor (or by direction of the contracting officer), be furnished to the supplier for transmission to the contracting officer.

(2) The supplier, at the earliest practicable date, must notify the contracting officer in writing of any subcontract containing a patent rights clause, furnish to the contracting officer a copy of the subcontract, and notify the contracting officer when the subcontract is completed. The Postal Service is a third-party beneficiary of any subcontract granting rights to the Postal Service in subject inventions, and the supplier hereby assigns to the Postal Service all the rights that the supplier would have to enforce the subcontractor's obligations for the benefit of the Postal Service with respect to subject inventions. The supplier is not obligated to enforce the agreements of any subcontractor relating to the obligation of the subcontractor to the Postal Service regarding subject inventions.

e. Domestic Filing of Patent Applications by Supplier

(1) If, pursuant to paragraph h below, greater rights are granted in a subject invention to the extent that the supplier may claim the invention, the supplier must file in due form and within six months of the granting of these rights a United States patent application claiming the invention and furnish, as soon as practicable, the serial number and filing date of the application and the patent number of any resulting patent. As to each invention in which the supplier has been given greater rights, the supplier must notify the contracting officer at the end of six-month period if it has failed to file or cause to be filed a patent application covering the invention. If the supplier has filed or caused to be filed such an application within the six-month period, but elects not to continue prosecution of the application, it must notify the contracting officer not less than 60 days before the expiration of the response period. In either of these situations, the supplier forfeits all rights previously granted.

(2) The following statement must be included in the first paragraph of any patent application filed or patent issued on an invention made under a Postal Service contract or a subcontract under a Postal

Service contract: "The invention herein described was made in the course of or under a contract or subcontract thereunder with the United States Postal Service."

f. Foreign Filing of Patent Applications

(1) If the supplier acquires greater rights in a subject invention and has filed a United States patent application claiming the invention, the supplier, or any party other than the Postal Service deriving rights from the supplier, has the exclusive rights, subject to the rights of the Postal Service, to file applications on the inventions in each foreign country within:

- (a) Six months from the date a corresponding United States patent application is filed; or
- (b) Such longer period as the contracting officer may approve.

(2) The supplier must notify the contracting officer of each foreign application filed and, upon written request of the contracting officer, furnish an English translation of the application and convey to the Postal Service the entire right title and interest in the invention in each foreign country in which an application has not been filed within the time specified in subparagraph f.1. preceding.

g. Withholding Payment

(1) Final payment under this contract will not be made until the supplier delivers to the contracting officer the reports required by paragraph c above and all information as to subcontracts required by paragraph d above.

(2) If action is deemed warranted because of the supplier's performance under the Patent Rights clause of this contract or of other Postal Service contracts, the contracting officer may withhold from payment such sum as considered appropriate, not exceeding \$50,000, or ten percent of the amount of this contract, whichever is less, to be held as a reserve until the supplier delivers all the reports, disclosures, and information specified in paragraph c above.

h. Supplier's Request for Greater Rights. The supplier, at the time of first disclosing a subject invention pursuant to paragraph c.1(a) above, but not later than three months thereafter, may submit in writing to the contracting officer a request for rights by license or otherwise in any invention. The contracting officer will review the supplier's request for rights and will notify the supplier whether it is granted in whole or in part. Any rights granted the supplier will be subject to, but not necessarily limited to, the provisions of paragraph i following.

i. Reservation of Rights to the Postal Service

(1) If rights in any subject invention are vested in or granted to the supplier, such rights will, as a minimum, be subject to an irrevocable, nonexclusive, and royalty-free license to practice and have practiced the invention throughout the world for Postal Service purposes, including its practice:

- (a) In the manufacture, use, and disposition of any article or material;
- (b) In the use of any method; or
- (c) In the performance of any service, acquired by or for the Postal Service or with funds otherwise derived through the Postal Service.

(2) If rights are vested in the supplier, the supplier agrees to, and grants to the Postal Service the rights to, require the granting of a license to an applicant under any such invention:

- (a) On a nonexclusive basis, unless the supplier, a licensee, or an assignee demonstrates to the Postal Service, at its request, that (1) effective steps have been taken within 3 years after a patent issues on the invention to bring the invention to the point of practical application or (2) the invention

has been made available for licensing on terms that are reasonable in the circumstances, or can show cause why the title should be retained for a further period of time; or

(b) On terms that are reasonable in the circumstances to the extent that the invention is required for public use by Postal Service regulations or as may be necessary to fulfill health needs, or for other public purposes stipulated in the Schedule of this contract.

j. Right to Disclose Subject Inventions. The Postal Service may duplicate and disclose reports and disclosures of subject inventions required to be furnished by the supplier pursuant to this Patent Rights clause.

k. Forfeiture of Rights in Unreported Subject Inventions. The supplier forfeits to the Postal Service all rights in any subject invention that it fails to report to the contracting officer when or before it:

(1) Files or causes to be filed a United States or foreign application thereon; or

(2) Submits the final report required by c.1(b) above, whichever occurs later, provided, that the supplier will not forfeit rights in a subject invention if:

(a) Contending that the invention is not a subject invention, it nevertheless reports the invention and the facts pertinent to its contention to the contracting officer within the time specified in k.1 or k.2 above; or

(b) It establishes that failure to report was due entirely to causes beyond its control and without its fault or negligence. The supplier is deemed to hold any such forfeited subject invention, and the patent applications and patents pertaining to it, in trust for the Postal Service pending written assignment of the invention. The rights accruing to the Postal Service under this paragraph k are in addition to, and do not supersede, any other rights the Postal Service may have in relation to unreported subject inventions. Nothing contained in this clause may be construed to require the supplier to report any invention that is not in fact a subject invention.

l. Examination of Records Relating to Inventions. The contracting officer, or an authorized representative, until the expiration of 3 years after final payment under this contract, has the right to examine any books, records, documents, and other supporting data of the supplier that the contracting officer or authorized representative reasonably deems directly pertinent to the discovery or identification of subject inventions or to compliance by the supplier with the requirements of this clause.

CLAUSE 8-3 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (MARCH 2006)

a. The supplier must report to the contracting officer, in writing, promptly and in reasonable detail, any notice, claim, or suit regarding patent or copyright infringement (or unauthorized use of a patent or copyright) based on performance of this contract.

b. At the contracting officer's request, the supplier must furnish all evidence and information in its possession pertaining to the suit or claim. The evidence and information will be furnished at the expense of the Postal Service except when the supplier has agreed to indemnify the Postal Service.

c. This clause must be included in all subcontracts under this contract, at any tier, over \$50,000.

CLAUSE 8-6 RIGHTS IN TECHNICAL DATA (MARCH 2006)

a. Definitions

(1) Data. Recorded information, regardless of the form or the medium on which it may be recorded. The term includes technical data and computer software. The term does not include information

incidental to contract administration, such as financial, administrative, cost or pricing, or management information.

(2) Form, Fit, and Function Data. Data relating to an item or process that are sufficient to enable physical and functional interchangeability, as well as data identifying source, size, configuration, mating and attachment characteristics, functional characteristics, and performance requirements; except that for computer software, it means data identifying origin, functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulas, and machine-level flow charts of the computer software.

(3) Limited Rights Data. Data other than computer software developed at private expense, including minor modifications of these data.

(4) Technical Data. Data other than computer software, of a scientific or technical nature.

(5) Unlimited Rights. The rights of the Postal Service in technical data and computer software to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, in any manner and for any purpose, and to have or permit others to do so.

b. Allocation of Rights

(1) Except as provided in paragraph c below regarding copyright, the Postal Service has unlimited rights in:

(a) Technical data first produced in the performance of this contract (except to the extent that they constitute minor modifications of data that are limited rights data);

(b) Form, fit, and function data delivered under this contract; except that all form, fit, and function data describing limited rights data must be delivered with unlimited rights;

(c) Technical data delivered under this contract that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this contract; and

(d) All other technical data delivered under this contract, unless provided otherwise in paragraph g below.

(2) The allocation of rights in any computer programs, data bases, and documentation will be determined by the Rights in Computer Software clause, except that limited rights data formatted as computer data bases for delivery to the Postal Service are to be treated as limited rights data under this Rights in Technical Data clause.

c. Copyright

(1) Unless provided otherwise in paragraph d below, the supplier may establish, without prior approval of the contracting officer, claim to copyright in scientific and technical articles based on, or containing, technical data first produced in the performance of this contract and published in academic, technical, or professional journals, symposia proceedings, or similar works. The prior, express written permission of the contracting officer is required to establish claim to copyright in all other technical data first produced in the performance of this contract. When making claim to copyright, the supplier must affix the applicable copyright notice of 17 U.S.C. 401 or 402. The supplier grants to the Postal Service and others acting on its behalf a paid-up, nonexclusive, irrevocable worldwide license in such copyright data to reproduce, prepare derivative works, distribute copies to the public, and perform and display the data publicly.

(2) The supplier may not, without prior written permission of the contracting officer, incorporate in technical data delivered under this contract any data not first produced in the performance of this contract containing the copyright notice of 17 U.S.C. 401 or 402, unless the supplier identifies the

data and grants to the Postal Service, or acquires on its behalf at no cost to the Postal Service, a license of the same scope as set forth in subparagraph c.1 above.

(3) The Postal Service agrees not to remove any copyright notices placed on data pursuant to this paragraph c, and to include such notices on all reproductions of the data.

d. Release, Publication, and Use of Technical Data

(1) The supplier has the right to use, release to others, reproduce, distribute, or publish any technical data first produced by the supplier in the performance of this contract, except to the extent these data may be subject to the federal export control or national security laws or regulations, or unless otherwise provided below in this paragraph d.2 following or expressly set forth in this contract.

(2) The supplier agrees that if it receives or is given access to data necessary for the performance of this contract that contain restrictive markings, the supplier will treat the data in accordance with the markings unless otherwise specifically authorized in writing by the contracting officer.

e. Unauthorized Marking of Data

(1) If any technical data delivered under this contract are marked with the notice specified in paragraph g below and the use of such a notice is not authorized by this clause, or if the data bear any other unauthorized restrictive markings, the contracting officer may at any time either return the data or cancel the markings. The contracting officer must afford the supplier at least 30 days to provide a written justification to substantiate the propriety of the markings. Failure of the supplier to timely respond, or to provide written justification, may result in the cancellation of the markings. The contracting officer must consider any written justification by the supplier and notify the supplier if the markings are determined to be authorized.

(2) The foregoing procedures may be modified in accordance with Postal Service regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request thereunder. In addition, the supplier is not precluded from bringing a claim in connection with any dispute that may arise as the result of a final disposition of the matter by a court of competent jurisdiction.

f. Omitted or Incorrect Markings

(1) Technical data delivered to the Postal Service without limited rights notice authorized by paragraph g below, or the copyright notice required by paragraph c above, will be deemed to have been furnished with unlimited rights, and the Postal Service assumes no liability for the disclosure outside the Postal Service, the supplier may request, within six months (or a longer time approved by the contracting officer) after delivery of the data, permission to have notices placed on qualifying technical data at the supplier's expense, and the contracting officer may agree to do so if the supplier:

(a) Indemnifies the technical data to which the omitted notice is to be applied;

(b) Demonstrates that the omission of the notice was inadvertent;

(c) Establishes that the use of the proposed notice is authorized; and

(d) Acknowledges that the Postal Service has no liability with respect to the disclosure, use, or reproduction of any such data made before the addition of the notice or resulting from the omission of the notice.

(2) The contracting officer may also (a) permit correction at the supplier's expense of incorrect notices if the supplier identifies the technical data on which correction of the notice is to be made and demonstrates that the correct notice is authorized, or (b) correct any incorrect notices.

g. Protection of Limited Rights Data. When technical data other than data listed in b.1(a), (b), and (c) above are specified to be delivered under this contract and qualify as limited rights data, if the supplier desires to continue protection of such data, the supplier must affix the following "Limited Rights Notice" to the data, and the Postal Service will thereafter treat the data, subject to paragraphs e and f above, in accordance with the Notice:

LIMITED RIGHTS NOTICE

These technical data are submitted with limited rights under

Postal Service Contract No. [] (and subcontract[], if appropriate). These data may be reproduced and used by the Postal Service with the express limitation that they will not, without written permission of the supplier, be used for purposes of manufacture or disclosed outside the Postal Service; except that the Postal Service may disclose these data outside the Postal Service for the following purposes, provided that the Postal Service makes such disclosure subject to prohibition against further use and disclosure:

- (1) Use (except for manufacture) by support service suppliers.
- (2) Evaluation by Postal Service evaluators.
- (3) Use (except for manufacture) by other suppliers participating in the Postal Service's program of which the specific contract is a part, for information and use in connection with the work performed under each contract.
- (4) Emergency repair or overhaul work.

This Notice must be marked on any reproduction of these data, in whole or in part.

h. Subcontracting. The supplier has the responsibility to obtain from its subcontractors all data and rights therein necessary to fulfill the supplier's obligations under the contract. If a subcontractor refuses to accept terms affording the Postal Service such rights, the supplier must promptly bring such refusal to the attention of the contracting officer and may not proceed with subcontract award without further authorization.

i. Relationship to Patents. Nothing contained in this clause implies a license to the Postal Service under any patent or may be construed as affecting the scope of any license or other right otherwise granted to the Postal Service.

CLAUSE 8-7 WITHHOLDING PAYMENT (TECHNICAL DATA AND COMPUTER SOFTWARE) (MARCH 2006)

a. Final payment under this contract will not be made until the supplier delivers all data (technical data and computer software) required by the contract.

b. If the contracting officer determines at any time that the supplier is not in full compliance with contract requirements for the delivery or, and rights in, any technical data or computer software, the contracting officer may withhold from payment up to \$50,000 as security for the supplier's performance. Withholding may not be made if the failure to make timely delivery or the deficiencies relating to delivered data arise out of causes beyond the control of the supplier and without fault or negligence of the supplier.

c. Any amount withheld under this clause not finally paid to the supplier is mitigation of damages and in no way affects the right of the Postal Service to collect actual damages for breach of this contract, including profits from exploitation of any rights in data.

d. Nonperformance by a subcontractor does not excuse any failure to comply with this clause.

CLAUSE 8-9 RIGHTS IN COMPUTER SOFTWARE (MARCH 2006)

a. Definitions

- (1) Computer Software. Computer programs, computer data bases, and their documentation.
- (2) Form, Fit, and Function Data. Data identifying origin, functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulas, and machine-level flow charts of the computer software.
- (3) Restricted Computer Software. Computer software developed at private expense that is a trade secret, is commercial or financial and confidential or privileged, or is published copyrighted computer software, including minor modifications of this computer software.
- (4) Restricted Rights. The rights of the Postal Service in restricted computer software, as set forth in a Restricted Rights Notice as provided in paragraph g below, or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract.
- (5) Unlimited Rights. The rights of the Postal Service in computer software to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, in any manner and for any purpose, and to have or permit others to do so.

b. Allocation of Rights. Except as provided in paragraph c below regarding copyright, the Postal Service has unlimited rights in:

- (1) Computer software first produced in the performance of this contract (except to the extent that it constitutes minor modifications of computer software that is restricted computer software);
- (2) Form, fit, and function data delivered under this contract; except that all form, fit, and function data describing limited rights data must be delivered with unlimited rights;
- (3) All other computer software delivered under this contract, except for restricted computer software provided in accordance with paragraph g below.

c. Copyright

(1)

(a) The prior, express written permission of the contracting officer is required to establish claim to copyright in all computer software or other data first produced in the performance of this contract. When making claim to copyright, the supplier must affix the applicable copyright notice of 17 U.S.C. 401. The supplier grants to the Postal Service and others acting on its behalf a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted computer software to reproduce, prepare derivative works, and perform and display the computer software and other data publicly.

(b) If the Postal Service desires to obtain copyright in the computer software first produced in the performance of the contract and permission has not been granted pursuant to c.1(a) above, the contracting officer may direct the supplier to establish, or authorize the establishment of, claim to copyright in the computer software and to assign, or obtain the written assignment of, the copyright to the Postal Service or its designated assignee.

(2) The supplier may not, without prior written permission of the contracting officer, incorporate in computer software delivered under this contract any computer software not first produced in the performance of this contract containing the copyright notice of 17 U.S.C. 401, unless the supplier identifies the computer software and grants to the Postal Service, or acquires on its behalf at no cost to the Postal Service, a license of the same scope as set forth in c.1.(a) above or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract.

(3) The Postal Service agrees not to remove the supplier's copyright notice placed on computer software pursuant to this paragraph c, and to include such notices on all reproduction of the computer software.

d. Release, Publication, and Use of Computer Software

(1) Unless prior written permission is obtained from the contracting officer or to the extent expressly set forth in this contract, the supplier will not use, release to others, reproduce, distribute, or publish any computer software first produced by the supplier in the performance of the contract.

(2) The supplier agrees that to the extent it receives or is given access to computer software necessary for the performance of this contract that contains restrictive markings, the supplier will treat the computer software in accordance with these markings unless otherwise specifically authorized in writing by the contracting officer.

e. Unauthorized Marking of Computer Software

(1) If any computer software delivered under this contract is marked with the notice specified in paragraph g below and the use of such a notice is not authorized by this clause, or if the computer software bears any other unauthorized restrictive markings, the contracting officer may at any time either return the computer software or cancel the markings. The contracting officer must afford the supplier at least 30 days to provide a written justification to substantiate the propriety of the markings. Failure of the supplier to timely respond, or to provide written justification, may result in the cancellation of the markings. The contracting officer must consider any written justification by the supplier and notify the supplier if the markings are determined to be authorized.

(2) The foregoing procedures may be modified in accordance with Postal Service regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request thereunder. In addition, the supplier is not precluded from bringing a claim in connection with any dispute that may arise as the result of the Postal Service's action to remove any markings on computer software, unless this action occurs as a result of a final disposition of the matter by a court of competent jurisdiction.

f. Omitted or Incorrect Markings

(1) Computer software delivered to the Postal Service without the restricted rights notice authorized by paragraph g below, or the copyright notice required by paragraph c above, will be deemed to have been furnished with unlimited rights, and the Postal Service assumes no liability for the disclosure, use or reproduction of such computer software. However, the extent the computer software has not been disclosed outside the Postal Service, the supplier may request, within six months (or a longer time approved by the contracting officer) after delivery of the computer software, permission to have notices placed on qualifying computer software at the supplier's expense, and the contracting officer may agree to do so if the supplier:

- (a) Identifies the computer software involved;
- (b) Demonstrates that the omission of the notice was inadvertent;
- (c) Establishes that the use of the proposed notice is authorized; and
- (d) Acknowledges that the Postal Service has no liability with respect to the disclosure, use, or reproduction of any such computer software made before the addition of the notice or relisting from the omission of the notice.

(2) The contracting officer may also (a) permit correction, at the supplier's expense, of incorrect notices if the supplier identifies the computer software on which correction of the notice is to be made and demonstrates that the correct notice is authorized, or (b) correct any incorrect notices.

g. Protection of Restricted Computer Software

(1) When computer software other than that listed in subparagraphs b.1 and b.2 above is specified to be delivered under this contract and qualifies as restricted computer software, if the supplier desires to continue protection of such computer software, the supplier must affix the following "Restricted Rights Notice" to the computer software, subject to paragraphs e and f above, in accordance with the Notice:

RESTRICTED RIGHTS NOTICE

(a) This computer software is submitted with restricted rights under Postal Service Contract No. [] and subcontract [], if appropriate). It may not be used, reproduced, or disclosed by the Postal Service except as provided below or as otherwise stated in the contract.

(b) This computer software may be:

(i) Used or copied for use in or with the computer or computers for which it was acquired, including use at any Postal Service installation at which the computer or computers may be transferred;

(ii) Used or copied for use in a backup computer if any computer for which it was acquired is inoperative;

(iii) Reproduced for safekeeping (archives) or backup purposes;

(iv) Modified, adapted, or combined with other computer software, provided that the modified, adapted, or combined portions of any derivative software incorporating restricted computer software are made subject to the same restricted rights;

(v) Disclosed to and reproduced for use by support service suppliers in accordance with i through iv above, provided the Postal Service makes such disclosure or reproduction subject to these restricted rights; and

(vi) Used or copied for use in or transferred to a replacement computer.

(c) Notwithstanding the foregoing, if this computer software is published copyrighted computer software, it is licensed to the Postal Service, without disclosure prohibitions, with the minimum rights set forth in the preceding paragraph.

(d) Any other rights or limitations regarding the use, duplication, or disclosure of this computer software are to be expressly stated in, or incorporated in, the contract.

(e) This Notice must be marked on any reproduction of this computer software, in whole or in part.

(2) When it is impracticable to include the above Notice on restricted computer software, the following short-form Notice may be used instead, on condition that the Postal Service's rights with respect to such computer software will be as specified in the above Notice unless otherwise expressly stated in the contract.

RESTRICTED RIGHTS NOTICE (SHORT FORM)

Use, reproduction, or disclosure is subject to restrictions set forth in Contract No. [] (and subcontract [], if appropriate) with []

h. Subcontracting. The supplier has the responsibility to obtain from its subcontractors all computer software and rights in it necessary to fulfill the supplier's obligations under this contract. If a subcontractor refuses to accept terms affording the Postal Service such rights, the supplier must promptly bring such refusal to the attention of the contracting officer and may not proceed with subcontract award without further authorization.

i. Standard Commercial License or Lease Agreements. The supplier unconditionally accepts the terms and conditions of this clause unless expressly provided otherwise in this contract or in a collateral agreement incorporated in and made part of this contract. Thus the supplier agrees that, notwithstanding any provisions to the contrary contained in the supplier's standard commercial license or lease agreement pertaining to any restricted computer software delivered under this contract, and irrespective of whether any such agreement has been proposed before or after issuance of this contract of the fact that such agreement may be affixed to or accompany the restricted computer software upon delivery, the Postal Service has the rights set forth in this clause to use, duplicate, or disclose any restricted computer software delivered under this contract.

CLAUSE 8-13 INTELLECTUAL PROPERTY RIGHTS (MARCH 2006)

All intellectual property rights evolving from studies, reports, or other data delivered under this contract are the sole property of the Postal Service. The supplier agrees to make, execute, and deliver to the Postal Service any papers or other instruments in such terms and contents as may be required for the filing of any required instrument necessary for preserving an intellectual property right and does hereby assign and transfer to the Postal Service the entire right, title, and interest in and to the intellectual property rights. Before final settlement of this contract, a final report must be submitted on Form 7398, Report of Inventions and Subcontracts, or other format acceptable to the contracting officer.

CLAUSE 8-17 DELIVERY OF LIMITED RIGHTS AND RESTRICTED COMPUTER SOFTWARE (MARCH 2006)

To the extent that the supplier has, in its proposal, identified pre-existing proprietary data or restricted computer software pursuant to the "Representation of Rights in Data" of the solicitation, the contracting officer, or a duly authorized representative, until the expiration of 3 years after final payment of this contract, will have the right to examine any books, records, documents or other data supporting the supplier's claim(s) hereunder. Notwithstanding the supplier's rights and claims of, and the Postal Service's agreement to protect, pre-existing proprietary data or software, the Postal Service will have unlimited or unrestricted rights without additional supplier compensation, to any data or software identified above, that is:

(1) Obtained independent of this contract;

(2) In the public domain; or

(3) Determined, subsequent to the effective date of this contract, to not have qualified as pre-existing data or software or a derivative of pre-existing data or software to which the supplier would have such proprietary rights.

CLAUSE 8-18 MANUFACTURE OF REPAIR PARTS (MARCH 2006)

In addition to the Postal Service rights specified in the "Limited Rights Notice" of the clause entitled "Rights in Technical Data" paragraph g, the Postal Service has the unilateral right to use competitive procedures to procure repair parts or assemblies for the equipment or supply items being developed under this contract. If the repair parts or assemblies have been identified as being subject to protection under "Limited Data Rights" or "Restricted Computer Software" provisions of this contract, the Postal Service will obtain a nondisclosure agreement from interested offerors prior to releasing any drawings, specifications or other descriptive documentation suitable for manufacturing or reproducing such repair parts of assemblies.

CLAUSE 9-1 CONVICT LABOR (MARCH 2006)

In connection with the work under this contract, the supplier agrees not to employ any person undergoing sentence of imprisonment, except as provided by E.O. 11755, December 28, 1973, as amended and 18 USC 3621 and 3622.

CLAUSE 9-2 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (MARCH 2006)

- a. Overtime Requirements. No supplier or subcontractor contracting for any part of the contract work may require or permit any laborer or mechanic to work more than 40 hours in any workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act, unless the laborer or mechanic receives compensation at a rate not less than one-and-one-half times the laborer's or mechanic's basic rate of pay for all such hours worked in excess of 40 hours.
- b. Violation, Liability for Unpaid Wages, and Liquidated Damages. In the event of any violation of paragraph a above, the supplier and any subcontractor responsible for the violation are liable to any affected employee for unpaid wages. The supplier and subcontractor are also liable to the Postal Service for liquidated damages, which will be computed for each laborer or mechanic at \$10 for each day on which the employee was required or permitted to work in violation of paragraph a above.
- c. Withholding for Unpaid Wages and Liquidated Damages. The contracting officer may withhold from the supplier, from any moneys payable to the supplier or subcontractor under this or any other contract with the same supplier, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act held by the same supplier, sums as may administratively be determined necessary to satisfy any liabilities of the supplier or subcontractor for unpaid wages and liquidated damages pursuant to paragraph b above.
- d. Records. The supplier or subcontractor must maintain for 3 years from the completion of the contract for each laborer and mechanic (including watchmen and guards) working on the contract payroll records which contain the name, address, social security number, and classification(s) of each such employee, hourly rates of wages paid, number of daily and weekly hours worked, deductions made, and actual wages paid. The supplier or subcontractor must make these records available for inspection, copying, or transcription by authorized representatives of the contracting officer and the Department of Labor, and must permit such representatives to interview employees during working hours on the job. (The Department of Labor information collection and record keeping requirements in this paragraph d have been approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017.)
- e. Subcontracts. The supplier must insert paragraphs a through d of this clause in all subcontracts, and must require their inclusion in all subcontracts at any tier.

CLAUSE 9-3 DAVIS-BACON ACT (MARCH 2006)

a. Minimum Wages

(1) All mechanics and laborers employed in the contract work (other than maintenance work of a recurring, routine nature necessary to keep the building or space in condition to be continuously used at an established capacity and efficiency for its intended purpose) must be paid unconditionally, and not less than once a week, without deduction or rebate (except for deductions permitted by the Copeland Regulations (29 CFR Part 3)), the amounts due at the time of payment computed at rates not less than the aggregate of the basic hourly rates and rates of payments, contributions, or costs for any fringe benefits contained in the wage-determination decision of the Secretary of Labor, attached hereto, regardless of any contractual relationship alleged to exist between the lessor (for construction contracts, use "supplier" instead of "lessor"), or subcontractor and these laborers and mechanics. A copy of the wage-determination decision must be kept posted by the lessor at the site of the work in a prominent place where it can easily be seen by the workers.

(2) The lessor may discharge its obligation under this clause to workers in any classification for which the wage-determination decision contains:

(a) Only a basic hourly rate of pay, by making payment at not less than that rate, except as otherwise provided in the Copeland Regulations (29 CFR Part 3); or

(b) Both a basic hourly rate of pay and fringe-benefit payments, by paying in cash, by irrevocably contributing to a fund, plan, or program for, or by assuming an enforceable commitment to bear the cost of, bona fide fringe benefits contemplated by 40 U.S.C. 276a, or by a combination of these.

(3) Contributions made, or costs assumed, on other than a weekly basis (but not less often than quarterly) are considered as having been constructively made for a weekly period. When a fringe benefit is expressed in a wage determination in any manner other than as an hourly rate and the lessor pays a cash equivalent or provides an alternative fringe benefit, the lessor must furnish information with the lessor's payrolls showing how the lessor determined that the cost incurred to make the cash payment or to provide the alternative fringe benefit is equal to the cost of the wage-determination fringe benefits. When the lessor provides a fringe benefit different from that contained in the wage determination, the lessor must show how the hourly rate was arrived at. In the event of disagreement as to an equivalent of any fringe benefit, the contracting officer must submit the question, together with the contracting officer's recommendation, to the Secretary of Labor for final determination.

(4) If the supplier does not make payments to a trustee or other third person, the supplier may consider as payment of wages the costs reasonably anticipated in providing bona fide fringe benefits, but only with the approval of the Secretary of Labor pursuant to a written request by the lessor. The Secretary of Labor may require the lessor to set aside assets in a separate account, to meet the lessor's obligations under any unfunded plan or program.

(5) The contracting officer will require that any class of laborers or mechanics not listed in the wage-determination but to be employed under the contract will be classified in conformance with the wage determination and report the action taken to the

ADMINISTRATOR OF THE WAGE AND HOUR DIVISION

EMPLOYMENT STANDARDS ADMINISTRATION

US DEPARTMENT OF LABOR

WASHINGTON DC 20210-0001

for approval. The contracting officer will approve an additional classification and wage rate and fringe benefits therefore only if:

(a) The work to be performed by the classification requested is not performed by a classification in the wage determination;

(b) The classification is utilized in the area by the construction industry; and

(c) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(6) If the lessor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate and fringe benefits therefore, the contracting officer must submit the question, together with the views of the interested parties and the contracting officer's recommendation, to the Wage and Hour Administrator for final determination. The Administrator or an authorized representative will, within 30 days of receipt, approve, modify, or disapprove every proposed additional classification action, or issue a final determination if the parties disagree, and so advise the contracting officer or advise that additional time is necessary. The finally approved wage rate (and fringe benefits if appropriate) must be paid to all workers performing work in the classification under the contract from the first day work is performed in the classification. The lessor must post a copy of the final determination of the conformance action with the wage determination at the site of the work. (The Department of Labor information collection and reporting requirements contained in subparagraph a.5 above and in this

subparagraph a.6 have been approved by the Office of Management and Budget under OMB control number 1215-0140.)

b. Apprentices and Trainees

(1) Apprentices may be permitted to work only when

(a) Registered, individually, under a bona fide apprenticeship program registered with a state apprenticeship agency recognized by the Bureau of Apprenticeship and Training, U.S. Department of Labor, or, if no such recognized agency exists in a state, under a program registered with the Bureau of Apprenticeship and Training; or

(b) If not individually registered in the program, certified by the Bureau of Apprenticeship and Training or state agency (as appropriate) to be eligible for probationary employment as an apprentice. Trainees may be permitted to work only if individually registered in a program approved by the Employment and Training Administration, U.S. Department of Labor.

(2) The ratio of apprentices to journeymen or trainees to journeymen in any craft classification must not be greater than that permitted for the lessor's entire work force under the registered apprenticeship or trainee program. Apprentices and trainees must be paid at least the applicable wage rates and fringe benefits specified in the approved apprenticeship or trainee program for the particular apprentice's or trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. If the apprenticeship or trainee program does not specify fringe benefits, apprentices or trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification unless the Administrator of the Wage and Hour Division determines that a different practice prevails. Any employee listed on a payroll at an apprentice or trainee wage rate but not registered, or performing work on the job site in excess of the ratio permitted under the registered program, must be paid the wage rate on the wage determination for the classification or work actually performed.

(3) If the Bureau of Apprenticeship and Training or the state agency recognized by the Bureau (as appropriate) withdraws approval of an apprenticeship program, or if the Employment and Training Administration withdraws approval of a trainee program, the supplier will no longer be permitted to utilize apprentices or trainees (as appropriate) at less than the applicable predetermined rate for the work performed until an acceptable program is approved. (See 29 CFR 5.16 for special provisions that apply to training plans approved or recognized by the Department of Labor prior to August 20, 1975.)

(4) The utilization of apprentices, trainees, and journeymen must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

c. Overtime Compensation

(1) The lessor may not require or permit any laborer or mechanic employed on any work under this contract to work more than 40 hours in any workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act

(40 U.S.C. 3701 et seq.), unless the laborer or mechanic receives compensation at a rate not less than one-and-one-half times the laborer's or mechanic's basic rate of pay for all such hours worked in excess of 40 hours.

(2) For violations for subparagraph c.1 above, the lessor is liable for liquidated damages, which will be computed for each laborer or mechanic at \$10 for each day on which the employee was required or permitted to work in violation of subparagraph c.1 above.

(3) The contracting officer may withhold from the lessor sums as may administratively be determined necessary to satisfy any liabilities of the lessor for unpaid wages and liquidated damages pursuant to subparagraph c.2 above.

d. Payroll and Other Records

(1) For all laborers and mechanics employed in the work covered by this clause, the lessor must maintain payrolls and related basic records and preserve them for a period of 3 years after contract completion. The records must contain the name, address, and social security number of each employee, the employee's correct classification, rate of pay (including rates of contributions for, or costs assumed to provide, fringe benefits), the daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the lessor has obtained approval from the Secretary of Labor to assume a commitment to bear the cost of fringe benefits under subparagraph a.4 above, the lessor must maintain records showing the commitment and its approval, communication of the plan or program to the employees affected, and the costs anticipated or incurred under the plan or program. Lessors employing apprentices or trainees under approved programs must maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (The Department of Labor information collection and record keeping requirements in this subparagraph d.1 have been approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017).

(2) The lessor must submit weekly, for each week in which any work covered by this clause is performed, a copy of all payrolls to the contracting officer. The lessor is responsible for the submission of copies of payrolls of all subcontractors. The copy must be accompanied by a statement signed by the lessor indicating that the payrolls are correct and complete, that the wage rates contained in them are not less than those determined by the Secretary of Labor, and that the classifications set forth for each laborer or mechanic conform with the work the laborer or mechanic performed. Submission of the Weekly Statement of Compliance (see 29 CFR 5.5(a)(3)(ii)) required under this agreement satisfies this requirement. As required by this clause, the lessor must submit a copy of any approval by the Secretary of Labor. (The Department of Labor information collection and reporting requirements in this subparagraph d.2 have been approved by the Office of Management and Budget under OMB control number 1215-0149.)

(3) The lessor's records required under this clause must be available for inspection by authorized representatives of the contracting officer and the Department of Labor, and the lessor must permit the representative to interview employees during working hours on the job.

(4) The lessor must comply with the Copeland Regulations of the Secretary of Labor (29 CFR Part 3), which are hereby incorporated in this contract by reference.

e. Withholding of Funds. The contracting officer may withhold from the lessor under this or any other contract with the lessor so much of the accrued payments or advances as is considered necessary to pay all laborers and mechanics the full amount of wages required by this contract or any other contract subject to the Davis-Bacon prevailing wage requirements that is held by the lessor.

f. Subcontracts

(1) If the lessor or any subcontractor fails to pay any laborer or mechanic employed on the site of the work any of the wages required by the contract, the contracting officer may, after written notice to the lessor, suspend further payments or advances to the lessor until violations have ceased.

(2) The lessor agrees to insert this clause, including this paragraph f, in all subcontracts hereunder. The term "lessor" as used in this clause in any subcontract, is deemed to refer to the lower-tier subcontractor.

g. Compliance with Davis-Bacon and Related Acts Requirements. All rulings and interpretations of the Davis-Bacon Act and related acts contained in 29 CFR Parts 1, 3, and 5 are hereby incorporated by reference in this contract.

h. Certification of Eligibility

(1) By entering into this contract, the lessor certifies that neither it or any person or firm having an interest in the lessor is ineligible to be awarded contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(2) No part of this contract will be subcontracted to any person or firm ineligible for contract award by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(3) The penalty for making false statements is prescribed in the

U.S. Criminal Code, 18 U.S.C. 1001.

i. Contract Termination and Debarment. A breach of this Davis-Bacon Act clause may be grounds for termination of the contract and debarment as a supplier and subcontractor as provided in 29 CFR 5.12.

j. Disputes Concerning Labor Standards. Disputes arising out of the labor standards provisions of this contract are not subject to the Claims and Disputes clause. They will be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5,6, and 7. Disputes within the meaning of this clause include disputes between the lessor (or any of its subcontractors) and the Postal Service, the U.S. Department of Labor, or the employees or their representatives.

CLAUSE 9-4 COMPLIANCE BY STATES WITH LABOR STANDARDS (MARCH 2006)

a. The supplier agrees to comply with the Contract Work Hours and Safety Standards Act - Overtime Compensation and Davis-Bacon Act clauses of this contract, to provide for similar compliance in subcontracts with states or political subdivisions thereof, and to insert the clauses in all subcontracts with private persons or firms.

CLAUSE 9-5 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - SAFETY STANDARDS (MARCH 2006)

a. To the extent that the work includes construction, alteration, repair, painting, or decorating, the lessor (for construction contracts, use "supplier" instead of "lessor") may not require any laborer or mechanic to work in surroundings or under conditions that are unsanitary, hazardous, or dangerous to the laborer's or mechanic's health or safety, as provided under standards promulgated by the Secretary of Labor under the authority of 40 U.S.C. 333 (see 29 CFR 1910 and 1926).

b. If the lessor fails to comply with this clause, the Postal Service, at its discretion, may cancel this contract, contract for the balance of the work or term, and charge to the lessor any additional costs incurred.

c. The lessor agrees to insert this clause, including this paragraph c, in all subcontracts and to require its inclusion in all subcontracts at any tier. The term "lessor," as used in this clause in any subcontract, is deemed to refer to the lower-tier subcontractor.

CLAUSE 9-6 WALSH-HEALEY PUBLIC CONTRACTS ACT (OCTOBER 2019)

a. All representations and stipulations required by the Act and related regulations issued by the Secretary of Labor (41 CFR Chapter 50) are hereby incorporated in this contract by reference. These representations and stipulations are subject to all applicable rulings and interpretations of the Secretary of Labor.

b. All employees whose work relates to this contract must be paid at least the minimum wage prescribed by the Secretary of Labor (41 CFR 50-202.2), except that learners, student learners, apprentices, and workers with disabilities may be employed at less than the prescribed minimum wage (see 41 CFR 50-202.3) to the same extent as permitted under Section 14 of the Fair Labor Standards Act.

CLAUSE 9-7 EQUAL OPPORTUNITY (MARCH 2006)

a. The supplier may not discriminate against employees or applicants because of race, color, religion, sex, or national origin. The supplier will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, or national origin. This action must include, but not be limited to, 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 supplier agrees to post in conspicuous places, available to employees and applicants, notices provided by the contracting officer setting forth the provisions of this clause.

b. The supplier must, in all solicitations or advertisements for employees placed by it or on its behalf, state that all qualified applicants will be considered for employment without regard to race, color, religion, sex, or national origin.

c. The supplier must send to each union or workers' representative with which the supplier has a collective bargaining agreement or other understanding, a notice, provided by the contracting officer, advising the union or workers' representative of the supplier's commitments under this clause, and must post copies of the notice in conspicuous places available to employees and applicants.

d. The supplier must comply with all provisions of Executive Order (EO) 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The supplier must furnish all information and reports required by the Executive Order, and by the rules, regulations, and orders of the Secretary, and must permit access to the supplier's books, records, and accounts by the Postal Service and the Secretary for purposes of investigation to ascertain compliance with these rules, regulations, and orders.

f. If the supplier fails to comply with this clause or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part; the supplier may be declared ineligible for further contracts in accordance with the Executive Order; and other sanctions may be imposed and remedies invoked under the Executive Order, or by rule, regulation, or order of the Secretary, or as otherwise provided by law.

g. The supplier must insert this clause, including this paragraph g, in all subcontracts or purchase orders under this contract unless exempted by Secretary of Labor rules, regulations, or orders issued under the Executive Order. The supplier must take such action with respect to any such subcontract or purchase order as the Postal Service may direct as a means of enforcing the terms and conditions of this clause (including sanctions for noncompliance), provided, however, that if the supplier becomes involved in, or is threatened with, litigation as a result, the supplier may request the Postal Service to enter into the litigation to protect the interest of the Postal Service.

h. Disputes under this clause will be governed by the procedures in 41 CFR 60-1.1.

CLAUSE 9-9 EQUAL OPPORTUNITY PREAWARD COMPLIANCE OF SUBCONTRACTS (MARCH 2006)

The supplier may not enter into a first-tier subcontract for an estimated or actual amount of \$10 million or more without obtaining in writing from the contracting officer a clearance that the proposed subcontractor is in compliance with equal opportunity requirements and therefore eligible for award.

CLAUSE 9-10 SERVICE CONTRACT ACT (OCTOBER 2019)

a. This contract is subject to the Service Contract Act of 1965, as amended (41 U.S.C. 6701 et seq.), and to the following provisions and all other applicable provisions of the Act and regulations of the Secretary of Labor issued under the Act (29 CFR Part 4).

b.

(1) Each service employee employed in the performance of this contract by the supplier or any subcontractor must be (a) paid not less than the minimum monetary wages and (b) furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor or an authorized representative, as specified in any wage determination attached to this contract.

(2)

(a) If a wage determination is attached to this contract, the contracting officer must require that any class of service employees not listed in it and to be employed under the contract (that is, the work to be performed is not performed by any classification listed in the wage determination) be classified by the supplier so as to provide a reasonable relationship (that is, appropriate level of skill comparison) between the unlisted classifications and the classifications in the wage determination. The conformed class of employees must be paid the monetary wages and furnished the fringe benefits determined under this clause. (The information collection requirements contained in this paragraph b have been approved by the Office of Management and Budget under OMB control number 1215-0150.)

(b) The conforming procedure must be initiated by the supplier before the performance of contract work by the unlisted class of employees. A written report of the proposed conforming action, including information regarding the agreement or disagreement of the authorized representative of the employees involved or, if there is no authorized representative, the employees themselves, must be submitted by the supplier to the contracting officer no later than 30 days after the unlisted class of employees performs any contract work. The contracting officer must review the proposed action and promptly submit a report of it, together with the agency's recommendation and all pertinent information, including the position of the supplier and the employees, to the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, for review. Within 30 days of receipt, the Wage and Hour Division will approve, modify, or disapprove the action, render a final determination in the event of disagreement, or notify the contracting officer that additional time is necessary.

(c) The final determination of the conformance action by the Wage and Hour Division will be transmitted to the contracting officer, who must promptly notify the supplier of the action taken. The supplier must give each affected employee a written copy of this determination, or it must be posted as a part of the wage determination.

(d)

(i) The process of establishing wage and fringe benefit rates bearing a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach used may vary from determination to determination, depending on the circumstances. Standard wage and salary administration practices ranking various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way various jobs are rated under federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of conformable wage rates is the concept that a pay relationship should be maintained between job classifications on the basis of the skill required and the duties performed.

(ii) If a contract is modified or extended or an option is exercised, or if a contract succeeds a contract under which the classification in question was previously conformed pursuant to this clause, a new conformed wage rate and fringe benefits may be assigned to the conformed classification by indexing

(that is, adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase change in the wages and fringe benefits specified for all classifications to be used on the contract that are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. If these conforming actions are accomplished before the performance of contract work by the unlisted class of employees, the supplier must advise the contracting officer of the action taken, but the other procedures in b.2(c) above need not be followed.

(iii) No employee engaged in performing work on this contract may be paid less than the currently applicable minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(e) The wage rate and fringe benefits finally determined pursuant to b.2(a) and (b) above must be paid to all employees performing in the classification from the first day on which contract work is performed by them in the classification. Failure to pay unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date the class of employees began contract work is a violation of the Service Contract Act and this contract.

(f) Upon discovery of failure to comply with b.2(a) through (e) above, the Wage and Hour Division will make a final determination of conformed classification, wage rate, and/or fringe benefits that will be retroactive to the date the class of employees commenced contract work.

(3) If, as authorized pursuant to section 4(d) of the Service Contract Act, the term of this contract is more than one year, the minimum monetary wages and fringe benefits required to be paid or furnished to service employees will be subject to adjustment after one year and not less often than once every two years, pursuant to wage determinations to be issued by the Wage and Hour Division, Employment Standards Administration of the Department of Labor.

c. The supplier or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined conformably to it by furnishing any equivalent combinations of bona fide fringe benefits, or by making equivalent or differential payments in cash in accordance with the applicable rules set forth in Subpart D of 29 CFR Part 4, and not otherwise.

d.

(1) In the absence of a minimum-wage attachment for this contract, neither the supplier nor any subcontractor under this contract may pay any person 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. Nothing in this provision relieves the supplier or any subcontractor of any other obligation under law or contract for the payment of a higher wage to any employee.

(2) (a) If this contract succeeds a contract subject to the Service Contract Act, under which substantially the same services were furnished in the same locality, and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, in the absence of a minimum wage attachment for this contract setting forth collectively bargained wage rates and fringe benefits, neither the supplier nor any subcontractor under this contract may pay any service employee performing any of the contract work (regardless of whether or not the employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in the agreement, to which the employee would have been 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 the agreement.

(b) No supplier or subcontractor under this contract may be relieved of the foregoing obligation unless the limitations of section 4.1(b) of 29 CFR Part 4 apply or unless the Secretary of Labor or an authorized representative finds, after a hearing as provided in section 4.10 of 29 CFR Part 4, that the

wages and/or fringe benefits provided for in the agreement vary substantially from those prevailing for services of a similar character in the locality, or determines, as provided in section 4.11 of 29 CFR Part 4, that the agreement applicable to service employees under the predecessor contract was not entered into as a result of arm's-length negotiations.

(c) If it is found in accordance with the review procedures in 29 CFR 4.10 and/or 4.11 and Parts 6 and 8 that wages and/or fringe benefits in a predecessor supplier's collective bargaining agreement vary substantially from those prevailing for services of a similar character in the locality, and/or that the agreement applicable to service employees under the predecessor contract was not entered into as a result of arm's-length negotiations, the Department will issue a new or revised wage determination setting forth the applicable wage rates and fringe benefits. This determination will be made part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Board of Service Contract Appeals, as the case may be, irrespective of whether its issuance occurs before or after award (53 Comp. Gen. 401 (1973)). In the case of a wage determination issued solely as a result of a finding of substantial variance, it will be effective as of the date of the final administrative decision.

e. The supplier and any subcontractor under this contract must notify each service employee starting work on the contract of the minimum monetary wage and any fringe benefits required to be paid pursuant to the contract, or must post the wage determination attached to this contract. The poster provided by the Department of Labor (Publication WH 1313) must be posted in a prominent and accessible place at the worksite. Failure to comply with this requirement is a violation of section 2(a)(4) of the Act and of this contract. (Approved by the Office of Management and Budget under OMB control number 1215-0150.)

f. The supplier or subcontractor may not permit 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 supplier or subcontractor that are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish these services, and the supplier or subcontractor must comply with the safety and health standards applied under 29 CFR Part 1925.

g.

(1) The supplier and each subcontractor performing work subject to the Act must maintain for 3 years from the completion of the work records containing the information specified in (a) through (f) following for each employee subject to the Service Contract Act and must make them available for inspection and transcription by authorized representatives of the Wage and Hour Division, Employment Standards Administration of the U.S. Department of Labor (approved by the Office of Management and Budget under OMB control numbers 1215-0017 and 1215-0150):

(a) Name, address, and social security number of each employee.

(b) The correct work classification, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of fringe benefit payments in lieu thereof, and total daily and weekly compensation of each employee.

(c) The number of daily and weekly hours so worked by each employee.

(d) Any deductions, rebates, or refunds from the total daily or weekly compensation of each employee.

(e) A list of monetary wages and fringe benefits for those classes of service employees not included in the wage determination attached to this contract but for whom wage rates or fringe benefits have been determined by the interested parties or by the Administrator or authorized representative pursuant to paragraph b above. A copy of the report required by b.2(b) above is such a list.

(f) Any list of the predecessor supplier's employees furnished to the supplier pursuant to section 4.6(1)(2) of 29 CFR Part 4.

(2) The supplier must also make available a copy of this contract for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available the records specified in this paragraph g for inspection and transcription is a violation of the regulations and this contract, and in the case of failure to produce these records, the contracting officer, upon direction of the Department of Labor and notification of the supplier, must take action to suspend any further payment or advance of funds until the violation ceases.

(4) The supplier must permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the worksite during normal working hours.

h. The supplier must unconditionally pay to each employee subject to the Service Contract Act all wages due free and clear and without subsequent deduction (except as otherwise provided by law or regulations, 29 CFR Part 4), rebate, or kickback on any account. Payments must be made no later than one pay period following the end of the regular pay period in which the wages were earned or accrued. A pay period under the Act may not be of any duration longer than semimonthly.

i. The contracting officer must withhold or cause to be withheld from the Postal Service supplier under this or any other contract with the supplier such sums as an appropriate official of the Department of Labor requests or the contracting officer decides may be necessary to pay underpaid employees employed by the supplier or subcontractor. In the event of failure to pay employees subject to the Act wages or fringe benefits due under the Act, the Postal Service may, after authorization or by direction of the Department of Labor and written notification to the supplier, suspend any further payment or advance of funds until the violations cease. Additionally, any failure to comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In this event, the Postal Service may enter into other contracts or arrangements for completion of the work, charging the supplier in default with any additional cost.

j. The supplier agrees to insert this clause in all subcontracts subject to the Act. The term "supplier," as used in this clause in any subcontract, is deemed to refer to the subcontractor, except in the term "supplier."

k. Service employee means any person engaged in the performance of this contract 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. The term includes all such persons regardless of any contractual relationship that may be alleged to exist between a supplier or subcontractor and them.

l.

(1) If wages to be paid or fringe benefits to be furnished service employees employed by the supplier or a subcontractor under the contract are provided for in a collective bargaining agreement that is or will be effective during any period in which the contract is being performed, the supplier must report this fact to the contracting officer, together with full information as to the application and accrual of these wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and furnish a copy of the agreement. The report must be made upon starting performance of the contract, in the case of collective bargaining agreements effective at the time. In the case of agreements or provisions or amendments thereof effective at a later time during the period of contract performance, they must be reported promptly after their negotiation. (Approved by the Office of Management and Budget under OMB control number 1215-0150.)

(2) Not less than 10 days before completion of any contract being performed at a Postal facility where service employees may be retained in the performance of a succeeding contract and subject to a

wage determination containing vacation or other benefit provisions based upon length of service with a supplier (predecessor) or successor (section 4.173 of Regulations, 29 CFR Part 4), the incumbent supplier must furnish to the contracting officer a certified list of the names of all service employees on the supplier's or subcontractor's payroll during the last month of contract performance. The list must also contain anniversary dates of employment on the contract, either with the current or predecessor suppliers of each such service employee. The contracting officer must turn over this list to the successor supplier at the commencement of the succeeding contract. (Approved by the Office of Management and Budget under OMB control number 1215-0150.)

m. Rulings and interpretations of the Service Contract Act of 1965, as amended, are contained in Regulations, 29 CFR Part 4.

n.

(1) By entering into this contract, the supplier and its officials certify that neither they nor any person or firm with a substantial interest in the supplier's firm are ineligible to be awarded government contracts by virtue of the sanctions imposed pursuant to section 5 of the Act.

(2) No part of this contract may be subcontracted to any person or firm ineligible for award of a government contract pursuant to section 5 of the Act.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

o. Notwithstanding any of the other provisions of this clause, 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 before its amendment by Public Law 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of government business:

(1) Apprentices, student-learners, and workers whose earning capacity is impaired by age, or 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 without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of the Act, in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, persons with disabilities, and disabled clients of work centers under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(2) The Administrator will issue certificates under the Service Contract Act for the employment of apprentices, student-learners, persons with disabilities, or disabled clients of work centers 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).

CLAUSE 9-13 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (OCTOBER 2019)

a. The supplier and subcontractors must abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

b. Subcontracts. The supplier will insert the terms of this clause in subcontracts of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. The supplier will act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms,

including action for noncompliance. Such necessary changes in language may be made as appropriate to identify properly the parties and their undertakings.

CLAUSE 9-14 EQUAL OPPORTUNITY FOR VEVRAA PROTECTED VETERANS (JUNE 2020)

a. The supplier must comply with the rules, regulations, and relevant orders of the Secretary of Labor issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended (38 U.S.C. 4211 and 4212).

b. The supplier and subcontractor must abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime suppliers and subcontractors to employ and advance in employment qualified protected veterans.

c. Subcontracts. The supplier will insert the terms of this clause in subcontracts of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. The supplier will act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as appropriate to identify properly the parties and their undertakings.

CLAUSE SC-01 TECHNOLOGY PROTECTION/USPS LICENSE

1. For the purpose of this Clause, the word "Contract Technology" shall refer to Supplier's own patented and/or proprietary technology, including inventions, technical data and/or software, delivered or incorporated in the equipment and/or services under this Contract (the "Product" or "Products"), and excludes all commercial off the shelf technology and technology that is not owned by the Supplier, including consumables not owned by the Supplier, that may be employed in the equipment supplied.

2. In the event the Supplier, or any capable successor, at any time for any reason (i) makes a public announcement that it is electing to decline to perform postal work as provided under this Contract or under future Postal Service Contracts or purchase orders for delivery of Products or specifically declines in writing to submit a proposal under this Contract or a future Postal Service Request for Proposal (RFP) for delivery of additional units of Products, or fails to respond within sixty (60) calendar days to a Postal Service Request for Proposal (RFP) under this Contract or any future potential Postal Service Contract for delivery of additional units of Products, or willfully suspends performance under this Contract and maintains such suspension subsequent to written Contracting Officer direction to proceed with performance, and within a reasonable time after such announcement, decision not to submit a proposal, or suspension of performance, no capable entity acquires the right from the Supplier or any capable successor to perform under this Contract or such future contracts or Purchase Orders or (ii) ceases doing postal mail automation business and after a reasonable time period Supplier has failed to transfer the Contract Technology to a capable entity that assumes or has purchased the right to continue doing all or the postal part of supplier's business; or (iii) declares bankruptcy under Chapter 7 of the Bankruptcy Code and suppliers' assets are frozen, or is judged bankrupt by a competent court and such Contract Technology is not acquired, transferred, or attached by a capable successor after due action by the creditors of supplier; or (iv) has its corporate charter revoked by the appropriate state agency and within a reasonable time such Contract Technology is not acquired, transferred, or attached by a capable successor; or (v) the Postal Service or any other federal agency debars or suspends Supplier resulting in the Supplier becoming ineligible to receive award of Postal Service contracts and after a reasonable time period Supplier has failed to transfer or license the Technology to a capable entity the Supplier hereby provides to the Postal Service and the Postal Service hereby obtains:

(a) a royalty-free, non-exclusive license, with the right to grant sublicenses, with respect to any inventions or patents employed by the Contract Technology to the extent reasonably necessary for

the Postal Service to employ or have employed the Contract Technology for its postal mail processing purposes, specifically the ability to either complete this Contract or deploy additional units with the defined Contract Technology, and

(b) a royalty-free, non-exclusive license, with the right to grant sublicenses, with respect to any other Supplier information, and/or copyright protected work, including, but not limited to technical data and computer operating code and source code, to the extent reasonably necessary for the Postal Service to employ the Contract Technology for its postal mail processing purposes, specifically the ability to either complete this Contract or deploy additional units with the defined Contract Technology.

3. As concerns the Postal Service right to deploy additional units pursuant to Paragraph 2 above, the Postal Service agrees to provide for notification to the Supplier reasonably in advance of any third party contract action, to include the quantity of units to be employed or acquired. In no circumstance shall the Postal Service make or have made additional units pursuant to the license provided in Paragraph 2 above for purposes of resale or other commercial application. Additionally, under the circumstances as provided under Paragraph 2, nothing contained therein shall be interpreted to confer a license to the Postal Service in the event the Supplier has made or is making a transfer of the Contract Technology to a capable successor or otherwise limit the Supplier's ability to transfer its intellectual property to a capable successor in a non royalty-free license manner for purposes of producing additional units as required by the Postal Service, except as described in Paragraph 6 below.

4. It is agreed by the Postal Service, that the Supplier's grant of a royalty-free, non-exclusive license, with the right to grant sublicenses pursuant to Paragraph 2, does not extend to the Postal Service employing the Contract Technology with third parties for additional research and development efforts, or upgrades outside the scope of the work as provided under this Contract.

5. Supplier warrants that it has the full right and authority to make the grants set forth in this Clause.

6. The Postal Service rights described in Paragraph 2 above shall only exist for as long as the conditions described in Paragraph 2 exist. However, once the Postal Service executes a contract using the rights described in Paragraph 2, the Postal Service's royalty-free, non-exclusive license, and any royalty free sublicenses the Postal Service issues remain effective until performance of that contract, including any possible modifications or extensions is complete. In such circumstance, the Postal Service shall execute a nondisclosure agreement with any third party which limits further usage and disclosure of any provided information solely to use within the subject Postal Service contract.

7. This Clause shall continue in effect beyond final performance and payment under this Contract, and shall continue in effect for as long as the Postal Service continues to use equipment, software and/or services employing the Contract Technology.

8. This Clause does not apply to any patents to which the Postal Service holds title or to any technical data or computer software to which the Postal Service possesses either title or unlimited rights to use. In addition, this clause shall not reduce or affect any rights the Postal Service already possesses in technical data, software or patents, including, but not limited to, any limited rights in technical data or restricted rights in software granted by other clauses of this Contract.

9. The Postal Service agrees to release and hold the Supplier harmless for any damage or liability accruing to the Postal Service related to the use of the Supplier's Contract Technology, pursuant to an event described in Paragraph 2, which Contract Technology is understood to be "as is", under the specific circumstances and terms of this clause. This release shall have no other effect or otherwise modify any other term or condition of this Contract, nor limit the Postal Service's remedies except as to the specific circumstances and use of the Supplier's Contract Technology described within this clause.

4 - PART 4 - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

<u>Enclosure Number</u>	<u>Title</u>	<u>Number of Pages</u>
1	Instructions to Offerors	7
2	AGV EITS Production Deployment Statement of Work (SOW)	395
3	SOW Section B, Deliverables Table	Electronic
4	AGV EITS Technical Data Package (TDP)	Electronic
5	Evaluation Criteria	4
6	Pricing Template – Cost Proposal Estimate	Electronic
7	SOW Compliance Matrix	Electronic