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Where necessary, to identify the applicable parties under the following clauses, “Contractor” shall mean “Seller,” “Contracting Officer” shall mean “Lockheed Martin Procurement Representative,” “Contract” means this subcontract and “Government” means “Lockheed Martin.” However, the words “Government” and “Contracting Officer” do not change: (1) when a right, act, authorization or obligation can be granted or performed only by the Government or the Prime Contract Contracting Officer or duly authorized representative, including but not limited to (i) audit rights to Seller’s proprietary business records or (ii) any indemnification or limitation of liability obligation, which obligation shall remain with the Government; (2) when title to property is to be transferred directly to the Government, and (3) when the Government is granted ownership or other rights to Seller’s intellectual property or technical data.

Full Text Clauses**H – 09 SUSPECT/COUNTERFEIT ITEMS (S/CI) - 128SCI (07-20)**

Suspect/counterfeit item(s) (S/CI), fraudulent items (FI), fraudulent services, and fraudulent misrepresentation of goods or services are of serious concern to NTESS because they not only threaten personal safety, equipment, and system reliability, but also, may inhibit compliance with regulatory standards. Failure of a safety or mission critical system due to S/CI & FI could also result in security implications at DOE facilities.

(a) Definitions

1. Genuine Item. Items that are produced and certified without the intent to deceive.
2. Counterfeit Items. Items that are intentionally manufactured, refurbished or altered to imitate original products without authorization in order to be passed off as genuine.
3. Fraudulent Items. Items that are intentionally misrepresented with intent to deceive, including items provided with incorrect identification or falsified and/or inaccurate certification. They may also include items sold by entities that have acquired the legal right to manufacture a specified quantity of an item but produce a larger quantity than authorized and sell the excess as legitimate inventory.
4. Suspect Items. Items where there is an indication or suspicion that they may not be genuine.

(b) The following provisions supplement and incorporate the existing subcontract terms by reference:

1. Subcontractor expressly represents that all items, services, or software provided under this subcontract are suitable for the intended or specified use (i.e. within the subcontractor's parameters or as specified by NTESS), and do not include substandard materials, unintended, or unspecified characteristics (i.e. functionality that is not previously defined in documentation or otherwise to NTESS) or substitutions unless otherwise consulted or approved by NTESS.
2. Subcontractor represents and shall ensure that counterfeit items, including component parts, and/or materials will not be furnished or delivered to NTESS.

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3. Subcontractor represents authorized and lawful use of any labels, trademarks, or logos designed for/affixed to items supplied or delivered to NTESS.
 4. Subcontractor represents that all items, goods, or services provided to NTESS are verifiably compliant with any applicable quality, and/or safety and manufacturing standards that may be noted in the statement of work, catalog, or is included as part of the description or sale of the item including, but not limited to U.S. Government or industry accepted specifications and national consensus standards.
 5. Subcontractor shall use counterfeit prevention and/or quality assurance procedures, that include a counterfeit and fraudulent item detection program.
 6. Subcontractor shall notify NTESS if Subcontractor suspects or becomes aware of used or counterfeit goods furnished to NTESS within 60 (sixty) business days to preclude any potential reputational or mission damage, safety, or quality issues with the item or service. Subcontractor is required to disclose the source of the S/CI and FI to NTESS and shall provide documentation authenticating traceability of affected item(s). Subcontractor must notify NTESS by either:
 - i. contacting the SP (listed on the first page of this subcontract)
 - ii. emailing the SNL Suspect/Counterfeit Items Program Coordinator at sqasci@sandia.gov
 7. Unless otherwise specified, Subcontractor shall purchase directly from product manufacturers or authorized manufacturer distributors whenever possible.
 8. Suspect/counterfeit items furnished under this subcontract will be impounded by NTESS. Subcontractor may be required to replace such items, at no cost, with items acceptable to NTESS. Subcontractor shall be liable for all costs relating to discovery, removal, impoundment, and replacement of materials and equipment that exhibit suspect or counterfeit item characteristics or conditions.
 9. Subcontractor shall indemnify NTESS, its agents, and third parties for any financial loss, injury, or property damage resulting directly or indirectly from any and all suspect or counterfeit services, goods, software, materials, components, or parts. Indemnification does not apply to any subcontracts placed with Universities.
 10. Unless otherwise specified in this subcontract, Subcontractor shall furnish new and unused goods which includes only those items which have not been previously opened, refurbished, substituted, used for display, or if normally provided unassembled, assembled without prior consent from the Subcontract Manager or other Sandia Delegated Representative listed on the first page of this subcontract.
- (c) Detection of suspect counterfeit item(s), services, or software; evidence of misrepresentation of goods or services; or any fraudulent misrepresentations may result in reporting and/or investigation by the DOE and the Office of the Inspector General.
- (d) If this subcontract provides for the use of credit cards, their use in no way relieves the Subcontractor from complying with all requirements of this section.
- (e) Additional detailed information is available at the DOE webpage and in the DOE Suspect/Counterfeit Items Resource Handbook. For questions or to report suspect or counterfeit

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items, materials, services, or software email the SNL Suspect/Counterfeit Items Program Coordinator at sqasci@sandia.gov. Suspected fraud, waste, or abuse by a DOE employee, Subcontractor, or grant recipient involving DOE programs may also be reported to the Office of Inspector General by phone (800) 541-1625, or by email ighotline@hq.doe.gov. Additional information is available at: <http://energy.gov/ig/office-inspector-general>.

H - 10 NONCONFORMANCE REPORTING - GIDEP - 130NCR (07-20)

FAR 52.246-26 Reporting Nonconforming Items is hereby incorporated by reference. Major or critical nonconformances that are identified by the Subcontractor and are reported to GIDEP per FAR 52.246-26 are not required to be reported to NTESS unless otherwise stated in the subcontract. Suspect or Counterfeit items (S/CI) identified and reported to GIDEP must be reported to NTESS per the S/CI clause in this subcontract.

H - 12 INDEPENDENT SUBCONTRACTOR RELATIONSHIP - 432ISR (11-22)

(a) Subcontractor is an independent subcontractor in all its operations and activities related to this subcontract. The employees used by Subcontractor to perform Work under this subcontract shall be Subcontractor's employees, agents or subcontractors, without any relation whatsoever to NTESS.

(b) Subcontractor shall be responsible for all losses, costs, third-party claims and causes of action, direct damages, liabilities, and expenses, including reasonable attorneys' fees, expenses of litigation and/or settlement, and court costs, arising from any unlawful acts or omissions, gross negligence, or intentional misconduct of Subcontractor, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this subcontract. Notwithstanding the foregoing or any other provisions in this subcontract, Subcontractor's total responsibility and liability shall not exceed the total subcontract price.

(c) Subcontractor shall indemnify and hold harmless NTESS from and against any actual liability, loss, costs, direct damages, reasonable fees of attorneys, and other reasonable expenses which NTESS may sustain or incur in consequence of:

1. Subcontractor's failure to pay any employee for the Work rendered under this subcontract
2. Any claims made by Subcontractor's personnel against NTESS

(d) Subcontractor is not authorized to represent NTESS in any way or to bind NTESS by any promise, agreement, or obligation.

(e) Subcontractor shall flow down the requirements of this clause to any applicable lower-tier subcontracts for services.

H - 14 PERSONAL IDENTITY VERIFICATION FOR EXTENDED PHYSICAL AND CYBER ACCESS - 600ACC (11-20)

In accordance with NNSA SD 206.2, Implementation of Personal Identity Verification (PIV) for Uncleared Contractors, background investigations may be required for uncleared subcontractor

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and lower-tier subcontractor employee(s) requiring physical or cyber access to NTESS/SNL or DOE/NNSA owned or leased facilities and/or designated Information Technology (IT) systems for more than 179 calendar days. This includes any physical and cyber access combinations that exceed 179 days.

The Subcontractor will be notified by SNL Personnel Security when the uncleared Personal Identity Verification (PIV) background investigation process is required. The Subcontractor shall ensure eligible employee(s) and lower-tier Subcontractor employees comply with the PIV process which includes:

- A. Electronic fingerprinting,
- B. Two forms of identification and having a photo taken, and
- C. Completion of SF85, Questionnaire for Non-Sensitive Positions and OF306, Declaration for Federal Employment. Unfavorable PIV determinations will result in immediate revocation of physical and/or cyber access, and may result in the Subcontractor and lower-tier Subcontractor employee(s) removal from performance of work under this agreement. Uncleared Subcontractor and lower-tier Subcontractor employee(s) may appeal unfavorable PIV determinations to DOE/NNSA.

Compliance with PIV procedures is required for Subcontractor and lower-tier Subcontractor employee(s) continued authorization to perform work and access to NTESS/SNL and DOE/NNSA sites and IT systems.

For any additional questions, contact SNL Security Connection at (505) 845-1321 or security@sandia.gov.

RESOURCES

FSO Toolcart (<https://www.sandia.gov/FSO/index.htm>), NTESS resource for badging, access, and security information.

H - 15 SAFEGUARDING HANDLING AND TRANSMISSION OF INFORMATION - 633DST (10-25)

The provisions of NIST SP 800-171 Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations are applicable. All appropriately marked drawings, specifications, technical information, subcontract or proposal-related information, project management information, and lower tier supplier information supplied to the Subcontractor or generated by the Subcontractor shall be protected from unauthorized use, reproduction, and disclosure. All electronic information transmitted by the Subcontractor shall be protected with appropriate levels of encryption or Transport Layer Security (TLS).

Dissemination or use of such information is limited to such of its employees and Subcontractors, if any, whose job performance for this specific subcontract requires the information and only for those purposes. No other dissemination or use is permitted without prior written approval of the

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Subcontracting Professional/Sandia Delegated Representative. The Subcontractor shall flow down the requirements of this clause to all lower-tier subcontracts for which the sharing of CUI is, or may be, necessary.

Subcontractor or its lower tier providers may be asked to provide detailed cybersecurity assurance information in support of NIST SP 800-171 criteria. Subcontractor is responsible to ensure such information is provided as requested. NTESS may cancel or terminate this subcontract, in whole or in part, if the Subcontractor fails to comply with assurance information request, or if such documentation is found to reveal unacceptable cybersecurity risk to NTESS.

H - 16 PROHIBITED COMPONENTS, EQUIPMENT, SYSTEMS, PRODUCTS, SOFTWARE, AND SERVICES DISCLOSURE - 715PRO (05-24)

The Subcontractor shall not provide or use components, equipment, systems, software, and services from listed covered vendors in performance and deliverables. This prohibition applies to all covered vendor items and services, whether purchased directly from the covered vendor or through a third-party. Subcontractor shall flow down this requirement to lower tier suppliers in subcontracts, including subcontracts for commercial items.

Covered Vendors- Notification of Use Required

(i) FAR 52.204-23-Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities is, hereby, incorporated by reference in full force and effect. This requirement includes, but is not limited to, hardware, software, and services developed or provided in whole or in part by a Kaspersky Lab covered entity; any item that contains components using any hardware or software developed in whole or in part by a Kaspersky Lab covered entity; any successor entity to a Kaspersky Lab covered entity, including any change in names, e.g., "Kaspersky"; any entity that controls, is controlled by, or is under common control with a Kaspersky Lab covered entity; or any entity of which a Kaspersky Lab covered entity has a majority ownership. Additional prohibition requirements and "covered article" definitions are stated in the FAR clause.

(ii) FAR 52.204-25-Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment is, hereby, incorporated by reference in full force and effect. This requirement includes, but is not limited to, covered telecommunications or video surveillance equipment or services produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities). Additional prohibition requirements, "covered telecommunications equipment or services," "covered foreign country," "critical technology," and "substantial or essential components" definitions are stated in FAR clause.

(iii) All products and services from Acronis (or any subsidiary or affiliate)

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If Subcontractor uses or provides prohibited components, equipment, systems, products, software and/or services to NTESS, Subcontractor shall disclose this information by reporting the following to contractnotification@sandia.gov: (i) Within one (1) business day from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended; and (ii) Within ten (10) business days of submitting the information required per this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Subcontractor shall describe the efforts it undertook to prevent the procurement or use of any good, equipment, system, product, and/or service covered by this clause.

Covered Vendors - Full Prohibition Without Allowance for Notification of Use FAR 52.204-27- Prohibition on a ByteDance Covered Application is, hereby, incorporated by reference in full force and effect. This requirement includes, but is not limited to, use of social networking service TikTok or any successor application or service developed or provided by ByteDance Limited, or an entity owned by ByteDance Limited on devices used in performance of this subcontract whether device is government owned or personally owned.

H - 17 SUBCONTRACTOR CORRECTIVE ACTIONS - 820CCA (02-25)

Under this subcontract, the Subcontractor shall comply with and participate in any corrective action processes as determined by the Sandia Delegated Representative (SDR). The corrective action process is mandatory during production that will yield Mark Quality (MQ) or War Reserve (WR) product. The Subcontractors corrective action process is required to be followed upon identification (by NTESS or Subcontractor personnel) of a non-conformance that NTESS determines to be the responsibility of the Subcontractor (either process or product related). If the Subcontractor has quality problems (e.g., repeat or systemic non-conformances not properly resolved by the Subcontractors corrective action process), it shall notify the Subcontracting Professional (SP) and SDR of any non-conformances affecting delivered product(s). Depending on the problem(s) or issues complying with this clause and the corrective action process, the Subcontractor may lose NTESS Nuclear Weapons Strategic Management Unit (NWSMU) approval status and future business.

Per NWSMU approval status PQR 1050, the Subcontractor shall have documented procedures that assure prompt action is taken to correct non-conforming conditions. These procedures shall include the Subcontractors responses to NTESS requests for corrective action, as well as corrective actions for internal non-conformances and subcontractor non-conformances. At a minimum, responses to NTESS requests shall include:

1. The root cause of the non-conformance
2. Short-term containment actions with completion date
3. Long-term solution identification

Document No. ATC205, Rev. -**4. Completion date for long-term solutions**

MQ or WR work-in-process and new MQ or WR order placement may be paused until the Subcontractor satisfactorily completes and documents items 1 and 2 above. It is not necessary to pause work if the Subcontractor completes items 1 and 2 within three (3) business days. Only a SP can authorize a work pause on an existing subcontract. If NTESS personnel determine a work pause to be appropriate, the SP will be notified to proceed with a formal work pause on the subcontract.

Revision to Subcontracted delivery dates will be considered based upon the particular circumstances. Only the SP, through bilateral modification of the subcontract, may authorize extensions to delivery dates. Regardless of whether work is paused or not paused, the Subcontractor must still complete items 3 and 4 above as directed by the SDR in order to continue to be a candidate for any potential future NTESS NWSMU business. For severe non-conformances (as determined by NTESS), a written corrective action report with details on the causal analysis performed and preventative/corrective actions taken is required to be generated by the Subcontractor and submitted to NTESS (via the SP). These solutions will be verified by NTESS.

The Subcontractor shall either (i) obtain SDR approval for the disposition of any non-conforming parts or extra parts produced for testing or surplus being scrapped, including destroying such parts by rendering them unrecognizable, or (ii) clearly mark and return such parts to Sandia.

The Subcontractor shall submit a Certificate of Conformance (C of C) at the time of shipment to the SDR. The C of C shall be signed by and include the title of an authorized representative of the Subcontractor and shall constitute a representation by the Subcontractor that:

- A. Materials used are those which have been specified by NTESS, and that the items delivered were produced from materials for which the Subcontractor has evidence of conformance on file, such as reports of chemical or physical analysis or any other equivalent evidence of conformance of such items to applicable specifications.
- B. Processes used in the fabrication of items delivered were: in compliance with applicable specifications forming a part of the subcontract, or NTESS-approved procedures or specifications.
- C. The items delivered comply with all applicable drawings, specifications, and other requirements of the subcontract documentation.

The Subcontractor shall require any sub-tier suppliers to submit a C of C in compliance with this clause, as requested by the SDR.

H – 20 QUALITY REQUIREMENTS – 821

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The requirements of PQR-1050 apply to this subcontract and are incorporated by reference. The Subcontract may use a similar Subcontractor policy/requirement set should they capture the same level of requirements.

The Subcontractor must be approved to this level quality requirement prior to subcontract performance and shall maintain such approval throughout the life of the subcontract. If requested, the Subcontractor shall provide right of access for the Government (DOE/NNSA) to perform quality surveys, inspections, and record evaluations at the Subcontractors locations where materials or services are rendered. The Subcontractors purchase orders or contracts to lower tier subcontractors must provide for NNSA and its subcontractors to perform quality surveys, inspections, and record evaluation at the lower tier subcontractors locations where materials or services are rendered.

The Subcontractor shall notify the Subcontracting Professional (SP) and Lockheed Martin immediately upon awareness regarding a change, or potential change, in its ownership and/or location. The Subcontractor shall also notify Lockheed Martin of any changes to the production process or its Quality Management System, including changes to the Quality Management position, should they have an impact on the work being performed under this subcontract.

SI8 CITIZENSHIP STATUS

Unless otherwise approved by NTESS, all personnel of the Subcontractor and its lower-tier subcontractors who will perform work on this subcontract and who will require physical and/or cyber access to NTESS-controlled, government-controlled or government-owned sites, information, technology, or cyber resources, to include remote access must be United States citizens, or foreign nationals who are legal aliens or have the required authorization to perform work in the United States and must meet rules of the site for access to the work areas in place at the time of performance of this subcontract. The Subcontractor agrees and shall ensure that non-United States citizen personnel, to include lower-tier subcontractor personnel, who will require physical and/or cyber access to NTESS-controlled, government-controlled or government-owned sites, information, technology, or cyber resources to perform work on this subcontract are identified and receive prior approval from NTESS Security, in accordance with all laws, regulations, policies, and site access rules, including, but not limited to DOE and NTESS security requirements, before access is granted.

SI12 ETHICAL CONDUCT

The Subcontractor, including any officers, employees or lower-tier subcontractors while engaged in work related to this subcontract shall:

- (a) Comply with all applicable laws, regulations and the terms of the subcontract
- (b) Conduct themselves with the highest degree of ethics, integrity and honesty
- (c) Treat others with respect and dignity, and create an environment free from discrimination, harassment, threats, violence, bullying, intimidating conduct or other similar behavior

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- (d) Promptly report violations via email to the NTESS Procurement Policy and Compliance Department manager at ppqd@sandia.gov
- (e) Report any concerns relating to fraud, waste, abuse or any other ethical concerns with the Ethics Advisory and Investigative Services Anonymous Helpline (505) 845-9900.

SI15 EXPORT CONTROL

- (a) Any export controlled item, technical data, software, or services (Export Controlled Information) furnished by NTESS in connection with this subcontract is supplied for use in the United States only. Export Controlled Information is any item, technical data, information, software, or service that is determined to be greater than Export Administration Regulations (EAR) 99. Subcontractor agrees to comply with all applicable U.S. export-control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 USC 2751 - 2794, including the International Traffic in Arms Regulation (ITAR), 22 Code of Federal Regulations (CFR) 120 - 130; the Export Administration Act, 50 USC app. 2401 - 2420, including the Export Administration Regulations (EAR), 15 CFR 730 - 774; and including the requirement for obtaining any export license or agreement, if applicable. Without limiting the foregoing, Subcontractor agrees that it will not transfer any Export Controlled Information, to include transfer to foreign persons (as defined under the EAR Part 722 and ITAR 120.16), without the authority of an export license, agreement, or applicable exemption or exception. Subcontractor shall immediately notify the SP if it transfers any Export Controlled Information under this subcontract to foreign persons. Diversion contrary to U.S. export control laws and regulations is prohibited.
- (b) Subcontractor shall immediately notify the SP if Subcontractor is, or becomes, listed in any Denied Parties List (e.g., Denied Persons List, Entity List, Unverified List, Military End User List, AECA Debarred List, Consolidated Screening List, etc.) or if Subcontractor's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.
- (c) If Subcontractor is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Subcontractor represents that it is registered with the Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an export/import compliance program in accordance with the provisions of the ITAR.
- (d) The Subcontractor shall flow down the requirements of this clause to all lower-tier subcontracts.

SI22 LOWER-TIER SUBCONTRACTING

All lower-tier subcontracts shall be made in the name of the Subcontractor and shall not bind or purport to bind NTESS or shall not relieve Subcontractor of any obligation under this purchase order/subcontract. If Subcontractor subcontracts any work in the performance of this subcontract, Subcontractor is responsible for reviewing NTESS's Section II Terms and Conditions applicable to this subcontract found at:

http://www.sandia.gov/working_with_sandia/current_suppliers/contract_information/index.html
and incorporating all required NTESS's Section II Terms and Conditions into their lower-tier subcontracts.

FAR Clauses

52.203-15 WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (MAY 2009)

52.208-8 REQUIRED SOURCES FOR HELIUM AND HELIUM USAGE DATA (AUG 2018) *(Applies in subcontracts that involve furnishing of a major helium requirement.)*

52-211-5 MATERIAL REQUIREMENTS (AUG 200)

52.222-50 ALT I ALTERNATE I - COMBATING TRAFFICKING IN PERSONS (MAR 2015)

52.224-2 PRIVACY ACT (APR 1984) *(Applies in subcontracts which require the design, development, or operation of such a system of records.)*

52.225-9 BUY AMERICAN - CONSTRUCTION MATERIALS (OCT 2022)

52.225-26 CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS OUTSIDE THE UNITED STATES (OCT 2016)

52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (JUN 2013) *(Applies in subcontracts where software or services will be retransferred to the Government.)*

52.242-15 STOP-WORK ORDER (AUG 1989)

52.246-9 INSPECTION OF RESEARCH AND DEVELOPMENT (SHORT FORM) (APR 1984)

DEAR Clauses

952.204-71 SENSITIVE FOREIGN NATIONS CONTROLS (APR 1994) *(Applies in lieu of Mar 2011)*

952.217-70 ACQUISITION OF REAL PROPERTY (APR 1994) *(Applies in subcontracts that involve the acquisition of property covered by the clause.)*

952.235-71 RESEARCH MISCONDUCT (JUL 2005) *(Applies in subcontracts that involve research.)*

952.250-70 NUCLEAR HAZARDS INDEMNITY AGREEMENT (OCT 2005) *(Applies in lieu of Aug 2016)*

970.5204-2 LAWS, REGULATIONS, AND DOE DIRECTIVES (DEVIATION) (DEC 2000)

970.5208-1 PRINTING (DEC 2000) *(Applies in subcontracts that require printing (as that term is defined in Title I of the U.S. Government Printing and Binding Regulations).)*

970.5223-4 WORKPLACE SUBSTANCE ABUSE PROGRAMS AT DOE SITES (DEC 2010)

970.5225-1 COMPLIANCE WITH EXPORT CONTROL LAWS AND REGULATIONS (EXPORT CLAUSE)

970.5227-8 REFUND OF ROYALTIES (AUG 2002) *(Applies in subcontracts in which the amount of royalties reported during negotiation of the subcontract exceeds \$250.)*