



Section 5 : SERVICE AND SUPPLY CONTRACT CLAUSES

524. Service and Supply Provisions (10/1/96).

(a) Independent Contractor.

(1) Seller is an independent contractor for all purposes. In no event will Seller or its agents, representatives, or employees be deemed to be agents, representatives, or employees of Buyer. Seller's employees will be paid exclusively by Seller for all services performed, and Seller will be responsible for, and will actually comply with, all requirements and obligations relating to such employees under federal, state, or local law (or foreign law, if applicable), including, but not limited to, laws regarding Minimum Wages, Social Security, Unemployment Insurance, Federal and State Income Taxes, and Workers' Compensation Insurance. Buyer has no responsibility for withholding any portion of salary or wages due Seller's employees to comply with any of the aforementioned laws.

(2) Seller will follow the desires of Buyer in the performance of the work under this contract but not in the means whereby the work is to be accomplished. Seller will use its own discretion and will have complete and authoritative control over the work and the details for accomplishing the work; provided, however, that Seller will conform to all laws, ordinances, rules, and regulations applicable hereto and will comply in all respects with the requirements of Buyer's Security.

(b) Indemnification. Seller hereby agrees to indemnify and save harmless Buyer and its agents and employees against all liabilities, obligations, claims, losses, and expenses (i) caused or created by Seller, its subcontractors, or the agents and employees of either, whether negligent or not, arising directly or indirectly out of the work under this contract or (ii) arising directly or indirectly out of injuries suffered or allegedly suffered by employees of Seller or its subcontractors in the course of their employment, in the performance of the work under this contract, or upon premises owned or controlled by Buyer.

(c) Hold Harmless and Release. Seller agrees that, if this contract calls for any work to be done on premises owned, leased, or occupied by Buyer, (i) Seller will indemnify and save harmless Buyer and the owner of such premises against any liability to subcontractors or other third persons under the mechanics, material men, labor, or other applicable lien laws of the state in which the work is to be performed, and (ii) the last payment called for under this contract will not in any event be due until Seller will have first delivered to Buyer executed releases on forms satisfactory to Buyer.

(d) Insurance. If, in the performance of this contract, Seller's employees, with or without equipment, are required to enter premises owned or controlled by Buyer or the Government, Seller will maintain Workers' Compensation and Comprehensive General Liability Insurance coverage, in the form, amounts, and with carriers satisfactory to Buyer. Such insurance will list Buyer as an additional insured. Seller will submit certifications covering such insurance prior to commencing performance; the certifications will indicate that Buyer is an additional insured. Seller will provide renewal certifications throughout the term of this contract, such that Buyer is in continuous possession of proof of Seller's insurance coverage. If, during the term of this contract, any insurance policy required by this provision expires and is not superseded by another policy of equal or greater coverage, Seller will so advise Buyer.

(e) Security. All employees, agents, and representatives of Seller or its subcontractors who are expected to enter premises owned or controlled by Buyer or the Government may, at Buyer's discretion, be required to provide Buyer's Security personnel birth certificates and/or other evidence of citizenship satisfactory to Buyer before being allowed within any restricted area. All such employees, agents, and representatives are bound by the provisions of the United States Criminal

Code relating to espionage and sabotage and will conform to the standards and requirements established by the Government and Buyer's Security. The name, social security number, and birth certificate and/or other satisfactory evidence of citizenship of each such employee, agent, or representative will be submitted by Seller, if requested by Buyer, prior to the time for reporting to work. Selected positions and assignments of Seller's employees may require a security clearance.

(f) Safeguards. If this contract requires work to be performed on property owned or controlled by Buyer or the Government, Seller will provide suitable and adequate protection of the work, property adjacent to the work, and persons in the immediate vicinity of the work.

(g) Concurrent Subcontracts and Contracts. Seller will not subcontract, on other than a firm-fixed-price basis, any portion of the work under this contract with any supplier who has a concurrent firm-fixed-price contract with Buyer for the same skills and/or disciplines at the same Buyer location. Seller will be responsible for requesting advice on the existence of such contracts. Seller further agrees that it will not seek or accept from Buyer or its contractors any concurrent other-than-firm-fixed-price contract for the same skills and/or disciplines at the same Buyer location. Questions regarding the boundaries of a "Buyer location" should be directed to Buyer's authorized purchasing representative.