

ORDER / SOLICITATION / OFFER / AWARD

| | | |
|---|--------------------|----------------|
| OFFEROR TO COMPLETE BLOCKS 13, 14, 16, 22, 23 and 26 | 1. REQUISITION NO. | PAGE OF 1 2 |
|---|--------------------|----------------|

| | | | | |
|---|-----------------------------|-------------------------------|---------------------|-------------------------------|
| 2. CONTRACT/ORDER NO. 1CWRLS-15-B-0030 | 3. AWARD/ EFFECTIVE DATE | 4. MASTER/AGENCY CONTRACT NO. | 5. SOLICITATION NO. | 6. SOLICITATION ISSUE DATE |
|---|-----------------------------|-------------------------------|---------------------|-------------------------------|

| | | | | |
|---|--------------------------------|--------------------------------|------------|------------------------|
| 7. For Solicitation Information Call | a. NAME VICTORIA M. O'LEARY | b. TELEPHONE NO. [REDACTED] | c. FAX NO. | 8. OFFER DUE DATE/TIME |
|---|--------------------------------|--------------------------------|------------|------------------------|

| | | | | | | |
|---|------|---------|----------------------------|--|---|------------------------------------|
| 9. ISSUED BY Data Communications Telecom & IT Hardware CMC United States Postal Service PO Box 27496 Greensboro NC 27498-0001 EMAIL: [REDACTED] | CODE | 1CDDATA | 10. ACO CODE 1CDDATA | 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. DISCOUNT TERMS See Schedule |
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| | | | | | | |
|--|------|------------|---|--|--|--|
| 14 SUPPLIER ATT GOVERNMENT SOLUTIONS INC ATTN CHERYL CRUMP 3033 CHAIN BRIDGE ROAD OAKTON VA 22124-9110 TEL: [REDACTED] FAX: [REDACTED] EMAIL: [REDACTED] | CODE | [REDACTED] | 15. BILLING ADDRESS ITInvoiceTeam@usps.gov | | | |
|--|------|------------|---|--|--|--|

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|--|------|-------|---|--|--|--|
| 16. REMITTANCE ADDRESS ATT GOVERNMENT SOLUTIONS INC PO BOX 3110 OAKTON VA 221249110 TEL: [REDACTED] FAX: [REDACTED] EMAIL: [REDACTED] | CODE | 00001 | 17. DELIVERY ADDRESS TECH SUPPORT USPS 4200 WAKE FOREST RD RALEIGH NC 27668-9000 TELEPHONE NO: [REDACTED] DELIVER BY/END DATE: [REDACTED] | | | |
|--|------|-------|---|--|--|--|

| 18. ITEM NO | 19. SCHEDULE OF SUPPLIES/SERVICES | 20. QUANTITY | 21. UNIT | 22. UNIT PRICE | 23. AMOUNT |
|----------------|---|-----------------|-------------|-------------------|---------------|
| | The purpose of 1CWRLS-15-B-0030 is to: a 1) Award Comprehensive, Hosted Infrastructure Unified Solution - full service Telecom Expense Management System (TEM)including, but not limited to, Hosted Data Services, Hosted Local Voice Services, Hosted Wireless Services, and other associated items, expense or capital, as per the following Attachments: Attachment A - SOW Technical Response (& associated SOW attachments) Attachment B - TEM Contract Pricing Table Attachment C - Contract Provisions & Clauses Continued ... | | | | |

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|-----|------------------------------------|--------|
| 24. | TOTAL AWARD AMOUNT (USPS Use Only) | \$0.00 |
|-----|------------------------------------|--------|

| | | |
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| 25. <input checked="" 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. | 1 | 26. <input type="checkbox"/> Award of Contract: Your offer on Solicitation (block 5) is accepted as to items |
|---|---|---|

| | |
|------------------------------|---|
| 27a. SIGNATURE [REDACTED] | 28a. SIGNATURE OF CONTRACTING OFFICER [REDACTED] |
|------------------------------|---|

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|---|-------------------------------|--|-------------------------------|
| 27b. PRINTED NAME AND TITLE OF SUPPLIER Cheryl Crump, Senior Contracts Manager | 27c. DATE SIGNED 9/18/2015 | 28b. PRINTED NAME OF CONTRACTING OFFICER Patrick J. Freeman, C.P.M. | 28c. DATE SIGNED 9/18/2015 |
|---|-------------------------------|--|-------------------------------|

CONTINUATION SHEET

REQUISITION NO.

PAGE OF
2 2

CONTRACT/ORDER NO.
1CWRLS-15-B-0030

AWARD/
EFFECTIVE DATE

MASTER/AGENCY CONTRACT NO.

SOLICITATION NO.

SOLICITATION
ISSUE DATE

| ITEM NO | SCHEDULE OF SUPPLIES / SERVICES | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|---------|--|----------|------|------------|--------|
| 1 | <p>(Terms & Conditions)</p> <p>Attachment D1 & D2 - Organizational Conflict of Interest Mitigation Plan(s) (D1 Proprietary & D2 Unrestricted versions)</p> <p>Attachment E - License EULA (current EULA shall be updated w/ new company names due to M&A activity)</p> <p>Attachment F - RFP Clarifications & Questions - AT&T & Calero Answers</p> <p>Attachment 6 - SOW - Updated SLA Definitions & Glossary (UPDATED Version 9-17-15)</p> <p>Attachment 7 - SOW - Updated SLA matrix (UPDATED Version 9-17-15)</p> <p>Period of Performance is a 3-year base with two, 2-year priced option periods.</p> <p>IDIQ contract with Firm-Fixed Pricing</p> <p>Contract Minimum \$1 Million USD</p> <p>Contract Maximum \$25 Million USD</p> <p>**Contract Maximum may be raised by mutual agreement of the parties utilizing USPS policies and procedures**</p> <p>**This contract will utilize funding Delivery Orders**</p> <p>Sub Rept Req'd: Y Payment Terms: NET30</p> <p>Period of Performance: 09/01/2015 to 08/31/2018</p> <p>Comprehensive, Hosted Infrastructure Unified Solution - full service Telecom Expense Management System (TEM) including, but not limited to, Hosted Data Services, Hosted Local Voice Services, Hosted Wireless Services, and other associated items, expense or capital.</p> <p>Account Number: [REDACTED]</p> <p>FOB: Destination</p> <p>The total amount of award: \$0.00. The total amount for this award is shown in box 24.</p> | | | | 0.00 |

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Part I – Schedule Continuation, Scope & Instructions

A. Scope

USPS is seeking a supplier(s), Managed Service Provider (MSP), to provide a Telecommunications Expense Management (TEM) solution(s). The proposed solution(s) shall provide management for the various USPS define services that include Voice, Wireless, Data Services, and Equipment, Centralized ordering, invoice audit certification, inventory analysis, asset management, cost management, transition management, usage- management, and Help Desk services. USPS requires the MSP’s proposed solution to be a dedicated-hosted solution. Premise-based solution will be considered if no satisfactory dedicated-hosted solution is available.

It is the intent of the Postal Service to award one or more contracts for these services under the terms and conditions outlined in this RFP. USPS reserves the right to award to single or multiple MSPs based on best value for the Postal Service. USPS also reserves the right to defer or not award for a specific service(s) outlined in this solicitation. Proposals submitted for this opportunity will meet the requirements as outlined in Attachment A – TEM Statement of Work (SOW) and Attachment B Pricing Response Template.

B. Contract Type

The contract award for the TEM Services will be an “Indefinite Delivery Indefinite Quantity” contract with firm fixed pricing. The contract includes a guaranteed minimum of \$1 Million dollars and a maximum of \$25 Million. In the case of a multiple award the min/max value will be adjusted to be proportional to the award value for each successful supplier.

C. Period of Performance

The base period of performance of this contract shall be for a three (3) year period beginning on the date of award. The contract includes options for extending the base period of performance for two, 2-year priced options for a total potential contract period of 7 years.

D. Warranty

The USPS will require a minimum of at least (1)-one year warranty for all hardware, software, maintenance and support purchase under this contract. Clause 2-7: Incorporation of Warranty (Revised October 2009)

E. Proposal Responses and Deliverables

Responses to this RFP **must** be submitted in the below formats by the date/time identified in block 8 of the 8203 Cover Sheet. Responses must completely address proposal specific technical and pricing requirements of this RFP.

1. Proposal Specific Requirements

a. Technical Submission

1) SOW Response - Technical proposals must address requirements outlined in Attachment A – TEM Statement of Work (SOW). Evaluation of technical proposals will be in accordance with the proposal specific evaluation factors identified in Provision 4-2 Evaluation.

2) Prospective Suppliers must provide written responses to each specific numbered requirement in the SOW just below the appropriate section of the SOW document in the space provided. The initial statement in each response section must indicate at what level supplier will be compliant to the requirement (fully compliant, partially compliant or non-compliant) and how the supplier will meet the requirement. No imbedded documents or referenced attachments are permitted in the SOW response. Attachments to proposals are permitted for specific requirements as indicated in the RFP/SOW. No changes are permitted to USPS language and/or specifications outlined in the SOW in supplier responses. Responses within the SOW (regardless of where they are inserted) are limited to an additional 20 pages to the document size (additional page count does not include the Transition and Acceptance and Testing Plans from SOW Section 4.0). Font and formatting must remain consistent with SOW document provided.

3) Transition Management (SOW Section 4.0) – The MSP shall provide a preliminary Master Transition Plan that

includes a schedule for the implementation of the proposed solution in terms of phases involved (e.g. discovery, design, implementation, and production), for transitioning the various services to the new environment (see SOW Section 4.1 Transition Plan). As part of the transition, the MSP shall provide an Acceptance Testing Plan for review and approval by the USPS (see SOW Section 4.2 Acceptance Plan and Testing).

- Transition Plan SOW Section 4.1 (separate document limited to 10 pages)
- Acceptance Plan and Testing SOW Section 4.2 (separate document limited to 10 pages)

3) Cloud Service Provider Questions – Prospective suppliers must complete the CISO Cloud Service Provider Questionnaire as provided in Attachment 12 of the SOW (separate document limited to 2 pages). USPS will assess the apparent successful supplier’s existing and future capability in providing secure cloud services to the USPS. This questionnaire will also serve as the basis/starting place for discussions between the USPS and the apparent successful supplier regarding their secure cloud capabilities. Once capability has been assessed the USPS may require the successful supplier to expand capability and/or become Fed Ramp Certified. Prospective suppliers are required to provide pricing for FedRamp Certification in Attachment B “TEM Priced Proposal Submission”.

Award to an apparent successful supplier will be dependent upon agreement between the USPS and the apparent successful regarding the level of cloud security and associated cost.

4) Questions - Questions regarding RFP requirements must be submitted via email as per the Solicitation Timeline to the USPS Contracting Officer listed below.

| | | |
|-----------|-------------------|--|
| Primary | Victoria O’Leary | |
| Alternate | Patrick J Freeman | |

5) As a component of the technical evaluation the USPS requires a product demonstration. The demonstration will be held at the USPS facility.

USPS Telecom Services (RITSC)
 4200 Wake Forest Rd
 Raleigh, NC 27668-9300

Demonstrations will be scheduled within two weeks of the solicitation issuance. At that time prospective suppliers will be provided USPS data to be loaded into the simulation along with an evaluation checklist for the demo. The demo is scheduled to be 4 hours long beginning at 10 AM and including a lunch break. Currently the demonstration is scheduled for the week of March 9 - 12, 2015.

6) Solicitation Timeline:

| Event | Date |
|---------------------------------|-----------------|
| Supplier Questions due to USPS | 2/13/2015 |
| USPS Response due to Supplier | 2/20/2015 |
| Schedule Product Demonstrations | 2/26/2015 |
| Product Demonstrations | 3/9 – 3/12 2015 |

b. Supplier Capability & Past Performance

Capability and Past Performance will be re-evaluated in this phase of the procurement. Prospective suppliers must submit any significant updates to their financial status to include Chapter filings if any. This RFP does not require prospective suppliers to resubmit financial statements unless there was a significant event that has changed their financial status since the last report submitted under the pre-qualification evaluation. USPS will also consider additional references that clearly indicate increased capability and significant past performance activities. Capability questions will be provided in Attachment C of this RFP. Prospective suppliers should submit current information and updates to capability questions i.e. if quantities, largest customers, number of partners have changed, etc. USPS will evaluate supplier specific factors as shown in Provision 4-2.

c. Priced Proposal

The USPS requires potential suppliers to provide pricing as represented in the pricing template, Attachment B – TEM Priced Proposal Submission. Attachment B must be completed as provided in order for providers to be considered for the TEM award.

1) Bundling/Inclusive Group Pricing – The USPS requires bundled pricing. Prospective suppliers must provide a short list of all elements bundled in their pricing directly adjacent to each line item in the pricing template. Definitions and detail related to this listing should be provided in the SOW response by citing the appropriate section of the SOW. Suppliers may identify specific SOW responses that pertain to their pricing proposal in the IPG section.

2) All pricing provided by prospective suppliers in their proposals will be subject to the Inclusive Group Pricing (IGP) Provision (Special – May 2008) as outlined in the provision section of this solicitation. It is the USPS's preference that all costs be reflected into the pricing template. Reformatting of the primary pricing template tabs will render a priced proposal invalid.

3) Alternate Proposals – The Pricing Template (Attachment B) allows for the submission of both “primary” and “alternate” pricing. Primary pricing is as represent in the “primary” tab and alternate pricing is represented in the alternate tabs. Prospective supplier(s) shall submit alternate priced proposals for all of the alternate tabs in the template. Failure to submit pricing in the alternate tabs may result in a non-consideration for award status if the USPS elects to pursue an alternate solution.

It is at the USPS discretion whether or not to accept an alternate technology/priced proposal. The acceptance of an alternate priced proposal will be based on the USPS opinion of the stability, reliability and relative value of the proposed technology together with any potential reduction in costs.

4) Quantities represented in the pricing template have been established based on current services and estimates. Also, quantities as represented in the pricing template are for evaluation purposes only and do not necessarily imply a promise to order those quantities.

d. Proposal Deliverables

1) Proposal Deliverables include the following items.

- Cover Sheet 8203 form (sections 14, 16 and 27a, b, c completed)
- Technical submission in response to the SOW (ref. RFP Attachment A)
- Completed Pricing Template (ref. RFP Attachment B)
- [Attachment C – Updates to Supplier Specific Factors](#)
- Updated CLIM Pre-Qual Supplier Response Information Spreadsheet
- 2 years of audited financial statements
- Provision 4-3 Representations and Certifications
- Process Workflow Diagram (SOW Section 2.2) May be provided as a separate attachment
- Resumes (SOW Section 6.2.1) May be provided as a separate attachment
- Transition Plan (not to exceed 10 pages). May be provided as a separate attachment
- Acceptance and Testing Plan (not to exceed 10 pages). May be provided as a separate attachment
- Sub-Contracting Plan (See Provision 3-1)
- SOW Attachment 12 – “Questions for Cloud Service Providers” (not to exceed 2 pages)

2) Proposal deliverables Due Dates:

- Proposal deliverables must be emailed to the USPS Contracting Officer [REDACTED] by the RFP closing date **March 2, 2015**.
- Additionally, (8) hard copies of the Technical proposal deliverables (not to include Pricing Proposal) are to be mailed via USPS for arrival by **March 4, 2015** to:

[Ex 6]

- USPS Telecom Services RITSC
- Attention: M. Benham, ITAS
- 4200 Wake Forest Road
- Raleigh, NC 27668-9300
-

G. Award Selection

Based on the evaluation criteria outlined in Provision 4-2: Evaluation (March 2006) the USPS will award to the supplier that offers the best value to the Postal Service.

H. Post-Award Conference

The USPS requires the successful supplier to attend a post-award conference within 5 to 10 business days after announcement of contract award. The post award meeting is intended to collaborate on the transition project plan and design details and resolve any outstanding contract or pricing issues.

I. Payment

As a general rule the USPS pays on a Net 30, in-arrears basis. Alternate payment terms may be exercised upon mutual agreement between the USPS and successful supplier(s). Payment terms are in accordance with prompt payment Act (see Clause 4-1.i.).

J. Acknowledgment of Amendments

The offeror acknowledges receipt of amendments to the solicitation numbered and dated as follows:

| Amendment Number | Date |
|------------------|-------|
| _____ | _____ |
| _____ | _____ |

REMITTANCE ADDRESS

Remittance Address (if different from Block 14a, PS Form 8203)

Privacy Act Statement

To the extent that the information you provide is about an individual, the Privacy Act will apply. Collection of that information is authorized by 39 USC 401. As a routine use, the information may be disclosed to an appropriate government agency, domestic or foreign, for law enforcement purposes; where pertinent, in a legal proceeding to which the USPS is a party or has an interest; to a government agency in order to obtain information relevant to a USPS decision concerning employment, security clearances, contracts, licenses, grants, permits, or other benefits; to a government agency upon its request when relevant to its decision concerning employment, security clearances, security, or suitability investigations, contracts, licenses, grants, or other benefits; to a congressional office at your request; to an expert, consultant, or other person under contract with the USPS to fulfill an agency function; to the Federal Records Center for storage; to the Office of Management and Budget for review of private relief legislation; to an independent certified public accountant during an official audit of USPS finances; to an investigator, administrative judge or complaints examiner appointed by the Equal Employment Opportunity Commission for investigation of a formal EEO complaint under 29 CFR 1614; to the Merit Systems Protection Board or Office of Special Counsel for proceedings or investigations

involving personnel practices and other matters within their jurisdiction; to a labor organization as required by the National Labor Relations Act; to a federal, state or local agency, financial institution or other appropriate entity for the purpose of verifying an individual's or entity's eligibility or suitability for engaging in a transaction. In addition, the following disclosures may be made to any person: a solicitation mailing list when a purchase is highly competitive and competitions will not be harmed by release, or to provide an opportunity for potential subcontractors seeking business; a list of lessors of real or personal property to the Postal Service; a list of entities with whom the Postal Service transacts for goods or services, interests in real property, construction, financial instruments, or intellectual property; and the identity of the successful offeror. Completion of this form is voluntary; however, if this information is not provided, we will be unable to process your request.

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 of the proposal the following statement: "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 they wish 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 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 272.3* 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 1-4: 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, 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 2-1 Warranty Information (March 2006)

This solicitation/RFP requires prospective suppliers to propose, at a minimum, a one (1) year warranty for software and maintenance support beginning with successful installation and acceptance testing. This warranty period will include all services and support offered with the annual maintenance and support options periods.

Provision 2-3: Evaluation of Options (March 2006)

- A. Unless it is determined in accordance with the Consider Use of Renewals and Options topic of the Develop Sourcing Strategy task of Process Step 2: Evaluate Sources, and the Decide to Renew a Contract or Exercise Options topic of the Manage Delivery and Contract Performance task of Process Step 5: Measure and Manage Supply in the Postal Service *Supplying Practices*, that evaluation of options is not in the best interest of the Postal Service, option prices will be included in the evaluation of offers for award purposes. Evaluation of options does not obligate the Postal Service to exercise the options.
- B. If the Postal Service elects to exercise an option at the time of award, proposals will be evaluated on the basis of total price for the basic quantity and for the option quantity to be exercised with the award. In all other cases, proposals will be evaluated by adding the total price for all option quantities to the total price for the basic quantity.
- C. Any proposal that is materially unbalanced as to prices for basic and option quantities may be disregarded as unacceptable. An unbalanced proposal is one that is based on prices significantly less than cost for some work and prices that are significantly overstated for other work.

Provision 2-6: Credit Card Order Acceptance Requirement (March 2006)

The Postal Service intends to place credit card orders, using an authorized Postal Service credit card, under the ordering agreement or contract resulting from this solicitation. Any supplier entering into an ordering agreement or awarded a contract as a result of this solicitation must have the capability to accept orders made with such a credit card.

Provision 2-8: Investment Recovery (March 2006)

With its proposal, the supplier must provide an investment recovery plan to reuse the equipment, or eliminate or reduce final disposal costs. Final disposition must be environmentally responsible, eliminate or reduce landfill, and comply with all federal, state and local laws and regulations. Proposals must address the complete life-cycle, including final disposition of the items being purchased. Disposition alternatives include take-back, repair, refurbishment, and disposal. The supplier is required to design and describe additional innovative, value-added, end-of-life disposition opportunities for the items being purchased.

Provision 3-1: Notice of Small, Minority, and Woman-owned Business Subcontracting Requirements (March 2006)

All suppliers, 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.

PROVISION 4-3 REPRESENTATIONS AND CERTIFICATIONS (NOVEMBER 2012)

A. 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 Delaware; 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

Wholly Owned Subsidiary

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: [REDACTED]

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: AT&T Corporation

Parent Company's Main Office: _____

Address: _____

No. and Street One AT&T Way: _____

City: Bedminster State: NJ ZIP Code: 07921-0752

Parent Company's TIN: [REDACTED]

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 the Equal Opportunity clause 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 the Equal Opportunity clause; 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 non-segregated facilities must be submitted before the award of a subcontract exceeding \$10,000 that is not exempt from the Equal Opportunity clause. 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 three-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;

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;

d. Have ___ have not within a three-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 conjunction 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

e. 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 (d) above.

2. The offeror has ___ has not , within a three-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 the Conduct Supplier Capability Analysis topic of the Evaluate Proposals task of Process Step 2: Evaluate Sources, in the Postal Service's Supplying 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, United States Code.
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)

- 1. Provision 1-2: Domestic Source Certificate - Supplies
- 2. Provision 1-3: Domestic Source Certificate - Construction Materials
- 3. Provision 9-1: Equal Opportunity Affirmative Action Program
- 4. Provision 9-2: Pre-award Equal Opportunity Compliance Review
- 5. 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 4-7: Postal Computing Environment (March 2006)

- a. *Postal Computing Environment*, and the Infrastructure Tool Kit (ITK). Copies of Handbook AS-820 and the ITK can be obtained from the contracting officer.

- b. Although the Postal Service discourages nonstandard or hybrid technical solutions, it recognizes that there may be occasions when such information technology or applications are necessary and prudent to fulfill certain business needs. Therefore, the offeror must notify the contracting officer in writing if:
 1. The business requirements cannot be met as defined within Handbook AS-820; or
 2. Handbook AS-820 and the ITK do not specify tools needed to meet the instant business requirements.

Provision 4-10: Application 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*, processes defined in Handbook AS-805-A, *Information Resource Certification and Accreditation Process*, and AS-805-H *Cloud Security*.

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.

Inclusive Group Pricing (IGP) Provision (Special – May 2008)

This contract will employ the use of a standardized methodology with respect to pricing and inclusiveness of supply, equipment, and services offerings. This conceptual model is called Inclusive Group Pricing (IGP). In the past this concept has been also known as "bundling of services" within the industry. As a general statement, for this contract it is the intent of the Postal Service that any service, material, facility, site preparation, or equipment required in the performance of this contract, for which a price is not specifically identified by the Supplier, shall be considered to be included in the price of another item or provided at no additional cost to the USPS, unless otherwise provided in this contract. Services, as specified in the Statement of Work of this solicitation, shall be included in the all-inclusive CLIN prices, as defined in pricing template.

Internet Protocol Version 6 Requirements Provision (Special - May 2008)

The Postal Service is voluntarily complying with the Office of Management and Budget (OMB) commitment to establishing an appropriate dual-stack, IPv4/IPv6 network architecture. As per OMB mandate, any IT product or component that shall operate on, or interface with, the US Postal Service network must be IPv6 compliant. An IPv6 compliant product or system must be able to receive, process, and transmit or forward (as appropriate) IPv6 packets and should interoperate with other systems and protocols in both IPv4 and IPv6 modes of operation. All equipment or services provided via USPS contract and/or purchase order shall support Internet Protocol Version 4 (IPv4) and IPv6 standards at its installation and enable the agency's transition to IPv6 at no additional charge in the future.

PART 3 – Contract Clauses

Clause B-1 Definitions (March 2006) ADDED 9-01-2015

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 Order Quantity with Firm Fixed Pricing (IDIQ) contract. Indefinite Delivery/Quantity Contract orders will be issued on an “as-needed” basis throughout the term of the contract period.

Clause B-9: Claims and Disputes (March 2006)

- a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) (“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-12: Termination for Convenience or Default (March 2006)

- a. Performance under this contract may be terminated by the Postal Service in whole or in part whenever:
 - 1. The supplier defaults in performing this contract (including in the term "default" any refusal or failure to prosecute the work diligently enough to ensure its completion within the time specified or any extension), and fails to cure the default within 10 days (or for a longer period as the contracting officer may allow) after receipt from the contracting officer of a notice specifying the default; or
 - 2. The contracting officer determines that termination is in the best interests of the Postal Service. A termination may be effected by delivery to the supplier of a notice of termination specifying whether the termination is for default or for the convenience of the Postal Service, the extent of work terminated, and the effective date of the termination. If, after notice of termination for default under subparagraph a.1 above, it is determined that the supplier was not in default or that the delay was excusable, the notice of termination will be deemed to have been issued for the convenience of the Postal Service.
- b. Upon receipt of a notice of termination, unless otherwise directed by the contracting officer, the supplier must take the following actions:
 - 1. Stop work under the contract to the extent specified in the notice.
 - 2. Place no further orders or subcontracts for materials, services, or facilities except as necessary for completion of the unterminated work.
 - 3. Terminate all orders and subcontracts to the extent that they relate to the work terminated.
 - 4. Assign to the Postal Service, as directed by the contracting officer, all right, title, and interest of the supplier under the orders and subcontracts terminated. The Postal Service has the right, in its discretion, to settle or pay claims arising out of these terminations.
 - 5. Settle all outstanding liabilities and all claims arising out of the termination of orders and subcontracts, with the approval or ratification of the contracting officer. The contracting officer's decision is final for the purposes of this clause.
 - 6. Transfer title to the Postal Service and deliver as directed by the contracting officer:
 - a. Work in process, completed work, and other material produced as a part of or acquired for the work terminated; and
 - b. The completed or partially plans, drawings, information, and other property that, if the contract had been completed, would have been furnished to the Postal Service.
 - 7. Use its best efforts to sell as directed by the contracting officer any property of the types referred to in subparagraph b.6 above, provided that the supplier may acquire property under the conditions prescribed and at prices approved by the contracting officer, and the proceeds of any such transfer will be applied in reduction of any payments to be made by the Postal Service to the supplier, or be credited to the price or cost of the work covered by this contract or paid in any manner directed by the contracting officer.
 - 8. Complete performance of the work not terminated.
 - 9. Take any action that may be necessary, or that the contracting officer may direct, for protecting and preserving any property related to this contract that is in the possession of this supplier and in which the Postal Service has or may acquire an interest.

- c. At any time, the supplier may submit to the contracting officer a list, certified as to quantity and quality, of termination inventory not disposed of and may request the Postal Service to remove inventory items or enter into a storage agreement covering them. Not later than 15 days after receiving this request, the Postal Service will accept title to the items and remove them or enter into a storage agreement. The list will be subject to verification by the contracting officer upon removal of the items or, if the items are stored, within 45 days after submission of the list.
- d. After termination, the supplier must submit to the contracting officer a termination claim in the form and with the certification prescribed by the contracting officer. The claim must be submitted promptly, but in no event more than 180 days after the effective date of termination, unless an extension in writing is granted by the contracting officer. However, if the contracting officer determines that the facts justify such action, any termination claim may be received and acted upon at any time after the 180-day period. Upon failure of the supplier to submit a termination claim within the time allowed, the contracting officer may determine, on the basis of information available, the amount, if any, due the supplier by reason of the termination and will pay that amount.
- e. Subject to the provision of paragraph d above, the supplier and the contracting officer may agree upon the whole or any part of the amount to be paid (including and allowance for the fee) to the supplier by reason of the termination.
- f. If the supplier and the contracting officer fail to agree on the amount with respect to cost or fee, the contracting officer will determine, on the basis of information available, the amount, if any, due the supplier and pay the supplier as follows:
 - 1. If the settlement includes cost and fee:
 - a. All costs and expenses reimbursable in accordance with this contract, not previously paid to the supplier and such as may continue for a reasonable time after termination;
 - b. The cost of settling and paying claims arising out of the termination of work under subcontracts or orders;
 - c. The reasonable costs of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims, together with reasonable storage, transportation, and other costs incurred in connection with protecting or disposing of the termination inventory (however, if the termination is for default, there must not be included any amount for the preparation of the supplier's settlement proposal); and
 - d. A portion of the fee payable under the contract, determined as follows:
 - i. In the event of termination for convenience, a percentage of the fee equivalent to the percentage of the completion of work contemplated by the contract, but exclusive of subcontract effort included in subcontractor's termination claims, less fee payments previously made; or
 - ii. In the event of termination for default, that proportionate part of the fee (or, if this contract calls for articles of different types, of such part of the fee as is reasonably allocable to the type of article under consideration) as the total number of articles accepted bears to the total number of articles of a like kind called for by this contract. If the amount determined under this subparagraph (2) is less than the total payment already made to the supplier, the supplier must repay to the Postal Service the excess.
 - 2. If the settlement includes only the fee, its amount will be determined in accordance with f.1(d) above.
- g. Costs claimed, agreed to, or determined pursuant to paragraphs c, d, and e above must be in accordance with the Conduct Price/Cost Analysis topic of the Evaluate Proposals task of Process Step 2: Evaluate Sources, of the Postal Service *Supplying Practices* in effect on the effective date of termination. The final settlement is limited as provided in the *Limitation of Cost* clause of this contract.
- h. The supplier has the right of review, under the *Claims and Disputes* clause, of any determination made by the contracting officer under paragraph d or f above, except that if the supplier fails to request an extension of time, the supplier will have no right of review. In any case where the contracting officer determines the amount due under paragraph d or f above, the Postal Service must pay to the supplier the following:
 - 1. If there is no right of review under this clause or if no timely review has been taken, the amount determined by the contracting officer; or
 - 2. If a review has been taken, the amount finally determined.
- i. There will be deducted:

1. All unliquidated advance or other payments made to the supplier applicable to the terminated portion of this contract;
 2. Any claim the Postal Service may have against the supplier; and
 3. The agreed price for, or the proceeds of sale of, any materials, supplies, or other things acquired by the supplier or sold in accordance with this clause.
- j. If the termination is partial, the portion of the fee payable for the continued portion of the contract must be equitably adjusted by agreement between the supplier and the contracting officer.
- k. The Postal Service may, under the terms and conditions it may prescribe, make partial payments against costs incurred by the supplier in connection with the terminated portion of the contract whenever, in the opinion of the contracting officer, the aggregate of the partial payments is within the amount to which the supplier will be entitled. If the total of these payments exceeds the amount finally determined to be due under this clause, the excess must be repaid to the Postal Service upon demand, together with interest calculated in accordance with the *Interest* clause of this contract, for the period from the date the excess payment is received by the supplier to the date on which the excess is repaid to the Postal Service. However, no interest will be charged with respect to an excess payment attributable to a reduction in the supplier's claim by reason of retention or other disposition of termination inventory, until 10 days after the date of the retention or disposition.

Clause B-25 Advertising Of Contract Awards (March 2006)

Except with the contracting officer's prior approval, the supplier agrees not to refer in its 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-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-30: Permits and Responsibilities (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 performance of the contract. The supplier is responsible for all damage to persons or property, including environmental damage, that occurs as a result of its omission(s) or negligence. The supplier must take proper safety and health precautions to protect the work, the workers, the public, the environment, and the property of others.

Clause B-50: Protection of Existing Vegetation, Structures, Utilities, and Improvements (March 2006)

- a. The supplier will preserve and protect all existing vegetation (such as trees, shrubs, and grass) and structures on or adjacent to the site of work that are not to be removed and that do not unreasonably interfere with the construction work. Care will be taken in removing trees authorized by the contracting officer for removal, to avoid damage to vegetation that will remain in place. Any limbs or branches of trees broken during such

operations or by the careless operation of equipment, or by workmen, will be trimmed with a clean cut and painted with an approved tree pruning compound as directed by the contracting officer.

- b. The supplier will protect from damage all existing improvements or utilities at or near the site of the work, the location of which is or should have been known, and will repair or restore any damage to these facilities resulting from failure to comply with the requirements of this contract or to exercise reasonable care in performing the work. If the supplier fails or refuses to repair any such damage promptly, the contracting officer may have the necessary work performed and charge the cost to the supplier.

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 B-78: Renewal (March 2006)

This contract may be renewed by mutual agreement of the parties.

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 1-3: Progress Payments (May 2006)

Progress payments will be made to the supplier when requested as work progresses, but not more often than monthly, in amounts approved by the contracting officer, upon the following terms and conditions:

- a. *Computation of Amounts*
 1. No progress payments may exceed 80 percent of the amount of the supplier's total costs, plus the amount of progress payments that have been paid to supplier's subcontractors and other divisions.
 2. The supplier's total costs must be reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices. These costs may not include:
 - a. Any incurred by subcontractors or suppliers;
 - b. Any payments or amounts payable to subcontractors or suppliers, except for completed work (including partial deliveries) to which the supplier has acquired title and except for amounts paid under cost-reimbursement or time-and-materials subcontracts for work to which the supplier has acquired title; or

- c. Costs ordinarily capitalized and subject to depreciation or amortization, except for the properly depreciated or amortized portion of such costs.
 - 3. The aggregate amount of progress payments made must not exceed 80 percent of the total contract price.
 - 4. If at any time a progress payment or the unliquidated progress payments exceed the amount permitted by this paragraph a, the supplier must pay the excess to the Postal Service upon demand.
- b. Liquidation. Except as provided in the Termination for Convenience clause, all progress payments must be liquidated by deducting from any payment under this contract, other than advance or progress, the amount of unliquidated progress payments, or 80 percent of the gross amount invoiced, whichever is less. Repayment to the Postal Service required by a retroactive price reduction will be made after calculating liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly.
- c. Reduction or Suspension. The contracting officer may reduce or suspend progress payments, or liquidate them at a rate higher than the percentage stated in paragraph b above, or both, whenever the contracting officer finds, upon substantial evidence, that the supplier:
 - 1. Has failed to comply with any material requirement of this contract;
 - 2. Has so failed to make progress, or is in such unsatisfactory financial condition, as to endanger performance of this contract;
 - 3. Has allocated inventory to this contract substantially exceeding reasonable requirements;
 - 4. Is delinquent in payment of the costs of performance of this contract in the ordinary course of business; or
 - 5. Has so failed to make progress that the unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract.
- d. Title
 - 1. Immediately upon the date of this contract, title to all parts; materials; inventories; work in process; special tooling; nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids; and drawings and technical data (to the extent that their delivery is required by other provisions of this contract), previously acquired or produced by the supplier and allocated or properly chargeable to this contract under sound and generally accepted accounting principles and practices, will be vested in the Postal Service. Title to all similar property afterwards acquired or produced by the supplier and allocated or properly chargeable to this contract as aforesaid will be vested in the Postal Service upon said acquisition, production, or allocation.
 - 2. Notwithstanding that title to property is in the Postal Service through the operation of this clause, the handling and disposition of such property will be determined by the applicable provisions of this contract (e.g., paragraph h of this Progress Payments clause, and any termination clause included in the contract). Current production scrap may be sold by the supplier without approval of the contracting officer; in this case, the proceeds must be credited against the costs of contract performance. With the consent of the contracting officer, and on terms approved by the supplier, the supplier may acquire or dispose of property to which title is vested in the Postal Service under this clause, and, in that event, the costs allocable to the property so transferred from this contract must be eliminated from the costs of contract performance and the supplier must repay to the Postal Service (by cash or credit memorandum) an amount equal to the unliquidated progress payments allocable to the property so transferred.
 - 3. Upon completion of performance of all the obligations of the supplier under this contract, including liquidation of all progress payments under this clause, title to all property (or the proceeds thereof) not delivered to, and accepted by, the Postal Service under this contract, or not incorporated in supplies delivered and accepted and to which title has been vested in the Postal Service under this clause, will be vested in the supplier. The provisions of this contract referring to or defining liability for Postal Service-furnished property do not apply to property to which the Postal Service acquires title solely by virtue of this clause.
- e. Risk of Loss. Except to the extent that the Postal Service otherwise expressly assumes the risk of loss of property, title to which is vested in the Postal Service by this clause, in the event of the loss, theft, or destruction of or damage to any such property before its delivery to, and acceptance by, the Postal Service, the supplier must bear the risk of loss and must repay the Postal Service an amount equal to the unliquidated progress payments on the basis of costs allocable to such lost, stolen, destroyed, or damaged property.

- f. Control of Costs and Property. The supplier must maintain an accounting system and controls adequate for the proper administration of this clause.
- g. Reports - Access to Records. The supplier must:
 - 1. Furnish promptly such relevant reports, certificates, financial statements, and other information as may be reasonably requested by the contracting officer; and
 - 2. Give the Postal Service reasonable opportunity to examine and verify the supplier's books, records, and accounts.
- h. Special Provisions Regarding Default. If this contract is terminated for default:
 - 1. The supplier must, upon demand, pay the Postal Service the amount of unliquidated progress payments; and
 - 2. With respect to all property for which the Postal Service elects not to require delivery, title will be vested in the supplier upon full liquidation of progress payments, and the Postal Service will not be liable for payment.
- i. Reservation of Rights. The rights and remedies of the Postal Service provided in this clause are not exclusive and are in addition to any other rights and remedies provided by law or under this contract. No payment, or vesting of title under this clause, will excuse the supplier from obligations under this contract or constitute a waiver of any of the rights and remedies of the parties under this contract. No delay or failure of the Postal Service in exercising any right, power, or privilege under this clause will affect any such right, power, or privilege; nor will any single or partial exercise thereof preclude or impair any further exercise thereof or the exercise of any other right, power, or privilege of the Postal Service.
- j. Progress Payments to Subcontractors
 - 1. Progress payments may include reimbursements for unliquidated progress payments paid by the supplier to subcontractors or other divisions under provisions which conform to subparagraph j.2 following.
 - 2. Provisions regarding progress payments must:
 - a. Be substantially similar to and as favorable to the Postal Service as is this Progress Payments clause, no more favorable to the subcontractor or the other division than this clause is to the supplier, and on a basis of not more than 80 percent of total costs; and
 - b. Make all rights of the subcontractor with respect to all property to which the Postal Service has title under the subcontract subordinate to the rights of the Postal Service to require delivery of such property to it in the event of default by the supplier under this contract or in the event of the bankruptcy or insolvency of the subcontractor.
 - 3. The Postal Service agrees that any proceeds received by it from property to which it has acquired title by virtue of such provisions in any subcontract must be applied to reduce the amount of unliquidated progress payments made by the Postal Service to the supplier under this contract. In the event that the supplier fully liquidates such progress payments made by the Postal Service to the supplier hereunder and there are unliquidated progress payments to any subcontractors, the supplier must be subrogated to all the Postal Service rights by virtue of such provisions in the subcontract or subcontracts involved as if all such rights had been thereupon assigned and transferred to the supplier.
- k. Requests. Supplier's requests for progress payments under this clause must be submitted on Form 7305, Supplier's Request for Progress Payment.

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 1-11: 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 2-2: 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
 2. Accept the supplies or services at a reduced price.

Clause 2-7: Incorporation of Warranty (Revised October 2009)

The supplier's standard commercial warranty, as disclosed in the offeror's proposal, is incorporated as a part of this contract. As a supplement to the commercial warranty a complete 1-year warranty for hardware, software, maintenance and support beginning with successful installation and acceptance testing is required by this contract. This warranty period will include all services and support offered with the annual maintenance and support options periods along with any software updates, revisions and/or new releases. However, any dispute concerning it will be resolved under the *Claims and Disputes* clause of this contract, notwithstanding any disputes procedure that may be specified in the warranty.

Clause 2-12: Postal Service Property – Short Form (March 2006)

- a. The Postal Service will deliver to the supplier, at the time and locations stated in this contract, the Postal Service property described in the Schedule or specifications. If that property, suitable for its intended use, is not

delivered timely to the supplier, the contracting officer must equitably adjust affected provisions of this contract in accordance with the *Changes* clause when:

1. The supplier submits a timely written request for an equitable adjustment; and
 2. The facts warrant an equitable adjustment.
- b. Title to Postal Service property remains in the Postal Service. The supplier may use the Postal Service property only in connection with this contract. The supplier must maintain adequate property control records in accordance with sound industrial practice and must make them available for Postal Service inspection at all reasonable times.
 - c. Upon delivery of Postal Service property to the supplier, the supplier assumes the risk and responsibility for its loss or damage, except:
 1. For reasonable wear and tear;
 2. To the extent property is consumed in performing the contract; or
 3. As otherwise provided in the contract.
 - d. Upon completing this contract, the supplier must follow the contracting officer's instructions regarding the disposition of all Postal Service property not consumed in performing this contract or previously delivered to the Postal Service. The supplier must prepare for shipment, deliver f.o.b. origin, or dispose of the Postal Service property, as directed or authorized by the contracting officer. The net proceeds of any such disposal will be credited to the contract price or will be paid to the Postal Service as directed by the contracting officer.

Clause 2-14: Postal Service Property Furnished "As Is" (March 2006)

- a. The Postal Service makes no warranty whatsoever with respect to Postal Service property furnished "as is" except that the property is in the same condition when placed at the f.o.b. point specified in the solicitation as when inspected by the supplier pursuant to the solicitation or (if not inspected by the supplier) as when last available for inspection under the solicitation.
- b. The supplier may repair any property made available to the supplier "as is." Repair will be at the supplier's expense except as otherwise provided in this clause. Such property may be modified at the supplier's expense, but only with the written permission of the contracting officer. Any repair or modification of property furnished "as is" does not affect the title of the Postal Service.
- c. If there is any change (between the time inspected or last available for inspection under the solicitation to the time placed on board at the location specified in the solicitation) in the condition of Postal Service property furnished "as is" that will adversely affect the supplier, the supplier must, upon receipt of the property, notify the contracting officer of that fact, and (as directed by the contracting officer) either (1) return the property at the expense of the Postal Service or otherwise dispose of it, or (2) effect repairs to return it to the condition it was in when inspected under the solicitation, or (if not inspected) as it was when last available for inspection under the solicitation. Upon completion of (1) and (2) above, the contracting officer, upon written request from the supplier, will equitably adjust any contractual provisions affected by the return, disposition, or repair, in accordance with the *Changes* clause. The foregoing provisions for adjustment are exclusive, and the Postal Service is not liable for any delivery of Postal Service property furnished "as is" in a condition other than that in which it was originally offered.
- d. Except as otherwise provided in this clause, Postal Service property furnished "as is" is governed by the *Postal Service Property* clause of this contract.

Clause 2-20: Option to Renew (with Preliminary Notice) (March 2006)

This contract is renewable, at the option of the Postal Service, by the contracting officer giving written notice of renewal to the supplier within the period specified in the Schedule; provided that, the contracting officer will have given preliminary notice of the Postal Service's intent to renew at least 60 days before this contract is to expire (such a preliminary notice will not be deemed to commit the Postal Service to renewals). If the Postal Service exercises this option for renewal, the contract as renewed includes this option clause. The duration of this contract, including renewals, may not exceed the time limit set forth in the Schedule.

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 (March 2006)

- a. Supplies or services to be furnished under this contract will be ordered by authorized Postal Service credit card, or issuance of delivery orders, 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), 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.

Clause 2-40: Delivery-Order Limitations (March 2006)

When the Postal Service requires supplies or services covered by this contract in an amount less than \$1, the Postal Service is not obligated to purchase, and the supplier is not obligated to furnish, those supplies or services under this contract.

- a. The supplier is not obligated to honor:
 1. Any order for a single item in excess of \$10 Million (*contracting officer insert maximum dollar amount or quantity*);
 2. Any order for a combination of items in excess of \$25 Million (*contracting officer insert maximum dollar amount or quantity*); or
 3. A series of orders from the same ordering office in the course of 5 business days that together call for quantities exceeding the limitations stated in subparagraph b.1 or b.2 above.
- b. 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.
- c. 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 5 business 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 (March 2006)

- a. This is an indefinite-quantity contract; the quantities of supplies or services specified in the Schedule are not purchased until ordered. If this contract resulted from multiple awards under a single solicitation for the same or similar supplies or services to two or more sources, some or all of the orders issued will be subject to the competitive procedures described in this contract.
- b. Delivery or performance must be as directed in orders issued in accordance with the *Ordering* clause and the contract Schedule. The supplier must furnish to the Postal Service, when ordered, the supplies 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 supplies 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 the *Delivery-Order Limitations* clause 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 2-49: Cost/Price Reduction (March 2006)

During the term of this contract, the Postal Service reserves the right to negotiate price reductions for any good or service being purchased. During the term of this contract, the Postal Service expects the supplier to continually seek to improve production and performance processes and method, and to report on these efforts to the Postal Service. Additionally, price reductions may be sought by the Postal Service as a result of changes in market conditions, industry trends and indexes, or in cost/price indexes, and their impact on the supplier's cost elements or overall cost. The Postal Service may terminate this contract for convenience if it feels price reductions are warranted, but the parties cannot reach an agreement on such price reductions.

Clause 3-1: Small, Minority, and Woman-owned Business Subcontracting Requirements (March 2006)

- a. All suppliers except small businesses must submit a subcontracting plan that is specific to this contract, and that separately addresses 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. Lack of an approved plan may make the supplier ineligible for award. 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 supplies 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 supplies and services that are normally allocated as indirect costs.
 - 2. A statement of the:
 - a. Total dollars planned to be subcontracted under this contract; and
 - b. Total of that amount planned to be subcontracted to small, minority, and woman-owned businesses.
 - 3. A description of the principal types of supplies 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 \$1,000,000 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 calendar-quarter basis. 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 (March 2006)

- a. The policy of the Postal Service is to encourage the participation of small, minority, and woman-owned business in its purchases of supplies and services to the maximum extent practicable consistent with efficient contract performance. The supplier agrees to follow the same policy in performing this contract.
- b. 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 money paid to subcontractors during the reporting period;
 - 2. Showing subcontracting activity that is allocable to this contract using generally accepted accounting practices; or
 - 3. A combination of the methods listed above.
- c. The supplier will submit a report to the contracting officer within 15 calendar days after the end of each calendar-year quarter, describing all subcontract awards to small, minority, or woman-owned businesses. 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 reasonably 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://www.usps.com/cpim/ftp/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 Delay*
 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 (July 2014)

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:
 - (1) Clause B-9, *Claims and Disputes*
 - (2) Clause B-25, *Advertising of Contract Awards*
2. (3) Clause 1-5, *Gratuities or Gifts*
 - (4) Clause 7-10, *Sustainability*
 - (5) Clause 9-1, *Convict Labor*
 - (6) Clause 9-5, *Contract Work Hours and Safety Standards Act - Safety Standards*
3. If checked, the following additional clauses are also incorporated in this contract by reference: (contracting officer will check as appropriate.)
 - (1) [X] Clause 1-1, *Privacy Protection*
 - (2) Clause 1-6, *Contingent Fees*
 - (3) Clause 1-9, *Preference for Domestic Supplies*
 - (4) Clause 1-10, *Preference for Domestic Construction Materials*
 - (5) [X] Clause 3-1, *Small, Minority, and Woman-owned Business Subcontracting Requirements*
 - (6) [X] Clause 3-2, *Participation of Small, Minority, and Woman-owned Businesses*
 - (7) Clause 9-2, *Contract Work Hours and Safety Standards Act - Overtime Compensation*
 - (8) Clause 9-3, *Davis-Bacon Act*
 - (9) Clause 9-6, *Walsh-Healey Public Contracts Act*
 - (10) [X] Clause 9-7, *Equal Opportunity*
 - (11) Clause 9-10, *Service Contract Act*
 - (12) Clause 9-11, *Service Contract Act - Short Form*
 - (13) Clause 9-12, *Fair Labor Standards Acts and Services Contract Act - Price Adjustments*
 - (14) [X] Clause 9-13, *Affirmative Action for Handicapped Workers*
 - (15) [X] Clause 9-14, *Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era*

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 (b)(1)-(4) of this clause, for examination, audit, or reproduction, until three 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 three years after any resulting final termination settlement; and
 - b. The supplier must make available records relating to appeals under the claims and disputes clause 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 (1) consulting with assigned counsel and the Office of the Inspector General and (2) 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: 1(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 4-5: Inspection of Professional Services (March 2006)

- a. The contracting officer may, at any time or place, inspect the services performed and the products, including documents and reports. No matter what type of contract is employed, and in addition to any specific standards of quality set out in this agreement, the contracting officer may reject any services or products that do not meet the highest standards of professionalism. No payment will be due for any services or products rejected under this clause.
- b. Acceptance of any product or service does not relieve the supplier of the duties imposed by supplier's code of professional ethics, and the supplier remains liable for the period allowed under federal law for claims by the United States, for any errors or omissions occurring during performance.

Clause 4-6: Invoices (Professional Services) (March 2006)

- a. In addition to the information required elsewhere in this agreement, all invoices for services under this agreement must indicate in detail the following:
 1. Person performing service each day by hour and part of an hour.
 2. Services performed each day by hour and part of an hour.
 3. Rates and charges for each service so detailed.
 4. Individual expenses charged, if allowed under this agreement.
- b. Minimum charges for portions of an hour may be allowed, if such a charging practice has been disclosed before award of this agreement.

Clause 4-7: Records Ownership (March 2006)

Notwithstanding any state law providing for retention of rights in the records, the supplier agrees that the Postal Service may, at its option, demand and take without additional compensation all records relating to the services provided under this agreement. The supplier must turn over all such records upon request but may retain copies of documents produced by the supplier.

Clause 4-8: Key Personnel (March 2006)

- a. To the extent that the statement of work provides for services to be performed by key personnel, those services must be performed by the personnel identified in the supplier's proposal to perform them unless substitutes have been approved in writing by the contracting officer. Use of junior personnel, even under key personnel supervision (for example, associates or student workers), is not authorized unless they are identified in the supplier's proposal by name or position, with a description of their duties.
- b. This agreement may be terminated if the key personnel named in the supplier's proposal become unavailable for any reason. If the unavailability of key personnel is not the fault of the supplier, the contracting officer may terminate by giving notice of termination. The supplier will be paid for service performed up to the date of termination. If the contracting officer finds that the supplier is at fault for the unavailability of key personnel, the agreement may be terminated for default.

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 4-14: Software Development Warranty (March 2006)

If at any time during the 12-month period immediately following acceptance, the supplier or the Postal Service discovers defects or errors in the software or any respect in which the software fails to conform to the provisions of any other warranty contained in this contract, the supplier must, entirely at its own expense, promptly correct the defects, errors, or nonconformity by, among other things, supplying the Postal Service with corrective codes and making additions, modification, or adjustments to the package as may be necessary to keep the software in operating order in conformity with the warranties in this contract.

Clause 4-15: Warranty Exclusion and Limitation of Damages (March 2006)

- a. Except as specifically provided in this contract, there are no warranties express or implied. In no event will the supplier be liable to the Postal Service for consequential damages, which are defined as:
 - 1. Any loss resulting from general or particular requirements and needs known to the supplier at the time of contracting that could not reasonably be prevented by cover or otherwise; and
 - 2. Injury to person or property in proximity resulting from any breach of warranty.
- b. The provisions of this clause do not apply to the supplier's obligation to indemnify the Postal Service from third-party claims.

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 Technology Accessibility Standards (March 2006)

- a. Information technology purchased under this contract or order must conform to the applicable provisions of the Architectural and Transportation Barriers Compliance Board's Electronic and Information Technology Accessibility Standards (36 CFR part 1194) at the time of delivery, except when the contracting officer has advised that compliance is not required.
- b. At the time of delivery, the supplier must provide documentation of the commercial availability of accessibility features incorporating the standards of the applicable provisions of 36 CFR part 1194 for the commercial off-the-shelf products ordered under this contract.

Clause 4-19, Application Information Security Requirements (August 2014) (CISO Modified)

The United States Postal Service (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 and Handbook AS-805-H, Cloud Security, establish Postal Service information security policies. Handbook AS-805-A, Information Resource Certification and Accreditation Process (to be renamed Application 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.

For Hosted Solutions, the supplier shall:

- Comply with the policies delineated in Handbook AS-805, Information Security.
- Coordinate security assessment activities with the Postal Service's Corporate Information Security Office (CISO). This assessment process is outlined in Handbook AS-805-A, Information Resource Certification and Accreditation Process (to be renamed Application 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 data associated with the application and to determine the information security requirements.
- Include and comply with the information security requirements generated by the BIA and any specific additional security requirements included in the contract or agreement.
- Complete security assessment templates from AS-805-A and provide applicable documentation and deliverables to the CISO.
- Complete USPS sensitive security clearance process on all supplier employees who will have access to USPS data.
- Cooperate with the USPIS and CISO in completing site security reviews of all facilities involved in this contract that will store, process or transmit USPS data.
- Suppliers are responsible for mitigating all high and moderate security vulnerabilities identified by the C&A process, from site security reviews conducted by the Postal Inspection Service and CISO, and any findings from audits conducted by the Office of the Inspector General.

For Cloud Solutions, the supplier shall:

- Comply with the policies delineated in Handbook AS-805, Information Security and Handbook AS-805-H, Cloud Security.
- Cooperate with the Postal Service in completing the Cloud Computing Impact Assessment (CCIA) to determine the Postal Service and the Cloud Service Provider's (CSP) Information Types and sensitivity levels based on confidentiality, integrity, and availability security objectives.
- Include and comply with the information security requirements generated by the CCIA and any specific additional security requirements included in the contract or agreement.
- Complete security assessment templates from CCIA and provide applicable documentation and deliverables to the CISO.
- Complete USPS sensitive security clearance process on all supplier employees who will have access to USPS data.
- Cooperate with the USPIS and CISO in completing site security reviews of all facilities involved in this contract that will store, process or transmit USPS data.
- Suppliers are responsible for mitigating all high and moderate security vulnerabilities identified by the C&A process, from site security reviews conducted by the Postal Inspection Service and CISO, and any findings from audits conducted by the Office of the Inspector General.

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 7-10: 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 Services 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

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 contacting 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 disclose, 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 _____
(Name of supplier and subcontractor)."

- 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 8-16: Postal Service Title in Technical Data and Computer Software (March 2006)

a. *Definitions*

1. *Data.* Data means technical data including drawings, technical reports, studies, and similar documents; computer software and computer software documentation, including but not limited to source code, object code, algorithms, formulas, and, other data that describe design, function, operation, or capabilities, and other recorded information, regardless of the form or the medium on which it may be recorded. It 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. *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.
6. *Restricted Rights.* The rights of the Postal Service in restricted computer software, as set forth in a Restricted Rights Notice as provided in paragraph h below, or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract.
7. *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. *Rights*

1. The Postal Service has title to all data first produced in the performance of this contract. Accordingly, the supplier assigns all rights, title, and interest to the Postal Service in all data first produced in performance of this contract. The supplier, unless directed otherwise by the contracting officer, must place on all such data delivered under this contract the following notice:

“This data is the confidential property of the U.S. Postal Service and may not be used, released, reproduced, distributed or published without the express written permission of the U.S. Postal Service.”

2. The supplier grants to the Postal Service a royalty-free, nonexclusive, irrevocable license throughout the world to publish, translate, deliver, perform, use, and dispose of in any manner any portion of data that is not first produced in the performance of this contract but in which copyright is owned by the supplier and that is incorporated in the data furnished under this contract, and to authorize others to do so for Postal Service purposes.
3. Unless the contracting officer’s written approval is obtained, the supplier may not include in any data prepared for or delivered to the Postal Service under this contract any data which is not owned by the supplier or the Postal Service without acquiring for the Postal Service any right necessary to perfect a license of the scope set forth in subparagraph b.2.

- c. *Indemnity.* The supplier indemnifies the Postal Service (and its officers, agents, and employees acting for the Postal Service) against any liability, including costs and expenses, (1) for violation of proprietary rights, copyrights, or rights of privacy or publicity, arising out of the creation, delivery, or use of any works furnished under this contract, or (2) based upon any libelous or other unlawful matter contained in these works. This provision does not apply to material furnished by the Postal Service and incorporated in the works to which this clause applies.

d. *Additional Rights in Technical Data*

1. Except as provided in paragraph b, the Postal Service has unlimited rights in:
 - a. Form fit, and function data, including such data developed at private expense, delivered under this contract, and
 - b. 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.
2. *Copyright*
 - a. The contracting officer may direct the supplier to establish, or authorize the establishment of, claim to copyright in the technical data and to assign, or obtain the written assignment of, the copyright to the Postal Service or its designated assignee.
 - b. 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 176 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 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.

- c. The Postal Service agrees not to remove any copyright notices placed on data pursuant to this section d, and to include such notices on all reproductions of the data.
- e. *Release, Publication, and Use of Technical Data and 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 technical data or computer software first produced by the supplier in the performance of the contract.
 - 2. The supplier agrees that if it receives or is given access to data or software necessary for the performance of this contract that contain restrictive markings, the supplier will treat the data or software in accordance with the markings unless otherwise specifically authorized in writing by the contracting officer.
- f. *Unauthorized Marking of Data or Computer Software*
 - 1. If any technical data or computer software delivered under this contract are marked with the notice specified in paragraph h and the use of such a notice is not authorized by this clause, or if the data or computer software bear any other unauthorized restrictive markings, the contracting officer may at any time either return the data or 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 data or computer software, unless this action occurs as the result of a final disposition of the matter by a court of competent jurisdiction.
- g. *Omitted or Incorrect Markings*
 - 1. Technical data or computer software delivered to the Postal Service without the limited rights notice or restricted notice authorized by paragraph h, or the data rights notice required by paragraph b, 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 data or computer software. However, to the extent the data or software have 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 data or software, permission to have notices placed on qualifying technical data or computer software at the supplier's expense, and the contracting officer may agree to do so if the supplier:
 - a. Identifies the technical data or computer software 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 or software made before the addition of the notice or resulting from the omission of the notice.
 - 2. The contracting officer may also (a) permit correction of incorrect notices, at the supplier's expense, if the supplier identifies the technical data or 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.
- h. *Protection of Rights*

Protection of Limited Rights Data. When technical data other than data listed in section d, 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 f and g 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 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.”

1. *Protection of Restricted Computer Software*

- a. When computer software 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, and the Postal Service will thereafter treat the computer software, subject to paragraphs f and g 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:

1. Used or copied for use in or with the computer or computers for which it was acquired, including use at any Postal Service installation to which the computer or computers may be transferred;
2. Used or copied for use in a backup computer if any computer for which it was acquired is inoperative;
3. Reproduced for safekeeping (archives) or backup purposes;
4. 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;

- 5. Disclosed to and reproduced for use by support service suppliers in accordance with 1 through 4 above, provided the Postal Service makes such disclosure or reproduction subject to these restricted rights; and
- 6. 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.”

- (b) 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 _____ (name of supplier and subcontractor).”

- i. *Subcontracting.* The supplier has the responsibility to obtain from its subcontractors all computer software and technical data and the rights therein 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.
- 2. *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 or 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.
 - 3. *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 SP 1 – Software (Special February 2008)

- a. License Scope

The Postal Service shall have the right to copy and distribute on an unlimited basis Product(s) listed in Section 3 Product Listing of the Enterprise License Agreement and upgrades, updates, new versions and formats for the Product(s) listed in Section 3 Product Listing and any successor Product(s) subject to any limitations listed below. The Postal Service and/or its Authorized Agent(s) is granted an unlimited right to copy the Documentation at no additional charge, provided all copies retain any applicable restrictive marking of the original copy and the use of such Documentation is limited to use by the Postal Service and /or its Authorized Agents. The Enterprise License Agreement shall be exclusively for the internal use of the Postal Service and it's Authorized Agents; the Postal Service shall have the right to allow its Agents to use the software in such Enterprise License Agreement subject to the eliminations set forth herein.

Agent is defined as "A third party under contract to and acting on behalf of the Postal Service in support of the Postal Service data processing requirements".

(1) Covered Systems

All Postal Service computer systems capable of running these Product(s) are included. Any new computer systems, server systems and laptop/notebook systems purchased by the Postal Service during the terms of the Contract which are capable of running these Product(s) and their successor Product(s) are also included.

(2) Product Provision and Maintenance

The Supplier will provide the Postal Service software and right to copy licenses for the Product(s) listed in Section 3 Product Listing of this document, any Updates, upgrades, new versions and formats of those Product(s), and any Product(s) that replace the functionality of those Product(s) ("Successor Products") over the period of the Enterprise License Agreement provided the Postal Service has continuously maintained Maintenance and Technical Support. Successor Product(s) are updates, upgrades, new versions, formats or enhancements, which include those Product(s) where the Product's function is included in an entirely different Product, or two or more Products are combined into a single Product, so that function the Product(s) is/are not otherwise available, the new Product(s) will be provided to the Postal Service, at no additional cost.

The distribution of any software upgrades or versions to which it is entitled shall be at the sole discretion of the Postal Service. The Postal Service is responsibility for installing the software media after initial deployment.

The Supplier will notify Postal Service immediately of all new software updates and upgrades as soon as they become available.

In the event of termination of this Contract the Licenses acquired under this Contract up to that point belong to Postal Service and they will have the perpetual rights to continue to use the software furnished.

(3) Product Listing

- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX

(4) Software Distribution and Use

a. Distribution

The Supplier will provide a master set of software media which shall be kept at either a Postal Service or a Postal Service Supplier facility. This software may be duplicated by either Postal Service or a Postal Service authorized Supplier for distribution to any Postal Service location in whatever media front maybe required.

b. Use

The Postal Service warrants that it will make a good faith effort to ensure that it will install the software on only Postal Service purchased systems, in accordance with the terms of this Contract with the exception of any home-use provisions which may be contained in an applicable End User License Agreement for a product. Copies of products made by the Postal Service shall be used on by the Postal Service and their employees and Suppliers

and shall not be transferred or sold by Postal Service to another party. The Postal Service will have no obligation to report the number of licensed copies deployed during the term of the contract.

(5) Disengagement

At the expiration or termination of the Contract the Postal Service understands that it is no longer entitled to receive or distribute new licenses of these products and receive maintenance of those products. The Postal Service will have 30 days subsequent to the end of this Contract to complete any ongoing product installs/maintenance it had received during the Contract.

Within 60 days after the end of this Contract the Postal Service will show that it has made a good faith attempt to alert all users that the Contract has been terminated and that additional copies of the products may not be made without purchase through normal channels. The Postal Service will take reasonable action to ensure those users comply. Further the Postal Service will provide a best estimate of the number of installed systems where these products might reside. However, the Supplier must understand that this estimate is not an actual count or guarantee and that the Postal Service is not subject to an audit for verification of estimate of any kind.

The Postal Service shall retain all rights to the continued use of the software previously acquired under this Contract in perpetuity and the right to obtain upgrades and maintenance for this software under the same terms then offered to other customers in the commercial marketplace or the succeeding contract provisions which may apply. The Postal Service agrees to abide by the Supplier end user agreement of all such subsequently acquired products and maintenance.

(6) Software Maintenance and Data Rights

In the event Supplier can no longer support this Contract due to contraction cancellation, or Supplier corporate dissolution or restructuring, the Postal Service retains all licenses in perpetuity and rights to maintenance for the current option year and duplication rights described herein.

The Supplier shall retain in escrow a copy of the source code for the Supported Programs Licenses acquired by the Postal Service under the Enterprise License Agreement. The escrowed material shall be maintained under a Contract which provides that if the Supplier ceases to be in the business of supporting the Programs, the escrow agent shall furnish the Postal Service with a copy of the escrowed material that has become unsupported. Any escrowed material furnished under this provision shall be considered licenses subject to the terms of the contract and shall be used solely to maintain the Programs.

In this event the Postal Service may either find another Supplier who will perform under the same terms and conditions or act as its own agent in order to continue the terms and conditions of this Contract.

b. Manuals and Publications

The Supplier must furnish the most current version of user manuals and publications for all Supplier equipment or software provided under this contract, in the quantities set forth elsewhere in the contract. The Supplier must notify the Postal Service as soon as updated versions of these manuals and publications become available. For a period of the contract, the Postal Service will specify its requirements, if any, for these updates in numbers not to exceed the initial requirements. Requirements for these updates must be satisfied promptly at no additional charge.

c. Successor Product Provision And Maintenance

The Supplier shall provide the Postal Service any updates, new versions and formats of those products listed in the contract. If the Supplier discontinues a product purchased under this contract and the product is no longer generally available, and another product becomes general available as a replacement and/or successor for the discontinued product which has similar functionality as the discontinued product, ("Successor Products") the Postal Service shall receive the replacement and and/or successor product, at no additional costs, over the period of performance of this contract as long as the Postal Service remains current under its maintenance obligations.

Successor products are defined as updates, upgrades, new versions, formats, or enhancements, which include those products where the product's function splits the product into two or more separately name and/or priced products, or

two or more products are combined into a single product, so that the product(s) is/are not otherwise available. The successor product(s) will be provided to the Postal Service, at no additional charge. The Supplier will notify the Postal Service immediately of all new software updates and upgrades as soon as they become available.

d. Software Maintenance and Data Rights

In the event that the Supplier can no longer support this contract due to cancellation, dissolution or restructuring, the Postal Service retains all licenses and rights to maintenance for the current option year.

In this event the Postal Service may either find another reseller who will perform under the same or similar terms and conditions or act as its own agent in order to continue the terms and conditions of this contract.

e. Software Furnished

The Supplier must furnish the applications and/or operating system software listed in the schedule that are proposed and are accepted by the Postal Service. The Supplier must support this software, including any Supplier-sponsored modification or revisions, at no additional cost, for the period of this contract, including renewals. The support provided will consist of correction of errors and provision of Supplier-sponsored modifications, improvements, and revisions.

f. Modifications And Revisions Of Software

The Supplier must furnish full documentation of all Supplier changes or modifications to the applications and/or operating system software provided to meet the Postal Service requirements. In the case of new software level releases, the Postal Service may elect to accept the later versions of the software. If so, software support must be provided at no additional cost during the period of this contract, including renewals. Any reprogramming or additional equipment required to accommodate the later version will be at the Postal Service's expense.

Confidentiality

Postal Service agrees to receive and hold in confidence and not disclose in any manner to third parties, except its Agents who require such information to perform their responsibilities for Licensee, any Software or any other materials delivered to it or information disclosed to it by Supplier under any License. Postal Service will use any Software and any such materials and information and all information, courseware, reference materials and other Software, if any, resulting from the use thereof or created there from ("Other Products") only internally within its own company in the pursuit of its own internal business interests. Postal Service will not sell, lease, license or otherwise transfer with or without consideration, any such Software or such materials or information or such Other Products to any third party or permit any third party to reproduce or copy or otherwise use or see any such Software or such materials or information or such Other Products in any form, and will use its best efforts to ensure that no improper or unauthorized use of any such Other Products is made.

SP2 – Advance Payment (Software Maintenance Only)

a. Requirements for payments: Upon supplier submission of properly certified invoices or vouchers and contracting officer approval, advance payments are hereby authorized and will be made under this contract. The supplier will apply terms similar to those of this clause to any advance payments to subcontractors. Advance payment is due commencing with the beginning of each contract period for the amount specified in the Schedule, subject to the availability of funds.

b. Repayment to the Postal Service: At any time, the supplier shall repay all or part of the unliquidated balance of funds advanced by the Postal Service for software maintenance fees over the period of performance of the contract which have not been earned pursuant to Generally Accepted Accounting Principles (GAAP). When requested in writing to do so by the administering office, the supplier must repay to the Postal Service any part of the unliquidated balance of advance payments applied toward software maintenance, exclusive of those fees applied towards the software licensing agreement.

c. Payment subject to the Availability of Funds is not presently available beyond the initial period of performance. The USPS obligation for payment with respect to funding the option period (inclusive of licensing, maintenance and services) is subject to the availability of funds, from which payment for contract purposes can be made. No legal liability on the part of the USPS for payment for option periods may arise until such funds are made available to the Contracting Officer for this contract and until the supplier receives notice of such availability to be confirmed in writing by the Contracting Officer by the exercise of a contract option.

Part 4 - List of Documents, Exhibits, and Other Attachments

| Attachment No. | No of Pages | Attachment Title |
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| See Schedule | | |
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