

## ARCNet

### Terms and Conditions

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These Terms and Conditions, together with the Subawards to which they are incorporated and any other documents which are attached therein by reference, shall constitute the entire agreement between the Autonomy Research Collaboration Network (ARCNet) Consortium and Member organizations. The ARCNet Consortium is managed by SPG Institute (hereafter referred to as SPGI) under contract number FA8650-19-2-6983 with the Air Force Research Laboratory (AFRL). This cooperative agreement requires a partnership with traditional and non-traditional organizations from academia and industry (both small and large businesses) to accelerate autonomy research for AFRL and other sponsors. Subawards are used to formalize this partnership with subrecipients with Cost Reimbursable – No Profit/Zero Fee type Subawards.

#### 1. INTRODUCTION

This Subaward is made by and between **SPG Institute, Inc.**, a Virginia organization having a place of business located at 5100 Springfield Street, Suite 500, Dayton, OH 45431 (hereinafter called “**SPGI**”), and **SUBRECIPIENT NAME**, with an address at **ADDRESS HERE** (hereinafter referred to as the **SUBRECIPIENT**). The entities are referred to collectively, “Parties” or individually “Party”.

SPGI and SUBRECIPIENT acknowledge the following:

SPGI and SUBRECIPIENT want to enter into a contractual relationship for the performance of work identified in the Statement of Work (Attachment A) of this Subaward under the terms and conditions contained herein.

In connection with SUBRECIPIENT’s work under this Subaward, SUBRECIPIENT acknowledges that SPGI will have access to Confidential Information and that SUBRECIPIENT:

- a. has invested and continues to invest significant time, expense, and specialized knowledge in developing this Confidential Information;
- b. enjoys a competitive advantage in the marketplace based on the Confidential Information; and
- c. would be irreparably harmed if competitors obtained the Confidential Information or if it became publicly available.

In consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

#### 2. ENGAGEMENT

SUBRECIPIENT will perform the work pursuant to this Subaward and as set forth in the Statement of Work (SOW) (Attachment A). The SUBRECIPIENT may not exceed the funding limitations or

period of performance and must perform within the SOW, unless said terms are modified via written modifications, signed by both parties and incorporated into this Subaward.

- a. This Subaward is issued under the terms and conditions of U.S. Government Cooperative Agreement no. **FA8650-19-2-6983** with SPGI.
- b. The SUBRECIPIENT shall not act as or be SPGI's actual agent (express or implied), apparent agent, inherent agent or employee. SPGI will not be liable to SUBRECIPIENT for any failures by SUBRECIPIENT to meet its compensation or tax obligations. SUBRECIPIENT will indemnify, defend and hold SPGI harmless from and against all such obligations and will comply with all associated government regulations, including the filing of all necessary reports and returns.
- c. SUBRECIPIENT, acting as an independent entity and not as an agent for SPGI, shall furnish all personnel, material, equipment, and other items necessary for compliance with this Subaward, for the consideration stated herein. The rights and obligations of the parties to this Subaward shall be subject to and governed by the applicable terms and conditions of the Cooperative Agreement specifically incorporated into this Subaward, other prevailing Government regulations, and pertinent provisions of law. To the extent of any inconsistency between the Subaward and Government regulations or any pertinent provisions of law which are made part of the Subaward by reference or otherwise, the Government regulation or law shall control.

### **3. ADMINISTRATIVE REQUIREMENTS AND ORDER OF PRECEDENCE**

- a. This Subaward is governed by the guidance in 2 Code of Federal Regulations (CFR) part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," as modified and supplemented by the Department of Defense's (DoD) interim implementation found at 2 CFR part 200" (79 FR 76047, December 19, 2014), all of which are incorporated herein by reference. Provisions of Chapter I, Subchapter C of Title 32, CFR, "DoD Grant and Subaward Regulations," other than parts 32 and 33, continue to be in effect and are incorporated herein by reference, with applicability as stated in those provisions.
- b. In the event of a conflict between the terms of this Subaward and other governing documents, the conflict shall be resolved by giving precedence in descending order as follows:
  - 1) Federal statutes
  - 2) Federal regulations

- 3) 2 CFR part 200, as modified and supplemented by DoD's interim implementation found in 2 CFR part 1103
  - 4) Award-specific terms and conditions
  - 5) Attachments to this award, if any
- c. In case of disagreement with any requirements of this award, the SUBRECIPIENT shall contact SPGI to resolve the issue. The SUBRECIPIENT shall not assess any costs to the award or accept any payments until the issue is resolved.

#### **4. TIME, MANNER, AND MEANS OF WORK CONDUCT**

The SUBRECIPIENT will conduct the activities required and further described in the Statement of Work (SOW) (Attachment A) at SUBRECIPIENT's and/or 2<sup>nd</sup> tier SUBRECIPIENT's facilities or other locations agreed upon with AFRL.

#### **5. SUBRECIPIENT's EMPLOYEES AND 2<sup>nd</sup> tier SUBAWARDEES**

Any persons employed or engaged by SUBRECIPIENT to perform work under this Subaward are SUBRECIPIENT's employees. SUBRECIPIENT is solely responsible for paying its employees. SUBRECIPIENT is fully responsible for its employees and shall indemnify SPGI against any claims made by them or on their behalf.

#### **6. COMPENSATION, PAYMENT, FUNDING, BUSINESS EXPENSE REIMBURSEMENT, AND INVOICING**

- a. In consideration of the work to be performed under this Subaward, the SUBRECIPIENT shall be paid as negotiated in Attachment B.
- b. Invoice submission and payment: SUBRECIPIENT shall invoice SPGI as defined in Attachment B of this Subaward and submit electronically to: [Andrea.Seitz@SPGInstitute.com](mailto:Andrea.Seitz@SPGInstitute.com).
- c. SUBRECIPIENT invoices will be paid within 15 calendar days of receipt of an approved invoice.
- d. Invoices shall contain summary data of remaining contract value with monthly reductions taken for each invoice submitted. Additionally, invoices shall contain the following as applicable:
  - 1) SUBRECIPIENT Name and Address
  - 2) SUBRECIPIENT Remit to Address
  - 3) SUBRECIPIENT Invoice Number

- 4) Date of Invoice
  - 5) Subaward Number
  - 6) Period of Performance for which Invoice is submitted
  - 7) Total Charges for this invoice detailed by major cost element (labor hours and burdened labor cost, burdened travel and burdened ODCs, ODC, Overhead, G&A, etc.). Backup data such as receipts or timecards are not required to be included with an invoice but must be maintained and available upon request by SPGI
  - 8) Inception to Date Charges
- e. Invoices shall contain a written certification as to its accuracy, signed and dated by a duly authorized agent of the SUBRECIPIENT, substantially similar to the language below:

Recommended Text:

*“I hereby certify that the above invoice is true and correct, that any costs included herein have been incurred, and that payment therefore has not been received; that it is in accordance with the terms and conditions of the Subaward; and that all services/supplies shown in the invoice have been performed, delivered, or incorporated into an item to be delivered. It is presented with the knowledge that the amount paid hereto will become the basis for a claim against the United States Government.”*

- f. All SUBRECIPIENT invoices must be signed and approved by an authorized official of the SUBRECIPIENT, who shall certify that the invoiced amounts are accurate, and that the SUBRECIPIENT has in its possession records for all amounts for which payment is requested.

## **7. PERIOD OF PERFORMANCE**

- a. The Period of Performance is shown on Page 1 of this Subaward.
- a. All work under the Subaward shall be completed within the Period of Performance stated on Page 1. The final report will be due 75 days from the project completion date as defined in paragraph 28, Final Project Reports.

## **8. NO EMPLOYER-EMPLOYEE RELATIONSHIP**

Nothing in the Subaward creates an employee-employer, joint-venture, or partnership relationship between SPGI and SUBRECIPIENT. SUBRECIPIENT has no authority to act as an agent of SPGI or for or on behalf of SPGI in any capacity whatsoever or to assume or create any obligation of any kind – express or implied – on behalf of SPGI.

## **9. INDEMNIFICATION**

- a. To the fullest extent permitted by law, SPGI shall defend, indemnify, and hold harmless the Subrecipient and its affiliates and their officers, directors, employees, agents, successors, and assigns from and against any and all claims arising from or in connection with (a) SPGI's breach of any representation, warranty, or obligation under this Subaward; (b) any act, omission, or negligence of SPGI and its affiliates and their officers, directors, employees, agents, successors, and assigns; and (c) any accident, injury or damage whatsoever caused by SPGI and its affiliates and their officers, directors, employees, agents, successors, and assigns (except to the extent caused by Subrecipient's negligence or willful misconduct or the negligence or willful misconduct of Subrecipients affiliates and their officers, directors, employees, agents, successors, and assigns); together with all reasonable costs, expenses and liabilities incurred in or in connection with each such claim or action or proceeding brought thereon, including, without limitation, all reasonable attorneys' fees and expenses. In case any action or proceeding be brought against Subrecipient and its affiliates and their officers, directors, employees, agents, successors, and assigns by reason of any such claim, SPGI, upon notice from Subrecipient, shall resist and defend such action or proceeding (by counsel reasonably satisfactory to Subrecipient). The rights and obligations of SPGI and Subrecipient contained in this Article shall survive the expiration or early termination of this Agreement.
  
- b. To the fullest extent permitted by law, Subrecipient shall defend, indemnify, and hold harmless SPGI and its affiliates and their officers, directors, employees, agents, successors, and assigns from and against any and all claims arising from or in connection with (a) Subrecipient's breach of any representation, warranty, or obligation under this Subaward, to include taxes, withholdings, and contributions and any associated penalties and interest due to failure to properly withhold (b) any act, omission, or negligence of Subrecipient and its affiliates and their officers, directors, employees, agents, successors, and assigns; and (c) any accident, injury or damage whatsoever caused by Subrecipient and its affiliates and their officers, directors, employees, agents, successors, and assigns (except to the extent caused by SPGI's negligence or willful misconduct or the negligence or willful misconduct of SPGI's affiliates and their officers, directors, employees, agents, successors, and assigns); together with all reasonable costs, expenses and liabilities incurred in or in connection with each such claim or action or proceeding brought thereon, including, without limitation, all reasonable attorneys' fees and expenses. In case any action or proceeding be brought against Subrecipient and its

affiliates and their officers, directors, employees, agents, successors, and assigns by reason of any such claim, SPGI, upon notice from Subrecipient, shall resist and defend such action or proceeding (by counsel reasonably satisfactory to Subrecipient). The rights and obligations of SPGI and Subrecipient contained in this Article shall survive the expiration or early termination of this Agreement.

- c. In any event, the liability of the Parties for any reason and upon any cause of action shall be limited to the amount paid to the Party by their client for the services giving rise to the liability. This limitation applies to all causes of action in the aggregate, including without limitation, breach of contract, breach of warranty, negligence, misrepresentations, and other torts. Both Parties agree that the fees, remedies, and limitations herein form an essential of the bargain and represent an equitable allocation of risks between the Parties.

**10. CLIENT DECISION UNDER CONTRACT AFFECTING SUBAWARD**

Notwithstanding any other provision hereof, any decision of AFRL under the Cooperative Agreement which binds SPGI shall, upon being communicated to SUBRECIPIENT in writing, bind SUBRECIPIENT to the extent that it relates to this Subaward.

**11. AUTHORIZED REPRESENTATIVES**

The following representatives are authorized to obligate their respective companies and execute Subawards and other necessary documentation.

**SPGI**

Title	Name	Contact Information
Vice-President	Tim Shaw	937.307. 0004 <a href="mailto:tim.shaw@spglobalinc.com">tim.shaw@spglobalinc.com</a>

**SUBRECIPIENT**

Title	Name	Contact Information

## 12. TERMS OF SERVICE AND TERMINATION

The term of this Subaward will be as shown on page 1 of this Subaward, unless terminated sooner pursuant to paragraph (b) of this section.

- a. SPGI may terminate this Subaward, in whole or in part, for default based upon any of the following one or more default conditions:
- 1) SUBRECIPIENT fails to fulfill any of its obligations hereunder;
  - 2) SUBRECIPIENT within a reasonable amount of time fails to provide written assurances of performance after such assurances are requested by SPGI;
  - 3) SUBRECIPIENT or its employees or agents engage in conduct in violation of laws applicable to fraud or public contracting in performance of this Subaward;
  - 4) The cessation of SUBRECIPIENT's operations in the normal course of business;
  - 5) Insolvency of SUBRECIPIENT or the entering into or filing by or against SUBRECIPIENT of a petition, arrangement, or proceeding seeking an order for relief under the bankruptcy laws of the United States, a receivership for any of the assets of the SUBRECIPIENT, a composition with or assignment for the benefit of creditors, a readjustment of debt, or the dissolution or liquidation of SUBRECIPIENT;
  - 6) SPGI's good faith determination that SUBRECIPIENT and/or any affiliated person, has committed a violation of the Foreign Corrupt Practices Act (FCPA) and/or any other applicable anti-bribery laws and/or any affiliated person has been named, appointed, or otherwise becomes a foreign official;
  - 7) SUBRECIPIENT fails or refuses to promptly furnish any anti-bribery non-violation certification as may be requested by SPGI.
- b. SPGI shall notify SUBRECIPIENT in writing of the default condition and, to the extent such condition is curable, shall allow SUBRECIPIENT ten (10) calendar days (or less time to the extent dictated under the circumstances) within which to effect a cure. If the condition is cured within the allowed period, this Subaward shall remain in full force and effect. If the default condition remains uncured beyond the allowed period or is otherwise deemed incurable, SPGI may terminate this Subaward, in whole or in part by written notice of termination to SUBRECIPIENT.
- c. Additionally, SPGI may terminate this Subaward, in whole or in part, for its convenience if the Cooperative Agreement or any part thereof relating to this Subaward is terminated for any reason, AFRL directs SPGI to terminate the Subaward or termination is otherwise determined to be in the AFRL's best interest. Before termination, SPGI will work with SUBRECIPIENT

- to resolve any issue that may cause this Subaward to be terminated for convenience and arrange for payment of all incurred costs up to that specific time.
- d. All notices of termination shall, at a minimum, state the basis for termination, and the date upon which such termination will become effective.
  - e. Upon termination of this Subaward for any reason, and except as otherwise directed by SPGI, SUBRECIPIENT shall:
    - 1) Stop Work under this Subaward on the date and to the extent specified in the notice of termination;
    - 2) Terminate all work to the extent that they relate to the performance of any work terminated by the notice of termination; and
    - 3) Transfer all Work developed specifically on this contract and in progress which is included in the terminated Work to SPGI.

### 13. DISPUTE RESOLUTIONS

- a. At no time during a controversy shall claimant or respondent cease fulfilling their respective responsibility under this Subaward. Any party (*claimant*) who has any dispute relating to this Subaward shall provide written notice to any other person that has an interest in the controversy (*respondents*) describing the general nature of the controversy. Said notice must designate an Independent Person as an authorized representative who is empowered to fully settle the controversy on behalf of the claimant. Two or more claimants may designate a common authorized representative. A resolution of any controversy by the authorized representatives is conclusive and binds all parties. If the authorized representatives do not resolve the controversy within ten (10) calendar days, or unless both parties agree that a resolution is imminent, the ten (10) calendar days may be extended for an additional five (5) working days or additional time as agreed in writing by the parties, otherwise they shall discontinue direct negotiations and submit the controversy to mandatory and binding arbitration.
- b. If the controversy is not resolved, the parties to the controversy shall submit to mandatory and binding arbitration. The controversy will be settled by a single Ohio, Montgomery County arbitrator. Said arbitration will be governed by Ohio Statutes. In the event both parties are unable to agree on an Ohio, Montgomery County Arbitrator, then the controversy will be settled by arbitration according to the Commercial Arbitration Rules of the American Arbitration Association (AAA). Should an Ohio, Montgomery County arbitrator, the AAA, or another arbitral institution be unavailable, then both parties agree to the appointment of an arbitrator. Said arbitration shall take place in Montgomery County, Ohio. Both parties are responsible for their share of the arbitration expense, however, should one party fail to pay, the other party may pay both shares of the arbitration expenses so as to avoid delay, and then said



- party may seek an award of fees and/or costs, and all other expenses shall be paid as provided in the award. The arbitrator's decision is final and not subject to judicial review.
- c. The prevailing party in any dispute between the parties is entitled to recover from the losing party all reasonable costs incurred, including any attorney's fees and any costs of mediation, arbitration, court fees, appraisals, and expert witnesses.

#### **14. SUBAWARDS**

SUBRECIPIENT shall not award a lower-tier subaward to a firm not previously identified in the teaming proposal for the performance of all, or any, portion of the work covered by this Subaward, unless mutually agreed to in writing by and between SPGI and SUBRECIPIENT.

#### **15. KEY PERSONNEL**

- a. If applicable, SUBRECIPIENT agrees not to withdraw the services or limit the availability of any person designated during the performance of this Subaward, without the prior written permission of SPGI, such permission will not be unreasonably withheld and will at a minimum be no less than two (2) weeks' notice, unless necessitated by extenuating circumstances such as separation, illness, or death.
- b. In cases where a change is required, SUBRECIPIENT shall demonstrate to the satisfaction of SPGI and the AFRL that the qualifications of the proposed substitute person are equal to or better than the qualifications of the person being replaced.
- c. Key Personnel under this Subaward are as follows: **XXXXXXXXXXXX**

#### **16. INSURANCE SCHEDULE**

- a. The SUBRECIPIENT shall procure and maintain such insurance as is required by law or regulation as of the date of execution of this Subaward with SPGI named as the additional insured. Without prejudice to SUBRECIPIENT's liability to indemnify SPGI as stated in the indemnification provisions of this Subaward, SUBRECIPIENT shall procure, at its expense, and maintain for the duration of the Subaward, the insurance policies or self-insurance described below with financially responsible insurance companies, with policy limits not less than those indicated below.
- b. Notwithstanding any provision contained herein, the SUBRECIPIENT, and its employees, agents, representatives, consultants and lower-tier SUBRECIPIENTs and suppliers, are not insured by SPGI, and are not covered under any policy of insurance that SPGI has obtained or has in place.

- c. SUBRECIPIENT shall furnish SPGI with Certificates of Insurance covering any and all subsequent extensions to the initial period of performance of this Subaward.

COVERAGE:

- 1) Commercial General Liability insurance in an amount not less than \$1,000,000 per occurrence for bodily injury or property damage and \$2,000,000 annual aggregate;
- 2) Workers' Compensation insurance in an amount not less than that prescribed by statutory limits;
- 3) Business Auto Liability insurance in an amount not less than \$500,000 per occurrence;
- 4) An Umbrella Policy in an amount not less than \$1,000,000 to apply over and above SUBRECIPIENT's Commercial General Liability, Employer's Liability, Workers' Compensation, and Commercial Automobile Liability. Insurance is to be placed with insurers with a current A.M. Best's rating of A or better.

**17. SUPERSEDING EFFECT**

This Subaward constitutes the entire Subaward between the parties and supersedes any and all prior conditions, commitments, and Subawards, either oral or written for the same effort described in the SOW (Attachment A).

**18. DISCLOSURE OF INFORMATION**

- a. The SUBRECIPIENT shall not release to anyone outside the SUBRECIPIENT's organization any unclassified information, regardless of medium (e.g., film, tape, document, media announcements, etc.), pertaining to any part of this Subaward or any program related to this Subaward unless:
- (1) SPGI, from AFRL, has given prior written approval; or
  - (2) The information is otherwise in the public domain before the date of release.
- b. Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The SUBRECIPIENT shall submit its request to SPGI at least 75 days before the proposed date for release.
- c. The SUBRECIPIENT agrees to include a similar requirement in each 2<sup>nd</sup> tier SUBRECIPIENT under this Subaward. SUBRECIPIENTS shall submit a request for authorization to release to SPGI for approval from AFRL.

## 19. PUBLISHING PROJECT RESULTS

Publications. The SUBRECIPIENT may make publicly available the results of the work conducted under this Subaward, contingent upon sponsor and/or AFRL approval. One copy of all publications resulting from the project shall be forwarded to the AFRL program manager as it becomes available.

- a. Every publication of material based on or developed under this project shall contain the following disclaimer:

*"The views and conclusions contained herein are those of the authors and should not be interpreted as necessarily representing the official policies or endorsements, either expressed or implied, of the Air Force Research Laboratory or the U.S. Government."*

- b. An acknowledgment of awarding agency's support shall appear in the publication of any material, whether copyrighted or not. The acknowledgement shall read:

*"This material is based on research sponsored by the Air Force Research Laboratory under Subaward number FA8650-19-2-6983. The U.S. Government is authorized to reproduce and distribute reprints for Governmental purposes notwithstanding any copyright notation thereon."*

## 20. SUPPLEMENTAL TERMS AND CONDITIONS

This Subaward shall be binding upon and inure to the benefit of the parties, their successors, assignees, and personal representatives.

- a. This Subaward may be amended only by an Agreement in writing signed by the party to be charged.
- b. If any provision of the Subaward is held invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions of the Subaward nevertheless will continue in full force and effect without being impaired or invalidated in any way.
- c. No provision of this Subaward may be amended or modified except by a written instrument executed by all parties agreeable to modification of this Subaward.
- d. This Subaward will be governed by the laws of the State of Ohio. The parties agree that jurisdiction and venue for any dispute arising under (or as a result of) this Subaward will be tried in appropriate federal or state courts encompassing Montgomery County, Ohio, and each party submits to the jurisdiction of such courts.
- e. There are no third-party beneficiaries to this Subaward. This Subaward is for the sole benefit of its parties and their respective heirs, executors, administrators, successors, and assigns. Nothing in this Subaward, express or implied, confers any legal or equitable right, benefit, or remedy of any nature whatsoever upon any other person or the creditors of any person.

## 21. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION

*This provision is included in full text from the Cooperative Agreement for completeness. The reporting requirement for the SUBRECIPIENT of this Subaward begins at paragraph (c).*

### a. Reporting of first tier subawards.

- 1) Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).
- 2) Where and when to report.
  - (i) You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrc.gov>.
  - (ii) For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
- 3) What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrc.gov> specify.

### b. Reporting Total Compensation of SUBRECIPIENT Executives.

- 1) Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if-
  - (i) total Federal funding authorized to date under this award is \$25,000 or more;
  - (ii) in the preceding fiscal year, you received-
    - A. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
    - B. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

- (iii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)
  - 2) Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:
    - (i) As part of your registration profile at <http://www.sam.gov>.
    - (ii) By the end of the month following the month in which this award is made, and annually thereafter.
- c. Reporting of Total Compensation of SUBRECIPIENT Executives
  - 1) Applicability and what to report: Unless you are exempt as provided in paragraph d. of this award term, for each first-tier SUBRECIPIENT under this award, you shall report the names and total compensation of each of the SUBRECIPIENT's five most highly compensated executives for the SUBRECIPIENT's preceding completed fiscal year, if-
    - (i) in the SUBRECIPIENT's preceding fiscal year, the SUBRECIPIENT received
      - A. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
      - B. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
    - (ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and

Exchange Commission total compensation filings at  
<http://www.sec.gov/answers/execomp.htm>.)

- 2) Where and when to report. You must report SUBRECIPIENT executive total compensation described in paragraph c.1. of this award term:
  - (i) To the RECIPIENT.
  - (ii) By the end of the month following the month during which you receive the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the RECIPIENT by November 30 of that year.
- d. Exemptions: If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:
  - 1) Subawards, and
  - 2) The total compensation of the five most highly compensated executives of any SUBRECIPIENT.
- e. Definitions. For purposes of this award term:
  - 1) Entity means all of the following, as defined in 2 CFR part 25:
    - (i) A Governmental organization, which is a State, local government, or Indian tribe;
    - (ii) A foreign public entity;
    - (iii) A domestic or foreign nonprofit organization;
    - (iv) A domestic or foreign for-profit organization;
    - (v) A Federal agency, but only as a SUBRECIPIENT under an award or subaward to a non-Federal entity.
  - 2) Executive means officers, managing partners, or any other employees in management positions.
  - 3) Subaward:
    - (i) This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the SUBRECIPIENT award to an eligible 2<sup>nd</sup> tier SUBRECIPIENT.

- (ii) A 2<sup>nd</sup> tier Subaward may be provided through any legal contract, including any Subaward that you and 2<sup>nd</sup> tier SUBRECIPIENT considers a contract.
- 4) 2<sup>nd</sup> tier SUBRECIPIENT means an entity that:
  - (i) Receives a subaward from you (the SUBRECIPIENT) under this award; and
  - (ii) Is accountable to you for the use of the Federal funds provided by the subaward
- 5) Total compensation means the cash and noncash dollar value earned by the executive during the SUBRECIPIENT's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2):
  - (i) Salary and bonus
  - (ii) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
  - (iii) Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.
  - (iv) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
  - (v) Above-market earnings on deferred compensation which is not tax-qualified
  - (vi) Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

## **22. TRAFFICKING IN PERSONS**

This Subaward is subject to the requirements of section 106 (g) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104, as implemented by 2 CFR 175). If the SUBRECIPIENT or any lower level Subrecipient therein (i) engages in severe forms of trafficking in persons or has

procured a commercial sex act during that the period of time of the grant or cooperative Subaward is in effect or (ii) uses forced labor in the performance of the Subaward, the SPGI shall be authorized to terminate the grant or cooperative Subaward without penalty.

### **23. TITLE TO PROPERTY**

Unless otherwise stated in the Subaward, title to personal property acquired with Subaward funds shall vest in the SUBRECIPIENT upon acquisition, except that supplies shall be managed in accordance with 2 CFR 200 § 314. Title to real property shall vest in the SUBRECIPIENT subject to conditions contained in 2 CFR 200 §311. The SUBRECIPIENT shall dispose of real property in accordance with grants/Subawards officer instructions issued pursuant to 2 CFR 200 § 311.

### **24. INVENTIONS (MAR 2015)**

- a. The clause entitled Patent Rights (Small Business Firms and Nonprofit Organizations, (37 CFR 401.14(a) is hereby incorporated by reference and is modified as follows: replace the word "contractor" with "SUBRECIPIENT"; replace the words "agency," "Federal Agency" and "funding Federal Agency" with "Government"; replace the word "contract" with "Subaward"; delete paragraphs (g)(2), (g)(3) and the words "to be performed by a small business firm or domestic nonprofit organization" from paragraph (g)(1). Paragraph (l), Communications, point of contact on matters relating to this clause will be the servicing Staff Judge Advocate's office.
- b. Interim or final Invention Reports 1) listing subject invention(s) and stating that all subject inventions have been disclosed, or 2) stating that there are no such inventions, shall be sent to both the Administrative Grants/Subawards Officer at the address located in the Subaward and to the grants/Subawards officer / patent administrator at det1.afrl.pk.patents@us.af.mil, with a courtesy copy (cc:) to the government Program Manager/Project Engineer. Please include in the subject line of the email the contract number followed by the words "Invention Reporting." Also include in the body of the e-mail the names of the Government Project Engineer/Program Manager and his/her office symbol. The SUBRECIPIENT shall file Invention (Patent) Reports on the DD Form 882, Report of Inventions and Subcontracts, as of the close of each performance year and at the end of the term for this Subaward. Annual reports are due 90 days after the end of each year of performance and final reports are due 90 days after the expiration of the final performance period. Negative reports are also required annually
- c. The DD Form 882 may also be used for the notification of any subaward(s) for experimental, developmental or research work which contain a "Patent Rights" clause, with a cc: to the government Program Manager/Project Engineer.



- d. All other notifications (e.g., disclosure of each subject invention to the grants/Subawards officer within 2 months after the inventor discloses it) shall also be sent to the e-mail address above, with a cc: to the government Program Manager/Project Engineer
- e. This provision also constitutes the request for the following information for any subject invention for which the SUBRECIPIENT has retained ownership: 1) the filing date, 2) serial number and title, 3) a copy of the patent application and 4) patent number and issue date. Submittal shall be to the grants/Subawards officer / patent administrator e-mail address listed above, with a cc: to the government Program Manager/Project Engineer.

**25. DATA RIGHTS (MAR 2015)**

- a. All rights and title to data, as defined in 48 CFR 27.401, generated under this Subaward shall vest in the SUBRECIPIENT.
- b. The SUBRECIPIENT hereby grants to the U.S. Government a royalty free, world-wide, nonexclusive, irrevocable license to use, modify, reproduce, release, perform, display or disclose any data for Government purposes.
- c. The SUBRECIPIENT is responsible for affixing appropriate markings indicating rights on all data delivered under the Subaward. The Government will have unlimited rights in all data delivered without markings.
- d. The SUBRECIPIENT shall include this article, suitably modified to identify the parties, in all lower tier Subawards, regardless of tier, for experimental, developmental, or research work.

**26. EXPORT CONTROL (MAR 2015)**

- a. Access to the technology developed under this Subaward by foreign firms, institutions or individuals shall be controlled by the SUBRECIPIENT under applicable U.S. export control laws.
- b. The SUBRECIPIENT shall receive the Grants/Subawards Officer approval before assigning or granting access to any work, equipment, or technical data generated or delivered under this Subaward to foreign persons or their representatives. The notification shall include the name and country of origin of the foreign person or representative, the specific work, equipment, or data to which the person will have access.

## 27. INTERIM PROJECT PERFORMANCE REPORTS

- a. The SUBRECIPIENT shall submit Interim Project Performance Reports in accordance with this article, 2 CFR 200 §328, and the SOW (Attachment A). The SUBRECIPIENT may submit reports in electronic form.
- b. Content: Reports shall detail technical progress to date and report on all problems, technical issues, or major developments that arose during the reporting period of the project. The reports shall discuss each of the topics listed below:
  - 1) A comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigator, or both.
  - 2) Reasons why established goals were not met, if appropriate.
  - 3) Other pertinent information as necessary including analysis and an explanation of cost overruns and information included in Statement of Work.
- c. Submission: The SUBRECIPIENT shall submit Interim Project Performance Reports after completion of the reporting period indicated in the SOW or otherwise agreed on by the parties, throughout the term of the project. The first period begins on the effective date of the project. The SUBRECIPIENT shall submit one copy of the Interim Project Performance Report electronically to: [andrea.seitz@spginstitute.com](mailto:andrea.seitz@spginstitute.com).
- d. Mark all data delivered with the following statement:

*Distribution Statement B: Distribution Authorized to US Government Agencies*

Or mark data determined by the Government to be Fundamental Research with the following statement:

*Distribution Statement A: Approved for public release; distribution is unlimited.*

## 28. FINAL PROJECT REPORTS

The SUBRECIPIENT shall submit a Final Project Report for each project under this Subaward in accordance with this article, 2 CFR 200 §328, and the SOW (Attachment A). All publications shall contain the notice included in Section 19, Publishing Project Results.

- a. Content: The Final Project Report will provide a comprehensive, cumulative, and substantive summary of the progress and significant accomplishments achieved during the project period. Each of the topics listed in Section 27, Interim Project Performance Reports shall be addressed as appropriate. Publications may be bound and attached as appendices.
- b. Format: Submit the Final Project Report in the following format:

- 1) Prepare the Cover/Title Page by completing the Standard Form (SF) 298, Report Documentation Page. In Item 13 include a 100 to 200-word abstract summarizing technical progress during the reporting period. Style is to be third person singular using past tense. Jargon, special symbols or notations, subscripts, mathematical symbols or foreign alphabet letters are not permitted. All pages should be of good quality for copying purposes.
  - 2) The report shall be prepared in accordance with American National Standard Institute document ANSI/NISO Z39.18-1995, Scientific and Technical Reports - Elements, Organization, and Design which may be obtained from:  
NISO Press Fulfillment Center  
PO Box 451  
Annapolis Junction MD 20701-0451  
<http://www.niso.org>
  - 3) Submission. The SUBRECIPIENT shall submit the Final Project Report (with letter of transmittal) and two copies to SPGI within 75 days after completion of the project. One electronic copy in MS Word-compatible format should be submitted to [andrea.seitz@spginstitute.com](mailto:andrea.seitz@spginstitute.com).
- c. Mark all data delivered with the following statement:  
*Distribution Statement B: Distribution Authorized to US Government Agencies*  
Or mark data determined by the Government to be Fundamental Research with the following statement:  
*Distribution Statement A: Approved for public release; distribution is unlimited.*

## **29. ENFORCEMENT**

In addition to the remedies in Section 12, entitled Terms of Service and Termination, SPGI may use any of the remedies identified in 2 CFR 200 §338 when determined appropriate.

## **30. MODIFICATIONS**

- a. Modifications to this Subaward may be proposed by either party. SUBRECIPIENT recommendations for any modifications to this Subaward shall be submitted in writing to SPGI before the desired effective date. The SUBRECIPIENT shall detail the technical, chronological, and financial impact of the proposed modification to the program. Changes are effective only after the Subaward has been modified. If SPGI agrees to the proposed modification without change, SPGI will issue a Subaward modification incorporating the change.

- b. SPGI may unilaterally issue minor or administrative Subaward modifications (e.g., changes to SPGI personnel identified in the Subaward, etc.).

**31. HARDWARE SOFTWARE AND PROTOTYPES**

As stated in the SOW (Attachment A), the SUBRECIPIENT shall provide any hardware, software, or prototypes that are developed under this Cooperative Subaward to SPGI for delivery to the Government.

**32. CLOSEOUT, ADJUSTMENT, CONTINUING RESPONSIBILITIES AND COLLECTION – REIMBURSEMENT**

Closeout, adjustment and collection of amounts due shall be accomplished in accordance with 2 CFR 200§ 343, 344, and Subpart F. Final payment cannot be made nor can the Subaward be closed out until the SUBRECIPIENT delivers to the Government all disclosures of subject inventions required by this Subaward, an acceptable final report pursuant to Section 28, Final Projects Report, and all confirmatory instruments.

**33. USING TECHNICAL INFORMATION RESOURCES**

To the extent practical, the SUBRECIPIENT shall use the technical information resources of the Defense Technical Information Center (DTIC) and other Government or private facilities to investigate recent and on-going research and avoid needless duplication of scientific and engineering effort.

**34. ACCESS TO USAF BASES, AFRL FACILITIES AND/OR U.S. GOVERNMENT INFORMATION TECHNOLOGY NETWORKS**

SUBRECIPIENT employees requiring access to USAF bases, AFRL facilities, and/or access to U.S. Government Information Technology networks in connection with the work on this Subaward must be U.S. citizens. Possession of a permanent resident card (“Green Card”) does not equate to U.S. citizenship. This requirement does not apply to foreign nationals approved by the U.S. department of Defense or U.S. State Department under international personnel exchange Subawards with foreign governments. Any waivers to this requirement must be granted in writing by the Grants/Subawards Officer prior to providing access. The above requirements are in addition to any other Subaward requirements related to obtaining a Common Access Card (CAC). All requests for access must be accomplished through SPGI.

**35. MILITARY RECRUITING ON CAMPUS**

As a condition for receipt of funds available to the Department of Defense (DoD) under this award, the SUBRECIPIENT agrees that it is not an institution of higher education (as defined in 32 CFR 216) that has a policy or practice that prohibits or, in effect, prevents ROTC or military recruiting on campus, as described in DFARS 252.209-7005(b). If the SUBRECIPIENT is determined, using the procedures in 32 CFR part 216, to be such an institution of higher education during the period of performance of this Subaward, and therefore to be in breach of this clause, SPGI will cease all payments of DoD funds under this Subaward and may terminate the Subaward unilaterally for material failure to comply with the terms and conditions of award.

**36. U. S. FLAG CARRIERS**

Travel supported by U.S. Government funds under this Subaward shall use U.S.-flag air carriers (air carriers holding certificates under 49 U.S.C. 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B138942. (See General Services Administration amendment to the Federal Travel Regulations, Federal Register (Vol 63, No. 219, 63417-63421.)

**37. ASSURANCES – TESTING OF HUMANS AND ANIMALS**

- a. By signing or accepting funds under the Subaward, the SUBRECIPIENT assures that it will comply with applicable provisions of the following National policies on:
  - 1) Prohibiting discrimination:
    - (i) On the basis of race, color or national origin, in Title IV of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), as implemented by DoD regulations at 32 CFR part 195;
    - (ii) On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) as implemented by Department of Health and Human Services regulations at 45 CFR part 90;
    - (iii) On the basis of handicap, in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DoD regulations at 32 CFR part 56;
  - 2) The Clean Air Act (42 U.S.C. 7401, et seq.) and Clean Water Act (33 U.S.C. 1251, et seq.), as implemented by Executive Order 11738 (3 CFR, 1971-1975 Comp., p. 799).

- 3) For humans, the Common Federal Policy for the Protection of Human Subjects, codified by the Department of Health and Human Services at 45 CFR part 46 and implemented by the DoD at 32 CFR part 219.
  - 4) For animals, rules on animal acquisition, transport, care, handling, and use in:
    - (i) 9 CFR parts 1-4, Department of Agriculture rules that implement the Laboratory Animal Welfare Act of 1966 (7 U.S.C. 2131-2156); and
    - (ii) the "Guide for the Care and Use of Laboratory Animals," National Institutes of Health Publication No. 86-23.
- b. The SUBRECIPIENT shall obtain assurances of compliance from contractors at lower tiers.

**38. OFFICIALS NOT TO BENEFIT**

No member of or delegate to congress, or resident commissioner, shall be admitted to any share or part of this award, or to any benefit arising from it, in accordance with 41 U.S.C. 6306.

**39. PROHIBITION ON CONTRACTING WITH ENTITIES THAT REQUIRE CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS**

- a. The SUBRECIPIENT shall not require its employees or Subrecipients to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or Subrecipients from lawfully reporting waste, fraud, or abuse related to the performance of a Government assistance instrument to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information (e.g., agency Office of the Inspector General).
- b. The SUBRECIPIENT shall notify current employees and Subrecipients that prohibitions and restrictions of any preexisting internal confidentiality agreements or statements covered by this article, to the extent that such prohibitions and restrictions are inconsistent with the prohibitions of this article, are no longer in effect.
- c. The prohibition in paragraph (a) of this clause does not contravene requirements applicable to Standard Form 312 (Classified Information Nondisclosure Agreement), Form 4414 (Sensitive Compartmented Information Nondisclosure Agreement), or any other form issued by a Federal department or agency governing the nondisclosure of classified information.
- d. In accordance with section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015, (Pub. L. 113-235), and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions) use of funds appropriated (or otherwise made available) is prohibited, if the Government determines that the SUBRECIPIENT is not in compliance with the provisions of this article.

- e. The SUBRECIPIENT shall include the substance of this provision, including this paragraph (e), in subawards.