

Enterprise Infrastructure Solutions (EIS)  
Request for Proposals

Section H  
Special Contract Requirements

Issued by:  
General Services Administration  
Office of Integrated Technology Services  
1800 F St NW  
Washington, DC 20405

JULY 2017



## Table of Contents

H.1	Type and Term of Contract.....	1
H.2	Order Types .....	1
H.3	Authorized Users.....	1
H.4	Minimum Revenue Guarantee and Maximum Contract Limitation .....	1
H.5	Disclosure of Information.....	2
H.6	Reserved.....	2
H.7	Price Management Mechanism .....	2
H.7.1	PMM Process.....	3
H.7.2	PMM Phase One.....	3
H.7.3	PMM Phase 2 .....	4
H.7.4	PMM Phase 3 .....	6
H.7.5	Basis for Phase 3 Price Reduction Request .....	7
H.7.6	Alternate Dispute Resolution Process.....	7
H.8	Price Reductions .....	8
H.9	Electronic Access to Contract.....	8
H.10	Key Personnel and Organizational Structure .....	9
H.10.1	Key Personnel .....	9
H.10.2	Substitutions and Additions of Contractor Key Personnel.....	9
H.10.3	Organizational Structure .....	10
H.11	Protection of Proposal and Contract Information.....	10
H.12	Reserved.....	11
H.13	Other Government Contractors.....	11
H.14	Taxes .....	11
H.15	Press Releases .....	12
H.16	Permits.....	13
H.17	Contractor-Provided Equipment.....	13
H.18	End of Life.....	13
H.19	Economic Price Adjustment – Price Refreshment.....	14



H.20	Hosting and Management of Government-Furnished Property (GFP) .....	17
H.21	Notice to Proceed.....	19
H.22	Meetings/conferences .....	20
H.23	Fees and Surcharges.....	20
H.24	U.S. Citizenship Requirements .....	22
H.25	Service Trials .....	22
H.25.1	Service Trial Status Report Table.....	23
H.26	Release of EIS Current Year Unit CLIN Prices .....	23
H.27	Acceptable Use Policy .....	23
H.28	Reserved.....	26
H.29	Open Season On-Ramping New Contractors .....	26
H.29.1	On-Ramp Procedures.....	26
H.30	Expansion of Core Based Statistical Areas.....	26
H.31	Use of Transaction Data .....	27
H.32	Payments and Incorrectly Invoiced Items.....	27
H.33	E-Discovery for Cloud-Based Services .....	27
H.34	Tariff Filing Requirements .....	28
H.35	Security Clearance Requirements.....	29
H.36	Subcontracting Plan and Additional Monitoring.....	29
H.37	Supply Chain Risk Management (SCRM) .....	30
H.38	Force Majeure Notification .....	31



## **H.1 Type and Term of Contract**

This contract is an indefinite delivery, indefinite quantity, fixed price and time and materials contract with a form of economic price adjustment.

The term of this contract will be five years from the effective date of award with two (2) five-year government options to extend. The total term of the contract will not exceed 15 years and 9 months.

## **H.2 Order Types**

As defined in FAR Part 16, Type of Contracts, all types of Fixed-Price and Time and Materials (T&M) are permissible for orders under the contract.

Indefinite Delivery, Indefinite Quantity, Blanket Purchase Agreements, and Letter Contracts are not permissible order types under the contract.

Orders may be multi-year and/or include options as defined in FAR Part 17 and agency-specific FAR Part 17 supplements.

## **H.3 Authorized Users**

- a) This contract is for the use of all Federal agencies; authorized Federal contractors; agency-sponsored universities and laboratories; and when authorized by law or regulation, state, local, and tribal governments, and other organizations. All organizations listed in General Services Administration (GSA) Order OGP 4800.2I (as updated) are eligible
- b) The government has the right to add authorized users as defined in paragraph a) at any time during the term of this contract up to the limits specified in Section H.4 - MINIMUM REVENUE GUARANTEE AND MAXIMUM CONTRACT LIMITATION.
- c) The government is not obligated nor required to use this contract to satisfy its requirements for the services described.

## **H.4 Minimum Revenue Guarantee and Maximum Contract Limitation**

- a) The minimum revenue for the EIS program is \$75 million per awardee.
- b) The maximum all-inclusive funding ceiling for this and any other contracts awarded as a result of RFP #QTA0015THA3003 is \$50 billion.
- c) After award, the government will not manage or assign traffic or service to maintain a predetermined revenue share to the contracts, if there are multiple awardees.
- d) The government, at the government's option, may satisfy the Minimum Revenue Guarantee by using and paying for the contractor's services provided under the



contract or by direct payment(s) to the contractor, or by any combination of use and payment of the contractor's services and direct payment(s) to the contractor.

## **H.5 Disclosure of Information**

- a) Any government information made available to the contractor shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract.
- b) In performance of this contract, the contractor agrees to assume responsibility for protecting the confidentiality of government records and for ensuring that all work is performed under the supervision of the contractor.
- c) Each officer or employee of the contractor, its subcontractors and agents, to whom information may be made available or disclosed shall be notified in writing by the contractor that information disclosed to such officer or employee shall be used only for a purpose and to the extent authorized herein. Use of such information for a purpose or to an extent unauthorized herein may subject the offender to criminal sanctions imposed by 18 U.S.C. 641. The law provides, in pertinent part, that whoever knowingly converts to their use or the use of another, or without authority sells, conveys, or disposes of any record of the United States or whoever receives the same with intent to convert it to their use or gain, knowing it to have been converted, shall be guilty of a crime punishable by a fine of up to \$10,000, or imprisonment up to ten years, or both.

## **H.6 Reserved**

Reserved

## **H.7 Price Management Mechanism**

The Price Management Mechanism (PMM) ensures that EIS prices remain at or below the best commercial prices in the industry for large commercial and government customers. The purpose of this clause is to describe the overall process to be followed to achieve this result.

All services on the contract are subject to the PMM.

For a given service, the government may implement the PMM process any time it deems there is a divergence between the EIS pricing and comparable commercial and government prices. However, the PMM will not be implemented more than twice for a given service in any given 5-year contract period for a maximum of six times during the planned 15-year life of this contract. The first PMM implementation will not take place until at least 12 months after contract award.



### **H.7.1 PMM Process**

After contract award, the government will continuously use available information to compare contractor EIS prices with competitive prices offered to commercial and government users. Comparison prices will be acquired from (1) the commercial websites of EIS contractors, (2) Federal and State tariffs, (3) other government contracts including the Multiple Award Schedules, (4) publicly available price-change indices, and/or (5) any other sources determined by the government to be relevant for price comparison purposes. If the government determines that contractor prices are not consistent with the comparison prices, or if the government has insufficient information to make a price comparison, the government at its sole discretion will select specific services for PMM analysis. The government will then proceed to Phase One of the PMM process. There is no requirement for the government to share its analyses with the contractor or provide a justification for its determination to proceed to Phase One.

### **H.7.2 PMM Phase One**

In Phase One, the government will identify those services that it has determined should be reduced in price, and will provide a detailed request for a specific price reduction approach from the contractor for each service identified.

The contractor shall respond in writing to the government request within 60 days. The response shall include one of the three following responses:

1. Agreement that the requested price reduction is warranted, along with a proposed approach to realizing the requested reduction based on specific price reductions for specific services and CLINs.
2. Agreement that some price reduction is warranted, along with a counter-proposal for reduction and a detailed approach to realizing the proposed reduction based on specific price reductions for specific services and CLINs.
3. Disagreement that any price reduction is warranted along with documented justification for this position.

If option one or two is selected, the government will verify the details of the proposal. If the proposal is satisfactory, the PMM process is concluded.

If not, then the government will provide the basis for its position regarding the insufficiencies of the proposal. Discussions shall continue in good faith until either (1) the parties agree, at which point the PMM is concluded, or (2) the parties continue to disagree. If the parties cannot agree on a satisfactory adjustment process, then the process shall proceed to Phase 2.

If option 3 is selected then the process shall continue to Phase 2.



### **H.7.3 PMM Phase 2**

Under Phase 2, the contractor shall provide comparison contracts to the government for further analysis of the contractor's specific market pricing for comparable customers. The contractor shall provide these contracts immediately as part of its response under the third option in H.7.2.3 above. Alternatively, if the parties have not been able to agree on a suitable reduction under option 2, above, then the contractor shall provide these contracts within 30 days of notice by the government that the process has stalled, and is moving to Phase 2.

The contractor shall provide multi-service and single-service comparison contracts in accordance with the following procedures.

For each service identified by the government, the contractor shall deliver its three largest multi-service contracts that contain the service selected by the government for PMM analysis. The contract size of a multi-service comparison contract is defined as the total dollar figure billed to that contract's customer for all services for the most recent three full months (from the time of the government's request for contract submissions).

The contractor shall submit the three largest multi-service contracts that contain the service. The contractor shall additionally submit from one to three single-service contracts (single-service contracts contain only the service under evaluation) in accordance with the procedures in the following paragraph.

The single-service contract submission selection shall be based on the contract size, where single-service contract size is defined as the total dollar figure billed to a contract's customer for the most recent three full months (from the time of the government's request for contract submissions). The contractor shall, at a minimum, submit the largest sized single-service contracts for the same service over the same three months.

Government contracts that satisfy the submission requirements above shall be included in the submissions but shall be limited to no more than one multi-service and one single service contract per service. The EIS contract and Multiple Award Schedules (MAS) shall not be considered in the selection or submission of comparison contracts. All other submission requirements shall be met with commercial contracts. The contractor shall also deliver to the government the access line prices with all rate affecting terms for each contract submission.

Using these procedures, the contractor shall provide a minimum of three and a maximum of six comparison contracts for each service.

Comparison contracts that are sales of (1) promotional offerings where the service ordering by the contract customer is limited to one month or less, or (2) service, such as



to equity partners and other carriers, that are absent of typical customer terms (e.g., detailed billing and full-service account management), or (3) contracts where the limited geographic availability of service was a significant factor in the pricing of the service offered, or (4) contracts exhibiting extreme internal price imbalances will not be eligible for use in the PMM process.

Any assertion that a contract is not appropriate for use as a comparison contract under the above provisions must be made to the CO upon delivery of the comparison contracts. The CO will make the determination of which contracts will not be eligible for use under provisions (1) to (4) above. If a contract is excluded, the government reserves the right to request a replacement contract(s).

Additionally, at the government's request, the contractor shall supply the replacement of a comparison contract in cases where it does not contain sufficient price elements to match the EIS service traffic. The replacement(s) of the rejected contract(s) shall be selected in accordance with the requirements listed above. For example, a contract submission that offers only T1 private line prices would be unsuitable for a PLS comparison if the EIS service traffic had a significant number of circuits at other speeds.

The multi-service and single-service comparison contracts shall be drawn from contractor's customer contracts. The contract comparison submission information provided by the contractor shall include all rates, prices that are referenced in other offerings, and rate affecting terms and conditions that are required to implement the PMM for that service. The contractor shall clarify contract submission language or provide missing contract data within 5 business days at the government's request.

If any of the submitted contract comparison data is publicly available, e.g., on the contractor's website or in tariffs, the contractor shall additionally provide references to find such information. In addition to the contract submissions and public references, the contractor shall provide its understanding of how the prices are to be applied to the EIS service traffic in the form of price tables, including applicable discounts, waivers, and credits. The deliverables shall be in electronic form.

Contractor compliance with the submission information requirements of the PMM shall be certified in writing by an employee of the company who has the authority to bind the company. If the contractor fails to comply with the contract submission requirements of this section, the government reserves the right to use comparison prices from any sources it deems appropriate to substitute for the contractor's contract comparison submissions.

The government will analyze the submitted comparison contract information, and if the government continues to believe that the contractor's EIS prices for a service(s) are not





competitive with the prices in the contract submissions, the government will proceed to Phase 3. Otherwise, the PMM process is concluded.

#### **H.7.4 PMM Phase 3**

During Phase 3, the government will assess the service by comparing the contractor's EIS prices for the service to the contractor's submitted comparison prices for that service. To make a comparison, the government will develop a statistically significant demand set (called PMM demand set) from the contractor's EIS network demand (including network usage, circuits, ports, EVCs, and/or other components that determine the price for services) and use it to compare prices.

Total prices for each service are calculated by multiplying the EIS or comparison contract unit prices by the PMM demand set and applying other price affecting terms, such as discounts, waivers, and credits. Access line prices, but not Service Related Equipment (SRE) prices, will be included in the calculation.

The EIS price calculation totals for each PMM demand set will use EIS unit prices that will be in effect during the period following the PMM evaluation process. At its discretion, the government may perform separate PMM calculations and price reduction determinations within a service for communications between: CONUS and CONUS; OCONUS location(s) and CONUS or OCONUS; and/or Country/Jurisdiction(s) and any location.

There will be one EIS total price calculation and three to six comparison contract price total calculations (a total price calculation for each submitted comparison contract) for each service. The number of total price calculations for a service may increase if the government decides to perform separate calculations for communications between: CONUS and CONUS; OCONUS location(s) and CONUS or OCONUS; and/or Country/Jurisdiction(s) and any location. If the government decides to use these separate calculations for a service, the collection of these separate calculations (and any related price reductions) shall count as only one of the six PMM implementations over the life of the contract.

For submitted multi-service contracts, a calculated comparison total price will be computed only for the service(s) under PMM consideration. For submitted single-service contracts, a comparison cost will be computed for the single service only.

For each service, the final comparison total price is calculated by averaging the two lowest total prices from the comparison contracts. The resulting average total price from the comparison contracts will be compared with the total price calculated from the contractor's EIS total price for the service. If the total EIS calculated price is at least five percent greater than the calculated average comparison price total for a service, a price



reduction will be required by the contractor as specified in Section H.7.5. Otherwise, if the total EIS calculated price total is not at least five percent greater than the calculated average comparison price total, the PMM process is concluded.

### **H.7.5 Basis for Phase 3 Price Reduction Request**

Phase 3 price reductions will be requested based on calculation results using comparison prices submitted by the contractor as explained above. If the total EIS calculated price is at least five percent greater than the calculated average comparison price total for a service, the government will require a price reduction. Accordingly, the contractor shall reduce its EIS contract unit prices so that the calculation of the PMM demand set using these reduced unit prices shall yield a total price equal to or below the final comparison total price as described in H.7.4. The contractor has the discretion to select which contract unit prices in the service to reduce that achieve the required service price reduction. The contractor shall not increase any EIS contract unit prices when implementing a PMM price reduction.

The government will provide the contractor the calculation assumptions, unit prices, demand sets, and pricing model access (but not source code) so that the contractor can confirm the government's calculation results and to assist the contractor in selecting which EIS unit prices to reduce. The government and contractor shall enter discussions, at the contractor's request, to clarify assumptions, correct errors, and/or address other issues related to the calculations.

The contractor shall submit the price tables to the government that reflect the price reduction in a contract modification proposal within 30 days after receiving the written request for a price reduction from the CO. The price reduction shall become effective beginning with the third billing period or within 90 days, whichever is less, after the effective date of the modification. The unit price reductions shall be effective for the remainder of the period in effect unless replaced as allowed by the contract and its modifications.

### **H.7.6 Alternate Dispute Resolution Process**

If the contractor disagrees with the price reduction within 30 days of the contractor's receipt of a written request to reduce prices from the CO, the contractor shall issue a "Notice of Disagreement." If the parties are still unable to agree to a price reduction within 15 days after issuance of the "Notice of Disagreement" then the following will apply. The parties shall agree upon an Alternative Dispute Resolution (ADR) process that will resolve the dispute within 90 business days after submittal in accordance with ADR Techniques as described in GSA publication CSL P 5050.1A. If the parties are unable to resolve the dispute using this ADR process, the contractor may file a claim pursuant to FAR 52.233-1 Disputes.



## **H.8 Price Reductions**

- a) The contractor may offer additional discounts on orders with no change to the contract pricing.
- b) Subsequent price reductions on the contract shall reduce prices prospectively on all awarded task orders from the effective date of the contract price reduction modification. Such price reductions do not apply to prices that have been differentiated on a task order and have been associated with an agency task order number in the Section B table.
- c) The contractor may reduce contract prices at any time. Price reductions other than those implemented by the government under the Price Management Mechanism (PMM) (H.7) and Economic Price Adjustment – Price Refreshment (H.19) clauses of this contract, or covered by subsection (a) above, shall be subject to the following conditions:
  1. The contractor shall propose all price reductions to the GSA CO as a contract modification.
  2. The proposed price reduction shall be effective on the first day of a given month.
  3. The proposed price reduction shall be applicable to all agencies.
  4. Price reduction proposals shall include all contract pricing tables, and the effective date(s) of the price reduction. The contractor shall provide all revised pricing tables in an electronic format.
  5. Should the government execute a price reduction modification on a date after the proposed price reduction effective date, in accordance with subsection (c) (2) above, the price reduction shall be deemed to have occurred on the first day of the next month for that service or if the price reduction is to be retroactive, as mutually agreed to by the government and the contractor.

## **H.9 Electronic Access to Contract**

Within 30 calendar days of award, the contractor shall post its redacted contract to its public website. The redacted version shall be provided to the CO within seven days if requested. The contractor shall prepare the proposed redacted version in accordance with Freedom of Information Act. All government location information and addresses shall be redacted for security purposes. Proposed redacted modifications shall be posted no later than the 12<sup>th</sup> calendar day of each month to reflect all contract modifications of the previous month. The redacted version of any and all modifications shall be provided to the CO within seven (7) days if requested. The GSA CO is the final approval authority for redactions. As necessary, the contractor shall correct and repost redactions at no additional cost to the government.



All modifications shall be incorporated electronically in context within the contract in accordance with the “Guidelines for Modifications to EIS Program Contracts” in Attachment J.4.

## **H.10 Key Personnel and Organizational Structure**

### **H.10.1 Key Personnel**

The contractor shall identify individual(s) by name selected to fill the following contractor key personnel roles in its proposal:

- a) EIS Program Manager.

The contractor shall provide information to include, but not be limited to:

- a) Responsibilities.
- b) Voice telephone number.
- c) Cell telephone number (if used).
- d) E-mail address.

The contractor may submit the information listed above for other personnel it considers important to the overall operation and success of the contract.

### **H.10.2 Substitutions and Additions of Contractor Key Personnel**

The following instructions address the procedures for substitution of key personnel defined in Section H.10.1:

- a) Resumes for substitutions and/or additions to the contractor’s key personnel under this contract shall be submitted for the written approval of the GSA CO. Any substitutions and/or additions shall be subject to the terms and conditions of this requirement.
- b) During the first 180 days of contract performance, no key personnel substitutions shall be permitted unless such substitutions are due to illness, injury, death, disciplinary action, demotion, bona-fide promotion, termination of employment, or other exceptional circumstances when approved by the GSA CO. In any of these events, the contractor shall promptly notify the GSA CO and provide the information required by paragraph c) below. After the initial 180-day period, in accordance with paragraph c) below, all proposed substitutions and additions of key personnel shall be submitted to the GSA CO in writing 15 days (30 days if security clearance is to be obtained) prior to the contractor anticipated effective date of the proposed substitutions and additions.



- c) For all requests for substitutions and additions, the contractor shall provide a detailed explanation of the circumstances requiring the proposed substitution or addition. A complete resume for each proposed substitute or addition, and any other information requested by the GSA CO shall be provided. The contractor shall certify that the proposed replacement is better qualified than, or at least equal to, the key personnel to be replaced, subject to the penalties in 18 USC 1001. The GSA CO or the GSA CO's authorized representative will evaluate such requests and promptly notify the contractor of the approval or disapproval thereof.

### **H.10.3 Organizational Structure**

The contractor shall submit its organizational structure (e.g., org chart) in its proposal, and shall update its organizational structure throughout the life of the contract. Updates shall be provided within 30 days of any change to the contractor's organizational structure.

This documentation shall include, but not be limited to, the following information:

- a) Charts that show the functional relationships among organizational elements and identify the positions of key personnel assigned to carry out this contract.
- b) Relationship of the highest ranking individual assigned to this contract to the corporate Chief Operations Officer, President, and Chief Executive Officer.
- c) Organization charts and plans that clearly depict the areas of responsibility and flow or authority between the contractor and its subsidiaries and/or major subcontractors.
- d) Charts and descriptive text indicating the contractual, technical, and administrative interfaces between the government and the contractor, the contractor's subsidiaries, and major subcontractors.
- e) A description of corporate escalation procedures for resolving critical issues, including points of contact.

### **H.11 Protection of Proposal and Contract Information**

In accordance with Federal Acquisition Regulation (FAR) Part 3.104-4, the government will take the necessary and usual steps to maintain the confidentiality of information submitted prior to award of the contract and contract modifications. Although Section H.9, Electronic Access to Contract, advises the contractor of Freedom of Information Act redaction, the contractor is advised that the government will make all current year unit contract prices publicly available.



## **H.12 Reserved**

## **H.13 Other Government Contractors**

Under the EIS program the government may award several contracts to provide various forms of technical and management services. Government agencies may also use support contractors to assist them with the EIS contract. Once these contractors are operating in their official capacity as agents for the government, the contractor shall provide them full cooperation, including but not limited to, full access to relevant portions of the EIS contracts, all requested reports, data, and other information regarding the government's service. These support contractors will complete the Certification for Nondisclosure of Information and Conflict of Interest forms. The GSA CO is the sole approving authority for these forms.

## **H.14 Taxes**

The government generally will pay all allowable Federal, state and local taxes applicable to telecommunications services delivered under this contract in accordance with FAR Clause 52.229-4, with the following exceptions:

- Taxes from which the Federal Government is expressly exempt under the authorizing state statute or local ordinance.
- Any state or local tax whose legal incidence is on the Federal Government.

The CLIN prices for services and features (as defined in the Section B pricing tables) shall not include domestic Federal, state, or local taxes, or non-domestic taxes and duties in effect that the taxing authority is imposing and collecting on the transactions or property covered by this contract. Excepted taxes, as defined in Federal Acquisition Regulation (FAR) 52.229-4, shall be included in the CLIN price. Non-excepted Federal, state and local taxes shall be billed separately from the CLIN prices (see Agency Request for Fully Loaded CLIN Prices for opposite treatment).

Special attention must be paid to the treatment of the Associated Government Fee (AGF), which will be included in the prices of services as explained in Section J.2.10. The contractor shall not include Federal, state and local taxes in its AGF calculation when Federal, state and local taxes are billed separately from the CLIN price (see Agency Request for Fully Loaded CLIN Prices for opposite treatment). For example, the contractor shall not include the AGF when calculating the EIS revenues to which a state or local tax applies. The exclusion of the AGF is for the purposes of tax calculations only; for all other billing purposes the AGF shall be handled in accordance with the billing processes.



GSA will provide the contractor with a file of all taxes that have been previously deemed allowable by GSA. Any tax included in the file may be invoiced by a contractor in accordance with the following:

- The tax is applicable to the service in question.
- The tax is invoiced at the proper rate.
- The invoice includes the tax citation from the file.

If a contractor needs to invoice a tax that is not in the file, the contractor must provide the following 30 days prior to including the tax in question on an invoice:

- The name of each tax.
- The jurisdiction by name.
- The statutory source (include web reference if possible) for the tax.
- The applicable tax rate(s).

The CO shall notify the contractor within 30 days after receipt of the information above as to whether or not the tax is allowable under the terms and conditions of the contract. If the tax is deemed allowable, it will be added to the file within 15 days.

The contractor and the government shall follow the same process outlined above when notifying the CO of “after-imposed taxes” as defined in FAR Clause 52.229-4.

The contractor shall provide to the government, on a semi-annual basis, an itemized list of taxes that are included in its monthly invoices, including the name of each tax, jurisdiction by name, reference to the statutory source for the tax, and applicable tax rates. See Section F for the specific deliverable.

#### Agency Request for Fully Loaded CLIN Prices

A direct billed agency may elect, at its discretion, to request that all taxes be included in the CLIN prices proposed in response to an agency task order solicitation. For any task order requiring that all taxes be included in the CLIN prices, the ordering agency will be responsible for ensuring that only applicable and allowable taxes have been assessed and included in the CLIN prices. The AGF shall be assessed on the fully loaded CLIN prices under this option.

### **H.15 Press Releases**

Press releases pertaining to this contract shall not be made without prior approval of the CO. A minimum of three business days’ notice is required for approval.



## **H.16 Permits**

The contractor shall, without additional expense to the government, be responsible for obtaining any necessary licenses, certifications, authorizations, approvals, and permits, and for complying with any applicable Federal, state, and municipal laws, codes, and regulation, and any applicable foreign work permits, authorizations, etc., and/or visas in connection with the performance of the contract, whether domestic or non-domestic.

## **H.17 Contractor-Provided Equipment**

The government reserves the right to acquire ownership of contractor-provided Service Related Equipment (SRE) installed pursuant to the provisions in Section B.2.10, at any time during the contract period. This option to acquire ownership shall be consistent with the provisions of FAR 52.207-5. The purchase conversion cost for SRE acquired by the government shall be the paid SRE NRC or the sum of SRE MRC payments for the full SRE MRC term.

If an authorized user initially elects an SRE MRC payment term and subsequently chooses to assume ownership prior to the completion of the SRE MRC payment term, the user shall be permitted to pay the SRE NRC for the SRE minus the value of all SRE MRC payments paid up to the time that the user assumes ownership, with such SRE MRC payment amounts reduced to remove that portion of the payments reflecting the adjustment for the Monthly Payment Factor. No charges will be incurred by the government as a result of any changes to User-to-Network Interfaces (UNIs) (i.e., replacement of one UNI by another UNI) resulting from the transfer of ownership. Any manufacturer's warranty remaining on SRE, at time of title transfer, will transfer to the government; to the extent such warranty transfer is permitted by the terms of the manufacturer's initial warranty. However, where maintenance of the SRE continues after the title transfer, pursuant to the provisions in Section B.2.10, the contractor providing such maintenance will manage the warranty on the SRE for the government and will receive such monetary benefits as might result from operation of the warranty.

## **H.18 End of Life**

The contractor shall provide all services awarded for the duration of the contract. This includes services awarded at contract inception and those added during the life of the contract by modification. If the contractor determines that any of these services can no longer be supported due to obsolescence, the contractor shall notify the GSA CO in writing of plans to withdraw the service at least eighteen (18) months prior to the proposed date of the withdrawal. At that time, the contractor must propose to the government an acceptable plan to ensure service continuity and transition to new services. The GSA CO must approve any withdrawal of service offerings through a





contract modification. GSA approval will not be unreasonably withheld if the contractors' continuity plan for transitioning existing users to new services is acceptable to the Government.

The contractor may submit a proposal after approval of its withdrawal notice to increase the prices for the end of life (EOL) services. The proposed price increase will be negotiated with the GSA CO. All task orders will also require a modification to reflect the price increase.

### **H.19 Economic Price Adjustment – Price Refreshment**

The government intends to conduct price refreshment prior to the exercise of each contract option period. The price refreshment may result in price increases or price decreases and will be conducted in accordance with the following process:

- a) The contractor shall submit revised prices for Option Period 1 or Option Period 2 for existing price tables five (5) months prior to the award date of the first or second option period. Revised prices shall not exceed the economically adjusted prices (EAP) to be determined as described below. Revised prices may be less than the EAP prices at the contractor's discretion.
- b) Price adjustments will be effective on the first day of the following option period.
- c) EAP prices shall be determined utilizing the following market indicators:
  1. Annual Cost Employment Index: The Bureau of Labor Statistics (BLS) publishes annual Employment Cost Index (ECI) for private industry workers (Employment Cost Index for total compensation, for private industry workers, by occupation and industry (not seasonally adjusted)) that shall be used to determine escalation factors for hourly labor rates on this contract (<http://www.bls.gov/ncs/ect/>).
  2. Annual Producer Price Index for Wireline Telecommunication Carriers NAICS 517110 will be used for all services. (<http://www.bls.gov/ppi/>).
- d) Services and labor under this contract are mapped to the following indices:
  1. Labor – Table B.2.11.7.2 Service Related Labor Pricing Instructions Table includes the Occupational Group category which determines the specific ECI indices to be utilized.
  2. Services:
    - i. The following services shall utilize the PPI for Wireline Telecommunication Carriers 517110:
      - A. Data Service
      - B. Voice
      - C. Contact Center Service
      - D. Data Center Service



- E. Cloud Service
- F. Managed Service
- G. Cable and Wiring
- H. Access Arrangements
- I. Mobile Wireless Service
- J. Satellite Service

e) EAP Price determination:

NOTE: The EAP price calculation shall be completed by the contractor using the spreadsheet provided in Section J.15. The procedure below is intended only to document the calculation performed by the spreadsheet. The contractor shall enter the contract award date in the CONFIG tab in the aforementioned spreadsheet prior to completing the following.

In performing the EAP price calculations, the following definitions shall be observed:

- **Start Index:** For Option Period 1 price calculations, the **Start Index** shall be the value of the applicable index given in paragraph c) above, with the index published date closest to the Relative Dates Row of the Rates tab of the aforementioned spreadsheet in Section J.15.
- For Option Period 2 price calculations, the **Start Index** shall be the value of the applicable index given in paragraph c) above, with the index published date closest to the Relative Dates Row of the Rates tab of the aforementioned spreadsheet in Section J.15.
- **End Index:** For Option Period 1 price calculations, the **End Index** shall be the value of the applicable index given in paragraph c) above, with the index published date closest to the Relative Dates Row of the Rates tab of the aforementioned spreadsheet in Section J.15.
- For Option Period 2 price calculations, the **End Index** shall be the value of the applicable index given in paragraph c) above, with the index published date closest to the Relative Dates Row of the Rates tab of the aforementioned spreadsheet in Section J.15.

The following rounding conventions shall also be observed:

- In all steps, results shall be rounded to the nearest hundredth, rounding up from 5. As examples, 78.2367 shall be rounded to 78.24, and 78.235 shall also be rounded to 78.24.

The following procedure shall be used for Option Period 1:

1. Determine the escalation rate over (4) (12) month periods by dividing the value of the Option Period 1 **End Index** by the value of the Option Period 1 **Start Index**:



$$\frac{\text{Escalation over (4) (12) month periods}}{\frac{\text{End Index}}{\text{Start Index}}} = \text{-----}$$

2. Calculate the escalation rate by dividing the number found in Step 1 by 4:

$$\text{Average Escalation Rate} = (\text{Escalation over (4) (12) month periods}) / 4$$

3. Use the Average Escalation Rate found in Step 2 to determine EAP prices for years 6 - 10 of the contract as follows:
- Year<sup>1</sup> 6 EAP Price = (Year 5 **Rate**) \* (Average Escalation Rate)
  - Year 7 EAP Price = (Year 6 EAP Price) \* (Average Escalation Rate)
  - Year 8 EAP Price = (Year 7 EAP Price) \* (Average Escalation Rate)
  - Year 9 EAP Price = (Year 8 EAP Price) \* (Average Escalation Rate)
  - Year 10 EAP Price = (Year 9 EAP Price) \* (Average Escalation Rate)

The following procedure shall be used for Option Period 2:

4. Determine the escalation rate over four years by dividing the value of the Option Period 2 **End Index** by the value of the Option Period 2 **Start Index**:

$$\frac{\text{Escalation over (4) (12) month periods}}{\frac{\text{End Index}}{\text{Start Index}}} = \text{-----}$$

5. Annualize the escalation rate by dividing the number found in Step 4 by 4.

$$\text{Average Escalation Rate} = (\text{Escalation over (4) (12) month periods}) / 4$$

---

<sup>1</sup> The term Year in this context is defined as the 12 consecutive months that are specified in the spreadsheet in J.15



6. Use the Annual Escalation Rate found in Step 5 to determine EAP prices for years 11 -15 of the contract as follows:
  - o Year 11 EAP Price = (Year 10 **Rate**) \* (Average Escalation Rate)
  - o Year 12 EAP Price = (Year 11 EAP Price) \* (Average Escalation Rate)
  - o Year 13 EAP Price = (Year 12 EAP Price) \* (Average Escalation Rate)
  - o Year 14 EAP Price = (Year 13 EAP Price) \* (Average Escalation Rate)
  - o Year 15 EAP Price = (Year 14 EAP Price) \* (Average Escalation Rate)
- f) If the market indicator is discontinued or deemed no longer available or reliable by the government, the government and the contractor will mutually agree to a substitute. The contract modification reflecting the price adjustment will be effective upon approval by the CO. The adjusted prices shall apply to orders issued to the contractor on or after the effective date of the contract modification.
- g) In any contract period during which price increases will be considered, the aggregate of the increases during any 5-year period shall not exceed ten percent (10%) of the contract unit price in effect at the end of the preceding 5-year period. The government reserves the right to raise the ceiling when market conditions during the contract period support such a change.
- h) The government reserves the right to exercise one of the following options:
  1. Accept the contractor's price adjustments as requested when all conditions of this clause are satisfied;
  2. Negotiate more favorable prices when the total adjustment requested is not supported; or,
  3. Decline the price adjustment when the request is not supported.

## **H.20 Hosting and Management of Government-Furnished Property (GFP)**

Prior to the delivery of GFP, the contractor shall inform the government of all usual and customary or otherwise known, fees, charges, duties, taxes, surcharges, customs, laws, certifications, declarations or any other special requirements that are necessary to transport, or obtain approvals and authority to deliver and operate GFP at the contractor's facility, or ship GFP from the contractor's facility.

At the contractor's facility, the contractor shall be responsible for the following, as required:

- a) Maintaining, at the contractor's expense, adequate public liability and property damage insurance, during the continuance of this contract, insuring the contractor against all claims for injury or damage.



- b) Assuming responsibility for all damage or injury to persons or property occasioned through the use, maintenance, management, and operation of the contractor's facilities, GFP, or other equipment by, or by the action of, the contractor or contractor's employees and agents. The government shall in no event be liable or responsible for damage or injury to any person or property occasioned through the use, maintenance, management, or operation of any facility, GFP, or other equipment by, or by the action of, the contractor or the contractor's employees and agents in performing under this contract, and the government shall be indemnified against claims for damage or injury in such cases.
- c) Completing any necessary pre-delivery preparations for the delivery site, site security, or storage facilities to temporarily or permanently accommodate the GFP in a safe and secure manner.
- d) Accepting, inspecting and verifying GFP inventory, including the processing and distribution of manifest records and receipts; uncrating, unpacking, and reporting and filing claims with transporters for damaged or missing GFP.
- e) Relocating GFP from initial receiving points or temporary storage facilities to the final contractor facility and installation site.
- f) Preparing the final installation site including the provisioning of necessary physical space, environmental systems, and network connectivity, including but not limited to: internetworking connections, fire suppression, HVAC, power, lighting, water, sewer, telephone and communications, physical security systems, network security systems, disaster resistance and recovery systems, cages, racks, and UPS, emergency power systems, all on a 24x7 basis, unless otherwise mutually agreed upon and specified.
- g) GFP setup, including assembling, loading, configuring, testing, filing warranty and guarantee documents, and certifications. Determinations of inter-compatibility and inter-operability shall be conducted by the contractor as soon as practical after delivery and setup.
- h) Providing contractor personnel with all required national citizenship, security clearances, training, and technical certifications to receive, use, maintain, manage, operate, package, transport, or ship sensitive and secure GFP.
- i) Providing training as requested by the government, on a per/seat and location basis, for government personnel as appropriate for the installation, configuration, operation, maintenance, and management of GFP.
- j) Providing all usual and customary testing equipment (i.e., voltage, current and continuity testers, wireless LAN test tools, inline network testers, cable and wire



testers, optical echo testers, etc.) as required for quality assurance purposes and diagnostic testing of GFP.

- k) Certifying GFP is in working order prior to crating and packing for return shipment, safe-guarding and escorting GFP to the transport carrier's departure point, and signing over GFP to the government provided or approved transport carrier. The cost of crating and packing, and any interim transportation to the point-of-transfer to the government provided or approved transport carrier shall be provided by the contractor free of expense to the government.

GFP shall be crated, packaged and delivered to the contractor's facility at the government's expense, unless otherwise agreed upon and approved by the government and the contractor.

At the government's option, the contractor shall provide or subcontract for GFP maintenance, if available.

Authorized government personnel shall have access to GFP at specified times, in specified locations, as mutually agreed upon between the government and the contractor. Government personnel will conform to the contractor's Acceptable Use Policy (AUP) in effect at the specified contractor facility, except where the AUP conflicts with agency regulations, the provisions of the contract, or other government executive orders, regulations or laws.

## **H.21 Notice to Proceed**

The contractor will receive a written Notice to Proceed (NTP) from the CO after contract award. The NTP authorizes the contractor to:

- Respond to agency requirements issued as part of fair opportunity.
- Submit deliverables as required by the contract.
- Submit and execute modifications to the contract.
- Begin other actions specifically authorized in the contract.
- Prepare for BSS and security testing.

The NTP does not authorize the contractor to accept and process task orders or service orders, provision or deliver services, or bill for services. The contractor may only accept and process task orders or service orders, provision or deliver services and bill for services after it receives written notification 1) from the CO that it has passed BSS testing and 2) from GSA that it has successfully completed security testing in accordance with G.5.6.



The NTP shall also include contact information for the GSA CO, PM, COR(s), TSMs, and contacts with the GSA PMO.

## **H.22 Meetings/conferences**

Meetings and/or post-award/pre-performance conferences and/or meetings during contract performance may be necessary to resolve problems and to facilitate understanding of the requirements of the contract. Participants at these meetings/conferences shall be members of the contractor's staff and representatives of the government. These meetings/conferences shall be scheduled with the agreement of and arrangements made between the OCO or the OCO's representative and the contractor. All contractor costs associated with the attendance at these meetings shall be incidental to the contract and not be separately billed.

## **H.23 Fees and Surcharges**

The government generally will pay all allowable government-imposed and regulatory-based fees and surcharges, which shall only be assessed against jurisdictionally interstate traffic, applicable to telecommunications services delivered under this contract with the following exceptions:

- Fees and surcharges from which the Federal Government is expressly exempt under the authorizing state statute or local ordinance.
- Any fee or surcharge whose legal incidence is on the Federal Government.
- Any fee or surcharge that includes or allows for the recovery of vendor's administrative costs regardless if the vendor recovers those costs

Fees and surcharges shall not be included in the CLIN price, and shall be billed separately from the CLIN prices (see Agency Request for Fully Loaded CLIN Prices for opposite treatment).

Special attention must be paid to the treatment of the Associated Government Fee (AGF), which will be included in the prices of services as explained in Section J.2.10. The contractor shall not include fees and surcharges in its AGF calculation when fees and surcharges are billed separately from the CLIN price (see Agency Request for Fully Loaded CLIN Prices for opposite treatment). For example, the contractor shall not include the AGF when calculating the EIS revenues to which a fee or surcharge applies. The exclusion of the AGF is for the purposes of fee and surcharge calculations only; for all other billing purposes the AGF shall be handled in accordance with the billing processes.



All fees and surcharges shall be included in the tax file referenced in H.14. The fees and surcharges in the file may be invoiced by a contractor in accordance with the following:

- The fee or surcharge is applicable to the service in question
- The fee or surcharge is invoiced at the proper rate
- The invoice includes the citation from the file

If a contractor needs to invoice a fee or surcharge that is not in the file, the contractor must provide the following 30 days prior to including the fee or surcharge in question on an invoice:

- The name of each fee or surcharge
- The jurisdiction by name
- The statutory source (include web reference if possible) for the fee or surcharge
- The applicable fee or surcharge rate(s)

The CO will notify the contractor within 30 days after receipt of the information above as to whether or not the fee or surcharge is allowable under the terms and conditions of the contract. If the fee or surcharge is deemed allowable, it will be added to the file within 15 days.

The contractor and the government shall follow the same process outlined above when notifying the CO of “after-imposed taxes” as defined in FAR Clause 52.229-4.

The contractor shall provide to the government, on a semi-annual basis, an itemized list of fees or surcharges that are included in its monthly invoices, including the name of each fee or surcharge, jurisdiction by name, reference to the statutory source for the fee or surcharge, and applicable fee or surcharge rates. See Section F for the specific deliverable.

#### Agency Request for Fully Loaded CLIN Prices

A direct billed agency may elect, at its discretion, to request that all allowable fees and surcharges be included in the CLIN prices proposed in response to an agency task order solicitation. For any task order requiring that all allowable fees and surcharges be included in the CLIN prices, the ordering agency will be responsible for ensuring that only applicable and allowable fees and surcharges have been assessed and included in the CLIN prices. The AGF shall be assessed on the fully loaded CLIN prices under this option.





## **H.24 U.S. Citizenship Requirements**

The contractor is hereby placed on notice that work on some orders, especially those requiring site visits to some U.S. Government locations or work on some Government Furnished Property, may require contractor personnel performing the work to have U.S. citizenship and to be able to provide proof of that citizenship. This shall be provided at no additional cost to the government.

## **H.25 Service Trials**

A service trial is defined as the use of proposed future enhancements by an agency that takes place for an agreed upon period of time, at agreed upon location(s). The contractor shall provide written notification to the GSA CO and the OCO prior to initiation of any trial program with the agency. This notification shall include the start date and duration and a copy of the estimate for collateral costs. The contractor may invoice the government for collateral costs. These collateral costs shall be limited to the components of the service that are already in the contract and shall be at contract prices. The contractor shall not invoice the government for any items not already in the contract.

The contractor shall provide the OCO with contract prices and the corresponding section(s) of the contract that the trial proposes to enhance. The OCO will respond with approval or rejection. The contractor will not be reimbursed for trial costs exceeding the collateral cost estimate unless approval for such costs has been made by the OCO in writing prior to the start of the service trial.

The requiring agency, independent of GSA, will be responsible for the establishment of performance standards and making a determination of acceptability for the service. The agency shall use these standards to evaluate the service.

Service trials are not an exception to the fair opportunity process in Section G.3.1.

The contractor shall report monthly and upon the completion of each trial to the OCO in writing using the format and data in Table H.25-1 below:

- a) Number of trials.
- b) Description of the trials.
- c) Participants.
- d) Location(s).
- e) Results to date.
- f) Estimated completion dates.
- g) Estimated costs (if applicable).



### H.25.1 Service Trial Status Report Table

Service Trial Status Report					
Number of Trials					
Trial Description	Participants	Location(s)	Results to Date	Estimated Completion Date	Estimated Cost (if applicable)

### H.26 Release of EIS Current Year Unit CLIN Prices

The government intends to release the current contract-year Unit CLIN prices after contract award. Each period will be updated with current contract price modifications. The contractor names associated with the prices will be included with the pricing information.

### H.27 Acceptable Use Policy

The following Acceptable Use Policy (AUP) applies:

This Acceptable Use Policy (AUP) shall prevail over the terms of any other AUP used by the contractor or any of its subcontractors, suppliers or teaming partners. Any inconsistency between this AUP and any government requirements in the contract shall be resolved by giving precedence to the government requirements in the contract. This AUP may only be changed through contract modification.

#### Legitimate Government Use

This AUP does not limit the ability of customers to carry out legal operations pursuant to their regulatory, law-enforcement, or national defense responsibilities.

#### Prohibited Actions

Services provided under this contract may only be used for lawful purposes. Transmission, distribution or storage of any material in violation of any applicable law or regulation is prohibited. Interference with the use of the contractor's network or the Internet, or use of services provided under the contract that results in the publication of threatening or offensive material, the distribution of forged or unsolicited e-mails ("spam") or other E-mail/Usenet abuse, or use that presents security or privacy risks for other than valid government requirements is prohibited.



## **Unlawful Activities**

Customers may not use the services provided under the contract in criminal or civil violation of any applicable local, state, or federal law, treaty, court order, ordinance, regulation or administrative rule.

## **Intellectual Property**

Pursuant to 28 U.S.C. 1498, the exclusive action which may be brought for government use of the contractor's service to transmit, re-transmit, or store any content or to engage in any activity that infringes the intellectual property rights of any individual, group or entity is an action by the intellectual property owner against the United States in the United States Court of Federal Claims.

## **Threatening or Offensive Material or Content**

Except as required in connection with the execution of lawful, duly authorized government operations, customers may not use the services provided under the contract to host, post, transmit, or re-transmit any content or material that is threatening, harassing, obscene, indecent, pornographic, hateful, malicious, racist, defamatory, libelous, treasonous, excessively violent or promotes the use of violence, or provides instruction, information or assistance in causing or carrying out violence against any government, organization, group or individual, or provides guidance, information or assistance with respect to causing damage or security breaches to the contractor's network or to the network of any other service provider under this contract.

## **E-mail Abuse**

Except as required in connection with the execution of lawful, duly authorized government operations, customers may not use the services provided under this contract to send or facilitate the sending of forged or unsolicited e-mail messages, including the sending of "junk e-mail" or other advertising material to individuals who did not specifically request such material ("e-mail spam").

## **Security Violations**

Except as required in connection with the execution of lawful, duly authorized government operations, customers may not use the services provided under the contract to interfere with, to gain unauthorized access to or to otherwise violate the security of the contractor's or another's server, network, personal computer, network access or control devices, software or data, or other system, or to attempt to do any of the foregoing.



## **Customer Responsibilities**

Customers remain solely and fully responsible for their content and for their use of the services provided under the contract only for legitimate government requirements and operations.

## **Suspension of Service**

The contractor shall provide written notice to the OCO with a detailed explanation of an AUP violation so that such violation may be corrected without impact on service. In the event the agency is not successful, the contractor may, only to the extent necessary to prevent the continued violation of the AUP, suspend the service. Said suspension shall be effective no earlier than five (5) business days after the government has acknowledged receipt of the written notice of an AUP violation. The government is deemed to have received notice twenty-four (24) hours after written notice has been sent via confirmed e-mail.

Notwithstanding the foregoing, the contractor may, 24 hours after the OCO has acknowledged receipt of the contractor's written notice and detailed explanation, suspend service only to the extent necessary to prevent a violation of this AUP from causing imminent (1) exposure of the contractor or underlying service providers to criminal sanctions or prosecution, (2) significant irreparable harm to or significant interference with the integrity or normal operations or security of the contractor's network or networks with which the contractor is interconnected or significant interference with another customer's use of the contractor services or the Internet; (3) significant irreparable harm to the contractor, underlying service providers, the contractor's customers, or their respective employees. The government is deemed to have received notice twenty-four (24) hours after written notice has been sent via confirmed fax or e-mail.

The contractor may act immediately and without prior notice to suspend service only to the extent necessary to respond to a federal or state government order or mandate that certain conduct must be stopped. In such instance, the contractor shall provide written notice and detailed explanation to the GSA CO, and the impacted agency OCO within 30 minutes of its receipt of the court or other government order mandating service suspension.

Under no circumstances may the contractor suspend service without notice.

Any suspension shall be only for the time necessary for steps to be taken that will reasonably prevent the violation from continuing or reoccurring.

Under no circumstances may the contractor unilaterally terminate service.



## **H.28 Reserved**

### **H.29 Open Season On-Ramping New Contractors**

Consistent with FAR 16.504(c)(1)(ii)(A), the GSA CO has determined that it is in the government's best interest that at all times during the term of the contract, there remain an adequate number of EIS contractors eligible to compete for orders. Over time, the total number of EIS contractors may fluctuate due to various reasons including industry consolidation, industry technological adoption, general economic conditions, or other reasons. Recognizing this, GSA intends to review the total number of EIS contractors during the period of performance and determine whether it would be in the government's best interest to initiate an on-ramp process to award additional contracts in order to maintain competition.

#### **H.29.1 On-Ramp Procedures**

If the CO determines that it would be in the government's best interest to open the EIS RFP to add new contractors to this contract, the CO may do so at any time during the period of performance provided that:

- a) The solicitation is issued under then-applicable federal procurement law.
- b) Any contractor that meets the eligibility requirements set forth in the new solicitation submits an acceptable proposal in response to the solicitation.
- c) The award decision under any solicitation is based upon substantially the same evaluation factors/sub-factors as the original solicitation.
- d) The terms and conditions of any resulting awards from a new solicitation are materially identical to the existing version of the EIS RFP.
- e) The term for any such new awards from a solicitation is co-terminus with the existing term for all other EIS contracts, including the option period (if applicable).
- f) The award of any new contract(s) does not increase the overall ceiling of the acquisition.
- g) The MRG shall be negotiated if and when the procedures in this clause are invoked.

### **H.30 Expansion of Core Based Statistical Areas**

The contractor may, by way of bilateral modification, expand its service offerings and coverage beyond those Core Based Statistical Areas (CBSAs) awarded initially in the contract. The contractor may submit a proposal to this effect to the GSA CO during the contract life after receiving the Notice to Proceed. Submissions shall include:

1. All applicable mandatory services for each CBSA.



2. All applicable mandatory price tables and price elements, using the GSA-provided price proposal submission software. Note that, as with the original solicitation, the contractor may propose additional mandatory services coverage for CBSAs where no services are found in the traffic model.
3. Updates to contractor's proposal sections as appropriate to meet the minimum mandatory requirements set forth in the original EIS solicitation, including any subsequent amendments.

GSA reserves the right to update the traffic model any time during the contract life. The GSA CO must find all pricing to be fair and reasonable. If the proposal is not deemed so, the CO may reject the proposal for additional CBSA(s) in whole or in part, and award none, some, or all proposed additional CBSAs to the contractor. CBSAs are defined in OMB Bulletin No. 13-01, dated February 28, 2013.

### **H.31 Use of Transaction Data**

Contractor(s) must ensure transaction data generated in the performance of the contract will not be used for data mining or analysis except for security without the express written consent of the GSA CO or OCO.

### **H.32 Payments and Incorrectly Invoiced Items**

Notwithstanding the Payment clauses (52.232-1, 52.232-5, 52.232-6, 52.232-7, 52.232-25) , the government reserves the right to either reject the invoice in accordance with those clauses or withhold payment for any individual charge on an invoice that does not match the price on the contract and/or task order.

### **H.33 E-Discovery for Cloud-Based Services**

The contractor shall provide electronically stored information (ESI) requests/searches within in 15 days of a written request by the GSA CO and/or OCO. Upon the written notice, the contractor shall follow the following preservation actions with no additional cost to the government:

#### **Definitions**

Preservation should be interpreted broadly to accomplish the goal of identifying all potentially relevant documents, maintaining the integrity of the documents as they currently exist and ensuring that they are not altered, deleted, destroyed or otherwise modified. If the contractor has any doubt as to whether a document or category of documents is covered by this clause, it should err on the side of preservation. The contractor's obligation to preserve extends to all potentially relevant documents in its possession, custody or control. Examples of documents that are not in the contractor's possession or custody, but remain subject to its control, include documents in the



possession or custody of contractor employees, or documents in the possession or custody of third parties such as subcontractors.

This clause requires only that the contractor preserve potentially relevant documents. The contractor should NOT copy, move, forward or otherwise collect potentially relevant documents unless directed to do so by the GSA CO and/or agency OCOs. This is especially critical for ESI, as there is electronic information (“metadata”) that does not appear on the printed version of an electronic document, but provides critical information about the data and must be preserved, along with any directory and/or folder information about where the data is stored.

### **What to Preserve**

The contractor must not alter, delete, destroy or otherwise modify potentially relevant documents. Please note that the contractor must preserve all non-identical copies of potentially relevant documents, so if one copy contains handwritten notes and the other does not, both should be preserved. Similarly, drafts of potentially relevant documents, to the extent they exist, should be preserved. Unless otherwise stated, the relevant time period begins on the date of contract award, and continues into the future.

Retention period for all preservation of e-Discovery data is consistent with GSAR clause 552.215-70.

## **H.34 Tariff Filing Requirements**

- a) The contractor shall file all domestic and/or non-domestic tariff or any other regulatory filings that are required by law or regulation and that are necessary for contract performance. The contractor shall provide the GSA CO copies of all such filings on the same day they are filed. The contractor shall certify that all terms, conditions, and prices in the filing are as stated in the contract, and that the filing contains nothing inconsistent with the contract. Refer to Section F for deliverable requirements.
- b) The contractor shall file the initial tariff filing(s) required to implement the contract within sixty (60) days after the date of Notice to Proceed. If such filing(s) is not permitted to become effective by a governmental regulatory body or bodies within one-hundred and five (105) days after the date of Notice to Proceed, the government shall have the right, partially or entirely, to terminate the contract without liability.
- c) After contract award, except for the initial filing mentioned in (b) above, the contractor shall provide to the GSA CO advance copies of all revisions to existing tariffs, new tariffs, or other regulatory filings that specifically pertain to the contract or that may materially affect the government’s rights under the contract. These shall be



provided to the CO at least ten (10) days in advance of the intended filing date. The contractor shall make no revisions to its tariffs or other regulatory filings that materially and adversely affect the government's rights under the contract (including the contract as modified), without obtaining the government's prior written consent.

- d) If any ruling, order, or determination of the governmental regulatory body or a court of competent jurisdiction shall materially and adversely affect the contractor's ability to offer services under the terms and conditions of this contract, the contractor shall immediately develop a proposal that provides comparable service to the government at rates equal to or less than those set forth in the contract, and under terms and conditions identical to those set forth in the contract, to the extent permissible under applicable legal and regulatory requirements.

### **H.35 Security Clearance Requirements**

To ensure the capability to respond to Top Secret requirements, the contract includes a DD Form 254 (Contract Security Classification Specification) in Section J.14 A Top Secret Facility Clearance is not required to be eligible for receiving an EIS contract award; however, it may be required to meet agency specific task order requirements. The DD Form 254 will reflect a Top Secret Facility Clearance with no safeguarding, special access or communications security (COMSEC) requirements. The contractor may request this clearance from GSA after issuance of NTP. However, task orders may require and identify safeguarding, special access and security requirements. Additional requirements may also be identified on the agency-specific DD Form 254. When classified work is required on a task order, the DD Form 254 or agency equivalent will be issued by the OCO.

The contractor is responsible for providing personnel with appropriate security clearances to ensure compliance with government security regulations, as specified on task orders. The contractor shall fully cooperate on all security checks and investigations by furnishing requested information to verify the contractor employee's trustworthiness and suitability for the position.

### **H.36 Subcontracting Plan and Additional Monitoring**

a) Definitions. As used in this clause:

1. "Subcontract" means any contract as defined in Subpart 2.1 entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.
2. "Subcontractor" means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.





3. Costs associated with acquiring service(s) from Local Exchange Carriers (LECs) under this contract are excluded from the definition of subcontracting for the purposes of eSRS reporting.
- b) The contractor is required to adhere to the subcontracting plan incorporated into this contract. As such, the contractor shall report subcontract information.
- c) The government intends to monitor the contractor's adherence to the subcontracting plan and continually work to ensure the maximum practicable participation of these business concerns. The contractor's performance will be reported in the Past Performance Information Retrieval System (PPIRS). In addition to the requirement to file Individual Subcontracting Reports (ISR) and Summary Subcontracting Reports (SSR), as required in FAR 52.219-9, and submitted in Electronic Subcontracting Reporting System (eSRS), the contractor shall provide to the GSA CO subcontracting information cited below. In support of the government's monitoring effort, the contractor shall, on a semiannual basis:
  1. Provide a concise written summary of activity in the contractor's subcontracting outreach program (as described in the contractor's subcontracting plan).
  2. Provide subcontracting plan backup data (in MS Excel) consisting of a spreadsheet showing, in chronological order of subcontract award, the dollar-value of each subcontract, type of subcontract and the name and size of the business concern to which the subcontract was awarded.

### **H.37 Supply Chain Risk Management (SCRM)**

- a) Definitions. As used in this clause:

"Information technology" (see 40 U.S.C 11101(6)) means, in lieu of the definition at FAR 2.1, any equipment, or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency.

1. For purposes of this definition, equipment is used by an agency if the equipment is used by the agency directly or is used by a contractor under a contract with the agency that requires:
  - i. Its use; or
  - ii. To a significant extent, its use in the performance of a service or the furnishing of a product.
2. The term "information technology" includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources.



3. The term “information technology” does not include any equipment acquired by a contractor incidental to a contract.

“Supply chain risk,” means the risk that an adversary may sabotage, maliciously introduce unwanted function, or otherwise subvert the design, integrity, manufacturing, production, distribution, installation, operation, or maintenance of a national security system (as that term is defined at 44 U.S.C. 3542(b)) so as to survey, deny, disrupt, or otherwise degrade the function, use, or operation of such system.

- b) The contractor shall maintain controls in the provision of supplies and services to the government to minimize supply chain risk.
- c) In order to manage supply chain risk, the government may use the authorities provided by section 806 of Pub. L. 111-383. In exercising these authorities, the government may consider information, public and non-public, including all-source intelligence, relating to a contractor’s supply chain.
- d) If the government exercises the authority provided in section 806 of Pub. L. 111-383 to limit disclosure of information, no action undertaken by the government under such authority shall be subject to review in a bid protest before the Government Accountability Office or in any Federal court.
- e) The contractor shall include the substance of this clause, including this paragraph e), in all subcontracts involving the development or delivery of any information technology, whether acquired as a service or as a supply.

### **H.38 Force Majeure Notification**

- a) The contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the contractor. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) freight embargoes, and (8) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the contractor.
- b) If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the contractor and subcontractor, and without the fault or negligence of either, the contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the contractor to meet the required delivery schedule.



- c) The contractor shall provide written notification to the OCO if the contractor is citing one of the causes in paragraph a) above as its reason for failure to perform. The notification must be submitted within 10 days of the cause the contractor is citing as the reason for non-performance. The OCO shall ascertain the facts and extent of the failure. If the OCO determines that any failure to perform results from one or more of the causes above, the delivery schedule shall be revised, subject to the rights of the government under the termination clause of this contract.