## AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

| 1. CONTRACT ID CODE | 2. AMENDMENT/MODIFICATION NO. | 3. EFFECTIVE DATE | 4. REQUISITION/PURCHASE REQ. NO. | 5. PROJECT NO. (If applicable) | 6. ISSUED BY CODE | 7. ADMINISTERED BY (If other than item 6) | 8. NAME AND ADDRESS OF CONTRACTOR (No., street, country, State, and ZIP Code) | 9. AMENDMENT OF SOLICITATION NO. | 10. MODIFICATION OF CONTRACT/ORDER NO. | 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS | 12. ACCOUNTING AND APPROPRIATION DATA (If required) | 13. THIS ITEM APPLYS ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14. | 14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) | 15A. NAME AND TITLE OF SIGNER (Type or print) | 15B. CONTRACTOR/OFFEROR | 15C. DATE SIGNED | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) | 16B. UNITED STATES OF AMERICA | 16C. DATE SIGNED |
|---------------------|-----------------------------|------------------|---------------------------------|---------------------------------|-------------------|----------------------------------------|----------------------------------------|-----------------------------------|-------------------------------|---------------------------------------------|----------------------------------|-----------------------------------------------|--------------------------------------------------------------------------------|--------------------------------|----------------|----------------|-----------------------------------|-----------------|---------------------|------------------|
|                    | M030                        | See Block 16c    |                                 |                                 |                   | U.S. Department of Energy               | Berkeley Site Office                        | (X)                               | DE-AC02-05CH11231/A000             |                               |                             | April 19, 2005                                   |                         |                              |                                      |
| The Regents of the University of California |                                |                  |                                 |                                 |                   | U.S. Department of Energy               | Berkeley Site Office                        | (X)                               | DE-AC02-05CH11231/A000             |                               |                             | April 19, 2005                                   |                         |                              |                                      |
|                       |                             |                  |                                 |                                 |                   |                               |                                      |                                   |                                |                               |                             |                              |                                      |                         |                              |                                      |
| 9B. DATED (SEE ITEM 11) |                             |                  |                                 |                                 |                   |                               |                                      |                                   |                                |                               |                             |                              |                                      |                         |                              |                                      |
| 10A. MODIFICATION OF CONTRACT/ORDER NO. |                             |                  |                                 |                                 |                   |                               |                                      |                                   |                                |                               |                             |                              |                                      |                         |                              |                                      |
| (X)                  |                             |                  |                                 |                                 |                   |                               |                                      |                                   |                                |                               |                             |                              |                                      |                         |                              |                                      |
| 10B. DATED (SEE ITEM 13) |                             |                  |                                 |                                 |                   |                               |                                      |                                   |                                |                               |                             |                              |                                      |                         |                              |                                      |
| CODE                  | FACILITY CODE               |                  |                                 |                                 |                   |                               |                                      |                                   |                                |                               |                             |                              |                                      |                         |                              |                                      |

### 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offers is extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 25, and returning copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

### 12. ACCOUNTING AND APPROPRIATION DATA (If required)

See Page 2

### 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

- **A.** This change order is issued pursuant to: (Specify authority) The changes set forth in Item 14 are made in Contract/Order No. in Item 15A.
- **B.** The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation data, etc.) set forth in Item 14, pursuant to the authority of FAR 43.103 (b).
- **C.** This supplemental agreement is entered into pursuant to authority of: 48 CFR 43.102 and contract clause G-1. DOE Contracting Officer
- **D.** Other (Specify type of modification and authority)

### 14. DESCRIPTION OF AMENDMENT/MODIFICATION

Add clause H.45 SPECIAL AGREEMENT ON FEE FROM JUNE 1, 2005 TO SEPTEMBER 30, 2006 to read as follows:

Notwithstanding the provisions of Clause B-3 (b), the maximum fee payable to the Contract for the period June 1, 2005 to September 30, 2006 will be $4,000,000 and the government releases its contingent interest in $2,053,455.50 in Contractor reserves created from fees earned under Contract DE-AC03-76SF00098.

**Continued on Page 2**

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

### 15A. NAME AND TITLE OF SIGNER (Type or print)

Sandra M. Vinson, Associate Director
Contracts & Administration, Laboratory Management
University of California

### 15B. CONTRACTOR/OFFEROR

(Signature of person authorized to sign)

### 15C. DATE SIGNED

8/7/2006

### 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)

Charles W. Marshall, Contracting Officer
U.S. Department of Energy

### 16B. UNITED STATES OF AMERICA

By (Signature of Contracting Officer)

### 16C. DATE SIGNED

8/10/2006

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Approved as to legal form: William A. Eklund, Aug 7, 2006

University Counsel
Office of General Counsel

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**STANDARD FORM 30**
b. Clause I.8 FAR 52.203-12 *Limitations On Payments To Influence Certain Federal Transactions* is amended as follows:

1. **Date:** As reads: (JUN 2003); is amended to read: (SEP 2005).

2. **Paragraph (b)(3)(i)(E)**

   **As reads:** Only those services expressly authorized by subdivision (b)(3)(i)(A) of this clause are permitted under this clause.

   **Is amended to read:** Only those agency and legislative liaison activities expressly authorized by subdivision (b)(3)(i) of this clause are permitted under this clause.

3. **Paragraph (b)(3)(ii)(D)**

   **As reads:** Only those services expressly authorized by subdivisions (b)(3)(ii)(A)(1) and (2) of this clause are permitted under this clause.

   **Is amended to read:** Only those professional and technical services expressly authorized by paragraph (b)(3)(ii) of this clause are permitted under this clause.

c. Clause I.35 – FAR 52.225-13 *Restrictions On Certain Foreign Purchases* is amended as follows:

1. **Date:** As reads: (JAN 2004); is amended to read: (FEB 2006).

2. **Paragraph (b), beginning with the first sentence:** Delete ‘Libya’.

3. **Paragraph (b) at the second sentence:**

   **As reads:** Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at http://www.treas.gov/offices/enforcement/ofac/sdn. More information about these restrictions, as well as updates, is available in the OFAC’s regulations at 31 CFR chapter V and/or on OFAC’s website at http://www.treas.gov/ofac.

   **Is amended to read:** Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at http://www.treas.gov/offices/enforcement/ofac/sdn. More information about these restrictions, as well as updates, is available in the OFAC’s regulations at 31 CFR chapter V and/or on OFAC’s website at http://www.treas.gov/offices/enforcement/ofac.

d. Clause I.39 - FAR 52.230-6 *Administration Of Cost Accounting Standards* is amended as follows:

1. **Date:** As reads: (NOV 1999); is amended to read: (APR 2005)

2. **Add the following administrative note before the text of the clause:** “Administrative Note: The Cognizant Federal agency official is the BSO Contracting Officer.”

3. **Introductory paragraph**

   **As reads:** For the purpose of administering the Cost Accounting Standards (CAS) requirements under this contract, the Contractor shall take the steps outlined in paragraphs (a) through (g) of this clause:

   **Is amended to read:** For the purpose of administering the Cost Accounting Standards (CAS) requirements under this contract, the Contractor shall take the steps outlined in paragraphs (b) through (i) and (k) through (n) of this clause:

4. **Delete paragraphs (a) through (f) of the existing clause, renumber paragraph (g) as paragraph (n) and insert paragraphs (a) through (m) as below:**

   (a) **Definitions.** As used in this clause—
“Affected CAS-covered contract or subcontract” means a contract or subcontract subject to CAS rules and regulations for which a Contractor or subcontractor—

1. Used one cost accounting practice to estimate costs and a changed cost accounting practice to accumulate and report costs under the contract or subcontract; or

2. Used a noncompliant practice for purposes of estimating or accumulating and reporting costs under the contract or subcontract.

“Cognizant Federal agency official (CFAO)” means the Contracting Officer assigned by the cognizant Federal agency to administer the CAS.

“Desirable change” means a compliant change to a Contractor's established or disclosed cost accounting practices that the CFAO finds is desirable and not detrimental to the Government and is, therefore, not subject to the no increased cost prohibition provisions of CAS-covered contracts and subcontracts affected by the change.

“Fixed-price contracts and subcontracts” means—

1. Fixed-price contracts and subcontracts described at FAR 16.202, 16.203, (except when price adjustments are based on actual costs of labor or material, described at 16.203-1(a)(2)), and 16.207;

2. Fixed-price incentive contracts and subcontracts where the price is not adjusted based on actual costs incurred (FAR Subpart 16.4);

3. Orders issued under indefinite-delivery contracts and subcontracts where final payment is not based on actual costs incurred (FAR Subpart 16.5); and

4. The fixed-hourly rate portion of time-and-materials and labor-hours contracts and subcontracts (FAR Subpart 16.6).

“Flexibly-priced contracts and subcontracts means”—

1. Fixed-price contracts and subcontracts described 16.203-1(a)(2) at FAR 16.204, 16.205, and 16.206;

2. Cost-reimbursement contracts and subcontracts (FAR Subpart 16.3);

3. Incentive contracts and subcontracts where the price may be adjusted based on actual costs incurred (FAR Subpart 16.4);

4. Orders issued under indefinite-delivery contracts and subcontracts where final payment is based on actual costs incurred (FAR Subpart 16.5); and

5. The materials portion of time-and-materials contracts and subcontracts (FAR Subpart 16.6).

“Noncompliance” means a failure in estimating, accumulating, or reporting costs to—

1. Comply with applicable CAS; or

2. Consistently follow disclosed or established cost accounting practices.

“Required change” means—

1. A change in cost accounting practice that a Contractor is required to make in order to comply with a CAS, or a modification or interpretation thereof, that subsequently becomes applicable to existing CAS-covered contracts or subcontracts due to the receipt of another CAS-covered contract or subcontract; or
(2) A prospective change to a disclosed or established cost accounting practice when the CFAO determines that the former practice was in compliance with applicable CAS and the change is necessary for the Contractor to remain in compliance.

“Unilateral change” means a change in cost accounting practice from one compliant practice to another compliant practice that a Contractor with a CAS-covered contract(s) or subcontract(s) elects to make that has not been deemed a desirable change by the CFAO and for which the Government will pay no aggregate increased costs.

(b) Submit to the CFAO a description of any cost accounting practice change as outlined in paragraphs (b)(1) through (3) of this clause (including revisions to the Disclosure Statement, if applicable), and any written statement that the cost impact of the change is immaterial. If a change in cost accounting practice is implemented without submitting the notice required by this paragraph, the CFAO may determine the change to be a failure to follow paragraph (a)(2) of the clause at FAR 52.230-2, Cost Accounting Standards; paragraph (a)(4) of the clause at FAR 52.230-3, Disclosure and Consistency of Cost Accounting Practices; or paragraph (a)(2) of the clause at FAR 52.230-5, Cost Accounting Standards—Educational Institution.

(1) When a description has been submitted for a change in cost accounting practice that is dependent on a contract award and that contract is subsequently awarded, notify the CFAO within 15 days after such award.

(2) For any change in cost accounting practice not covered by (b)(1) of this clause that is required in accordance with paragraphs (a)(3) and (a)(4)(i) of the clause at FAR 52.230-2; or paragraphs (a)(3), (a)(4)(i), or (a)(4)(iv) of the clause at FAR 52.230-5; submit a description of the change to the CFAO not less than 60 days (or such other date as may be mutually agreed to by the CFAO and the Contractor) before implementation of the change.

(3) For any change in cost accounting practices proposed in accordance with paragraph (a)(4)(ii) or (iii) of the clauses at FAR 52.230-2 and FAR 52.230-5; or with paragraph (a)(3) of the clause at FAR 52.230-3, submit a description of the change not less than 60 days (or such other date as may be mutually agreed to by the CFAO and the Contractor) before implementation of the change. If the change includes a proposed retroactive date submit supporting rationale.

(4) Submit a description of the change necessary to correct a failure to comply with an applicable CAS or to follow a disclosed practice (as contemplated by paragraph (a)(5) of the clause at FAR 52.230-2 and FAR 52.230-5; or by paragraph (a)(4) of the clause at FAR 52.230-3)—

(i) Within 60 days (or such other date as may be mutually agreed to by the CFAO and the Contractor) after the date of agreement with the CFAO that there is a noncompliance; or

(ii) In the event of Contractor disagreement, within 60 days after the CFAO notifies the Contractor of the determination of noncompliance.

(c) When requested by the CFAO, submit on or before a date specified by the CFAO—

(1) A general dollar magnitude (GDM) proposal in accordance with paragraph (d) or (g) of this clause. The Contractor may submit a detailed cost-impact (DCI) proposal in lieu of the requested GDM proposal provided the DCI proposal is in accordance with paragraph (e) or (h) of this clause;

(2) A detailed cost-impact (DCI) proposal in accordance with paragraph (e) or (h) of this clause;

(3) For any request for a desirable change that is based on the criteria in FAR 30.603-2(b)(3)(ii), the data necessary to demonstrate the required cost savings; and
(4) For any request for a desirable change that is based on criteria other than that in FAR 30.603-2(b)(3)(ii), a GDM proposal and any other data necessary for the CFAO to determine if the change is a desirable change.

(d) For any change in cost accounting practice subject to paragraph (b)(1), (b)(2), or (b)(3) of this clause, the GDM proposal shall—

1. Calculate the cost impact in accordance with paragraph (f) of this clause;

2. Use one or more of the following methods to determine the increase or decrease in cost accumulations:
   (i) A representative sample of affected CAS-covered contracts and subcontracts.
   (ii) The change in indirect rates multiplied by the total estimated base computed for each of the following groups:
       (A) Fixed-price contracts and subcontracts.
       (B) Flexibly-priced contracts and subcontracts.
   (iii) Any other method that provides a reasonable approximation of the total increase or decrease in cost accumulations for all affected fixed-price and flexibly-priced contracts and subcontracts;

3. Use a format acceptable to the CFAO but, as a minimum, include the following data:
   (i) The estimated increase or decrease in cost accumulations by Executive agency, including any impact the change may have on contract and subcontract incentives, fees, and profits, for each of the following groups:
       (A) Fixed-price contracts and subcontracts.
       (B) Flexibly-priced contracts and subcontracts.
   (ii) For unilateral changes, the increased or decreased costs to the Government for each of the following groups:
       (A) Fixed-price contracts and subcontracts.
       (B) Flexibly-priced contracts and subcontracts; and

4. When requested by the CFAO, identify all affected CAS-covered contracts and subcontracts.

(e) For any change in cost accounting practice subject to paragraph (b)(1), (b)(2), or (b)(3) of this clause, the DCI proposal shall—

1. Show the calculation of the cost impact in accordance with paragraph (f) of this clause;

2. Show the estimated increase or decrease in cost accumulations for each affected CAS-covered contract and subcontract unless the CFAO and Contractor agree to include—
   (i) Only those affected CAS-covered contracts and subcontracts having an estimate to complete exceeding a specified amount; and
   (ii) An estimate of the total increase or decrease in cost accumulations for all affected CAS-covered contracts and subcontracts, using the results in paragraph (e)(2)(i) of this clause;

3. Use a format acceptable to the CFAO but, as a minimum, include the information in paragraph (d)(3) of this clause; and

4. When requested by the CFAO, identify all affected CAS-covered contracts and subcontracts.
(f) For GDM and DCI proposals that are subject to the requirements of paragraph (d) or (e) of this clause, calculate the cost impact as follows:

1. The cost impact calculation shall include all affected CAS-covered contracts and subcontracts regardless of their status (i.e., open or closed) or the fiscal year in which the costs were incurred (i.e., whether or not the final indirect rates have been established).

2. For unilateral changes—
   
   (i) Determine the increased or decreased cost to the Government for flexibly-priced contracts and subcontracts as follows:
   
   (A) When the estimated cost to complete using the changed practice exceeds the estimated cost to complete using the current practice, the difference is increased cost to the Government.
   
   (B) When the estimated cost to complete using the changed practice is less than the estimated cost to complete using the current practice, the difference is decreased cost to the Government;

   (ii) Determine the increased or decreased cost to the Government for fixed-priced contracts and subcontracts as follows:
   
   (A) When the estimated cost to complete using the changed practice is less than the estimated cost to complete using the current practice, the difference is increased cost to the Government.
   
   (B) When the estimated cost to complete using the changed practice exceeds the estimated cost to complete using the current practice, the difference is decreased cost to the Government;

   (iii) Calculate the total increase or decrease in contract and subcontract incentives, fees, and profits associated with the increased or decreased costs to the Government in accordance with 48 CFR 9903.306(c). The associated increase or decrease is based on the difference between the negotiated incentives, fees, and profits and the amounts that would have been negotiated had the cost impact been known at the time the contracts and subcontracts were negotiated; and

   (iv) Calculate the increased cost to the Government in the aggregate.

3. For equitable adjustments for required or desirable changes—

   (i) Estimated increased cost accumulations are the basis for increasing contract prices, target prices and cost ceilings; and

   (ii) Estimated decreased cost accumulations are the basis for decreasing contract prices, target prices and cost ceilings.

(g) For any noncompliant cost accounting practice subject to paragraph (b)(4) of this clause, prepare the GDM proposal as follows:

1. Calculate the cost impact in accordance with paragraph (i) of this clause.

2. Use one or more of the following methods to determine the increase or decrease in contract and subcontract prices or cost accumulations, as applicable:

   (i) A representative sample of affected CAS-covered contracts and subcontracts.

   (ii) When the noncompliance involves cost accumulation the change in indirect rates multiplied by the applicable base for only flexibly-priced contracts and subcontracts.

   (iii) Any other method that provides a reasonable approximation of the total increase or decrease.

3. Use a format acceptable to the CFAO but, as a minimum, include the following data:
(i) The total increase or decrease in contract and subcontract price and cost accumulations, as applicable, by Executive agency, including any impact the noncompliance may have on contract and subcontract incentives, fees, and profits, for each of the following groups:
  (A) Fixed-price contracts and subcontracts.
  (B) Flexibly-priced contracts and subcontracts.

(ii) The increased or decreased cost to the Government for each of the following groups:
  (A) Fixed-price contracts and subcontracts.
  (B) Flexibly-priced contracts and subcontracts.

(iii) The total overpayments and underpayments made by the Government during the period of noncompliance.

(4) When requested by the CFAO, identify all CAS-covered contracts and subcontracts.

(h) For any noncompliant practice subject to paragraph (b)(4) of this clause, prepare the DCI proposal as follows:

  (1) Calculate the cost impact in accordance with paragraph (i) of this clause.

  (2) Show the increase or decrease in price and cost accumulations for each affected CAS-covered contract and subcontract unless the CFAO and Contractor agree to—
    (i) Include only those affected CAS-covered contracts and subcontracts having—
      (A) Contract and subcontract values exceeding a specified amount when the noncompliance involves estimating costs; and
      (B) Incurred costs exceeding a specified amount when the noncompliance involves accumulating costs; and
    (ii) Estimate the total increase or decrease in price and cost accumulations for all affected CAS-covered contracts and subcontracts using the results in paragraph (h)(2)(i) of this clause.

  (3) Use a format acceptable to the CFAO that, as a minimum, include the information in paragraph (g)(3) of this clause.

  (4) When requested by the CFAO, identify all CAS-covered contracts and subcontracts.

(i) For GDM and DCI proposals that are subject to the requirements of paragraph (g) or (h) of this clause, calculate the cost impact as follows:

  (1) The cost impact calculation shall include all affected CAS-covered contracts and subcontracts regardless of their status (i.e., open or closed) or the fiscal year in which the costs are incurred (i.e., whether or not the final indirect rates have been established).

  (2) For noncompliances that involve estimating costs, determine the increased or decreased cost to the Government for fixed-price contracts and subcontracts as follows:
    (i) When the negotiated contract or subcontract price exceeds what the negotiated price would have been had the Contractor used a compliant practice, the difference is increased cost to the Government.
    (ii) When the negotiated contract or subcontract price is less than what the negotiated price would have been had the Contractor used a compliant practice, the difference is decreased cost to the Government.

  (3) For noncompliances that involve accumulating costs, determine the increased or decreased cost to the Government for flexibly-priced contracts and subcontracts as follows:
(i) When the costs that were accumulated under the noncompliant practice exceed the costs that would have been accumulated using a compliant practice (from the time the noncompliant practice was first implemented until the date the noncompliant practice was replaced with a compliant practice), the difference is increased cost to the Government.

(ii) When the costs that were accumulated under the noncompliant practice are less than the costs that would have been accumulated using a compliant practice (from the time the noncompliant practice was first implemented until the date the noncompliant practice was replaced with a compliant practice), the difference is decreased cost to the Government.

(4) Calculate the total increase or decrease in contract and subcontracts incentives, fees, and profits associated with the increased or decreased cost to the Government in accordance with 48 CFR 9903.306(c). The associated increase or decrease is based on the difference between the negotiated incentives, fees, and profits and the amounts that would have been negotiated had the Contractor used a compliant practice.

(5) Calculate the increased cost to the Government in the aggregate.

(j) If the Contractor does not submit the information required by paragraph (b) or (c) of this clause within the specified time, or any extension granted by the CFAO, the CFAO may take one or both of the following actions:

(1) Withhold an amount not to exceed 10 percent of each subsequent amount payment to the Contractor’s affected CAS-covered contracts, (up to the estimated general dollar magnitude of the cost impact), until such time as the Contractor provides the required information to the CFAO.

(2) Issue a final decision in accordance with FAR 33.211 and unilaterally adjust the contract(s) by the estimated amount of the cost impact.

(k) Agree to—

(1) Contract modifications to reflect adjustments required in accordance with paragraph (a)(4)(ii) or (a)(5) of the clauses at FAR 52.230-2 and 52.230-5; or with paragraph (a)(3)(i) or (a)(4) of the clause at FAR 52.230-3; and

(2) Repay the Government for any aggregate increased cost paid to the Contractor.

(l) For all subcontracts subject to the clauses at FAR 52.230-2, 52.230-3, or 52.230-5—

(1) So state in the body of the subcontract, in the letter of award, or in both (do not use self-deleting clauses);

(2) Include the substance of this clause in all negotiated subcontracts; and

(3) Within 30 days after award of the subcontract, submit the following information to the Contractor’s CFAO:

   (i) Subcontractor’s name and subcontract number.

   (ii) Dollar amount and date of award.

   (iii) Name of Contractor making the award.

(m) Notify the CFAO in writing of any adjustments required to subcontracts under this contract and agree to an adjustment to this contract price or estimated cost and fee. The Contractor shall—
(1) Provide this notice within 30 days after the Contractor receives the proposed subcontract adjustments; and

(2) Include a proposal for adjusting the higher-tier subcontract or the contract appropriately.

e. Clause I.50 - FAR 52.244-6 Subcontracts For Commercial Items is amended as follows:

   (1) Date: **As reads:** (DEC 2004); **is amended to read:** (FEB 2006)

   (2) Paragraph (c)(1)(vi)

      **As reads:** 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (APR 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631) (flowdown required in accordance with paragraph (d) of FAR clause 52.247-64).

      **Is amended to read:** 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. App. 1241 and 10 U.S.C. 2631) (flowdown required in accordance with paragraph (d) of FAR clause 52.247-64).

f. Clause I.51 – FAR 52.247-1 Commercial Bill of Lading Notations is amended as follows:

   (1) Date: **As reads:** (APR 1984); **is amended to read:** (FEB 2006)

   (2) First word of body: **As reads:** “If”; **is amended to read:** “When”

g. Clause I.53 – FAR 52.247-64 Preference For Privately Owned U.S. Flag Commercial Vessels is amended as follows:

   (1) Date: **As reads:** (APR 2003); **is amended to read:** (FEB 2006)

   (2) Paragraph (e) (1)

      **As reads:** Cargoes carried in vessels of the Panama Canal Commission or as required or authorized by law or treaty;

      **Is amended to read:** Cargoes carried in vessels as required or authorized by law or treaty;

h. Clause I.54 - FAR 52.247-67 Submission Of Commercial Transportation Bills To The General Services Administration For Audit is amended as follows:

   (1) Clause title and date.

      **As reads:** SUBMISSION OF COMMERCIAL TRANSPORTATION BILLS TO THE GENERAL SERVICES ADMINISTRATION FOR AUDIT (JUN 1997)

      **Is amended to read:** SUBMISSION OF TRANSPORTATION BILLS FOR AUDIT (FEB 2006)

   (2) Paragraphs (a) to (d) of existing clause are deleted and replaced by paragraphs (a) to (c) below:

      (a) The Contractor shall submit to the address identified below, for prepayment audit, transportation documents on which the United States will assume freight charges that were paid --

         (1) By the Contractor under a cost-reimbursement contract; and

         (2) By a first-tier subcontractor under a cost-reimbursement subcontract thereunder.

      (b) Cost-reimbursement Contractors shall only submit for audit those bills of lading with freight shipment charges exceeding $100.00. Bills under $100.00 shall be retained on-site by the Contractor and made available for on-site audits. This exception only applies to freight shipment bills and is not intended to apply to bills and invoices for any other transportation services.

      (c) Contractors shall submit the above referenced transportation documents to --
i. Attached to this modification is a conformed copy of Sections H and I implementing the above changes.

j. All other terms and conditions remain unchanged.